RED HERRING PROSPECTUS
Dated June 30, 2021
Please read Section 32 of the Companies Act, 2013
Book Built Issue

CLEAN SCIENCE AND TECHNOLOGY LIMITED

Our Company was incorporated as 'Sri Distikemi Private Limited' on November 7, 2003 in Pune, Maharashtra as a private limited company under the Companies Act, 1956, as amended. Thereafter, the name of our Company was changed to 'Clean Science and Technology Private Limited' pursuant to a resolution passed by our shareholders in an extraordinary general meeting held on July 31, 2006, and a fresh certificate of incorporation, dated August 25, 2006 was issued by the Registrar of Companies, Pune ("**RoC**"). 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 February 25, 2021 and a fresh certificate of incorporation dated March 4, 2021 was issued by the RoC consequent upon conversion, recording the change in the name of our Company to Clean Science and Technology Limited. For details of change in the name and registered office of our Company, see "*History and Certain Corporate Matters*" beginning on page 141.

Registered and Corporate Office: Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411 013 Maharashtra, India
Contact Person: Mahesh Arvind Kulkarni, Company Secretary and Compliance Officer; **Tel**: +91 20 26899953; **Fax**: +91 20 26898894
E-mail: compliance@cleanscience.co.in; **Website**: www.cleanscience.co.in
Corporate Identity Number: U24114PN2003PLC018532

OUR PROMOTERS: ASHOK RAMNARAYAN BOOB, KRISHNAKUMAR RAMNARAYAN BOOB, SIDDHARTHA ASHOK SIKCHI AND PARTH ASHOK MAHESHWARI

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹1 EACH ("EQUITY SHARES") OF CLEAN SCIENCE AND TECHNOLOGY LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE THROUGH AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES ("OFFER FOR SALE" OR "OFFER") AGGREGATING UP TO ₹15,466.22 MILLION, CONSISTING OF UP TO [●] EQUITY SHARES BY ASHOK RAMNARAYAN BOOB AGGREGATING UP TO ₹2,440.16 MILLION, UP TO [●] EQUITY SHARES BY KRISHNAKUMAR RAMNARAYAN BOOB* AGGREGATING UP TO ₹1,930.59 MILLION, UP TO [●] EQUITY SHARES BY SIDDHARTHA ASHOK SIKCHI AGGREGATING UP TO ₹405.05 MILLION, UP TO [●] EQUITY SHARES BY PARTH ASHOK MAHESHWARI AGGREGATING UP TO ₹759.83 MILLION (COLLECTIVELY, THE "PROMOTER SELLING SHAREHOLDERS"), UP TO [●] EQUITY SHARES BY ASHA ASHOK BOOB AGGREGATING UP TO ₹2,440.16 MILLION, UP TO [●] EQUITY SHARES BY ASHOKKUMAR RAMKISHAN SIKCHI HUF AGGREGATING UP TO ₹1,360.51 MILLION, UP TO [●] EQUITY SHARES BY KRISHNAKUMAR RAMNARAYAN BOOB HUF AGGREGATING UP TO ₹415.51 MILLION, UP TO [●] EQUITY SHARES BY ASHOK RAMNARAYAN BOOB HUF AGGREGATING UP TO ₹752.60 MILLION, UP TO [●] EQUITY SHARES BY NIDHI MOHUNTA* AGGREGATING UP TO ₹759.83 MILLION, UP TO [●] EQUITY SHARES BY NILIMA KRISHNAKUMAR BOOB* AGGREGATING UP TO ₹840.77 MILLION, UP TO [●] EQUITY SHARES BY SHRADHA KRISHNAKUMAR BOOB* AGGREGATING UP TO ₹440.28 MILLION, UP TO [●] EQUITY SHARES BY PRASAD KRISHNAKUMAR BOOB* AGGREGATING UP TO ₹440.28 MILLION, UP TO [●] EQUITY SHARES BY POOJA VIVEK NAVANDAR* AGGREGATING UP TO ₹440.28 MILLION, UP TO [●] EQUITY SHARES BY ASHA ASHOK SIKCHI AGGREGATING UP TO ₹1,141.38 MILLION, UP TO [●] EQUITY SHARES BY KUNAL ASHOK SIKCHI AGGREGATING UP TO ₹310.54 MILLION, UP TO [●] EQUITY SHARES BY ASHOK SIKCHI AGGREGATING UP TO ₹282.43 MILLION, UP TO [●] EQUITY SHARES BY NANDITA SIKCHI AGGREGATING UP TO ₹273.60 MILLION AND UP TO [●] EQUITY SHARES BY GANAPATI DADASAHEB YADAV AGGREGATING UP TO ₹32.42 MILLION (COLLECTIVELY, THE "OTHER SELLING SHAREHOLDERS", TOGETHER WITH PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS").

*** FIRST HOLDERS OF EQUITY SHARES. FOR DETAILS OF JOINT SHAREHOLDING, SEE "CAPITAL STRUCTURE" BEGINNING ON PAGE 69.**

THE FACE VALUE OF EQUITY SHARES IS ₹1 EACH. THE PRICE BAND AND THE MINIMUM BID LOT SHALL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS, AN ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF JANSATTA, A HINDI NATIONAL DAILY NEWSPAPER AND REGIONAL EDITION OF LOKSATTA, A MARATHI NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED 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 THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH 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 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, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Managers 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 ("**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", the "**QIB Portion**"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), 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, 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 on a proportionate basis to Non-Institutional Bidders and 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 at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" beginning on page 303.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹1. The Floor Price, Cap Price and Offer Price 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 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 Issue. 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 Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 20.

OUR COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 or inclusion of which makes this 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, each Selling Shareholder severally and not jointly accepts responsibility for and confirms only statements made or undertaken expressly by such Selling Shareholder in this Red Herring Prospectus solely in relation to itself and the respective portion of the Offered Shares offered by such Selling Shareholder and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, assumes no responsibility for any other statements, made by or relating to our Company or its business in this Red Herring Prospectus

LISTING

The Equity Shares offered through this 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 letters dated April 22, 2021 and April 29, 2021, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A copy of this Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Section 26(4) and 32 of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" beginning on page 325.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE ISSUE
Axis Capital Limited 1st floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India Tel: +91 22 4325 2183 E-mail: cleanscience.ipo@axiscap.in Website: www.axiscapital.co.in Investor Grievance ID: complaints@axiscap.in Contact Person: Sagar Jatakiya SEBI Registration Number: INM000012029	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India Tel: +91 22 6630 3030 E-mail: cleanscience.ipo@jmfl.com Website: www.jmfl.com Investor Grievance ID: grievance.ibd@jmfl.com Contact Person: Prachee Dhuri SEBI Registration Number: INM000010361	**Kotak Mahindra Capital Company Limited** 1st Floor, 27 BKC Plot No. 27, 'G' Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Maharashtra, India Tel: +91 22 4336 0000 E-mail: cleanscience.ipo@kotak.com Website: www.investmentbank.kotak.com Investor Grievance ID: kmccredressal@kotak.com Contact Person: Ganesh Rane SEBI Registration Number: INM000008704	**Link Intime India Private Limited** C 101, 247 Park L.B.S. Marg Vikhroli (West) Mumbai 400 083 Tel: +91 22 49186200 E-mail: cleanscience.ipo@linkintime.co.in Website: www.linkintime.co.in Investor Grievance ID: cleanscience.ipo@linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration Number.: INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENS ON*	Wednesday, July 7, 2021
BID/OFFER CLOSES ON	Friday, July 9, 2021

** Our Company in consultation with the Book Running Lead Managers shall consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, 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 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 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 Special Tax Benefits", "Financial Information", "Basis for Offer Price", "Outstanding Litigation and Material Developments" and "Description of Equity Shares and Terms of Articles of Association" beginning on pages 94, 135, 90, 172, 87, 278 and 318, respectively, shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
"our Company" and "the Company"	Clean Science and Technology Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411 013, Maharashtra, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries

Company Related Terms

Term	Description
"Articles of Association" or "AoA"	Articles of association of our Company, as amended
Audit Committee	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 "*Our Management*" beginning on page 146
"Auditors" or "Statutory Auditors"	Statutory auditor of our Company, namely, B S R & Co. LLP, Chartered Accountants
"Board" or "Board of Directors"	Board of directors of our Company, as described in "*Our Management*" beginning on page 146
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, Mahesh Arvind Kulkarni. For details, see "*Our Management*" beginning on page 146
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 "*Our Management*" beginning on page 146
Director(s)	Directors on our Board as described in "*Our Management*" beginning on page 146
Equity Shares	Equity shares of face value of ₹1 each of our Company
ESOS 2021	Clean Science and Technology Limited Employee Stock Option Scheme, 2021
Facility I	The manufacturing facility of our Company located at Plot No. D-28, Kurkumbh Industrial Area, Kurkumbh, Daund, Pune, Maharashtra, India
Facility II	The manufacturing facility of our Company located at Plot No. D-26/3, Kurkumbh Industrial Area, Kurkumbh, Pune, Maharashtra, India
Facility III	The manufacturing facility of our Company located at Plot No. D-25/1/1, Kurkumbh Industrial Area, Kurkumbh, Pune, Maharashtra, India
Group Companies	Our group companies identified in accordance with the SEBI ICDR Regulations, namely Anantroop Financial Advisory Services Private Limited, Matrix Fine Sciences Private Limited and CSTPL Foundation
Independent Directors	Independent directors on our Board, as described in "*Our Management*" beginning on page 146
IPO Committee	IPO committee of our Board, as described in "*Our Management*" beginning on page 146
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company identified in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations as described in "*Our Management – Key Managerial Personnel*" on page 159
Managing Director	Managing director of our Company, Ashok Ramnarayan Boob. For details, see "*Our Management*" beginning on page 146
"Memorandum of Association" or "MoA"	Memorandum of association of our Company, as amended
MIDC	Maharashtra Industrial Development Corporation
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 "*Our Management*" beginning on page 146
Non-Executive Directors	Non-executive directors on our Board, as described in "*Our Management*" beginning on page 146
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of

Term	Description
	the SEBI ICDR Regulations, as disclosed in "*Our Promoters and Promoter Group*" beginning on page 162
Promoters	The promoters of our Company, namely Ashok Ramnarayan Boob, Krishnakumar Ramnarayan Boob, Siddhartha Ashok Sikchi and Parth Ashok Maheshwari. For details, see "*Our Promoters and Promoter Group*" beginning on page 162
Registered and Corporate Office	Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411 013, Maharashtra, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Pune
Restated Financial Statements	Restated consolidated financial statements of our Company as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, comprising (i) the restated consolidated balance sheet as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, (ii) the restated summary statements of profit and loss and the restated summary statement of cash flows for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, and (iii) notes thereto prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time
Shareholders	Holders of equity shares 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 "*Our Management*" beginning on page 146
Subsidiaries	The subsidiaries of our Company, namely Clean Aromatics Private Limited, Clean Science Private Limited and Clean Organics Private Limited
Wholetime Director	Wholetime director on our Board as described in "*Our Management*" beginning on page 146

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, the transfer of the Offered Shares to the successful Bidder pursuant to the Offer
Allotment Advice	A note or advice or intimation of Allotment, sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved 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 this 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 the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be a price 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 in consultation with the Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by RIBs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
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 an RIB which is blocked upon acceptance of a UPI Mandate Request made by the RIBs using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA 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

Term	Description
	considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Bankers to the Offer	Collectively, Escrow Collection Bank, Public Offer Bank, Sponsor Bank and Refund Bank, as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Procedure*" beginning on page 303
"Bid" or "Bidding"	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 Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to 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 this Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of Bids indicated in the Bid cum Application Form 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 Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	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 all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and regional edition of Loksatta, a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located, each with wide circulation. In case of any revision, the extended Bid/Offer Closing Date shall also be notified on the websites of the Book Running Lead Managers 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, which shall be published in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and regional edition of Loksatta, a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located, each with wide circulation
Bid/ Offer Period	Except in relation to 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
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries shall accept the Bid cum Application 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
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, namely, Axis Capital Limited, JM Financial Limited and Kotak Mahindra Capital Company Limited
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker provided that Retail Individual Bidders may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. 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)
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow and Sponsor Bank Agreement	Agreement dated June 30, 2021 entered amongst our Company, the Selling Shareholders, the Book Running Lead Managers, Syndicate Members, the Bankers to the Offer and Registrar to the Offer, *inter alia*, for the appointment of the Sponsor Bank in accordance with the UPI Circulars, for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, remitting refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	The Offer Price, finalised by our Company in consultation with the Book Running Lead Managers, which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price

Term	Description
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank transfers funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIBs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account, as the case may be, in terms of this Red Herring Prospectus following which Equity Shares will be Allotted in the Offer after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and non-institutional Bidders, Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders 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), as updated from time to time
Designated Stock Exchange	BSE
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated April 6, 2021 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and this Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Accounts will be opened, in this case being Axis Bank Limited
First Bidder or Sole 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, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued 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 the Stock Exchanges and the Book Running Lead Managers
Industry Report	Report titled "*Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*" dated March 2021, as supplemented by report titled "*Independent Market Report on Specialty Chemicals used in Pharmaceuticals & Personal Care Applications*" dated June 2021 further supplemented by report titled "*Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*" dated June, 2021, issued by Frost & Sullivan, which have been exclusively commissioned and paid for by our Company. For details, see "*Certain Conventions, Presentation of Financial, Industry And Market Data – Industry and Market Data"* on page 17.
JM Financial	JM Financial Limited
Kotak	Kotak Mahindra Capital Company Limited
Mutual Fund Portion	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 QIB Portion	QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	Person resident outside India, as defined under FEMA
"Offer" or "Offer for Sale"	Initial public offer of up to [●] Equity Shares of face value of ₹1 each of the Company for cash at a price of ₹[●] per Equity Share through an offer for sale of up to [●] Equity Shares aggregating up to ₹15,466.22

Term	Description
	million, consisting of up to [●] Equity Shares by Ashok Ramnarayan Boob aggregating up to ₹2,440.16 million, up to [●] Equity Shares by Krishnakumar Ramnarayan Boob* aggregating up to ₹1,930.59 million, up to [●] Equity Shares by Siddhartha Ashok Sikchi aggregating up to ₹405.05 million, up to [●] Equity Shares by Parth Ashok Maheshwari aggregating up to ₹759.83 million, up to [●] Equity Shares by Asha Ashok Boob aggregating up to ₹2,440.16 million, up to [●] Equity Shares by Ashokkumar Ramkishan Sikchi HUF aggregating up to ₹1,360.51 million, up to [●] Equity Shares by Krishnakumar Ramnarayan Boob HUF aggregating up to ₹415.51 million, up to [●] Equity Shares by Ashok Ramnarayan Boob HUF aggregating up to ₹752.60 million, up to [●] Equity Shares by Nidhi Mohunta* aggregating up to ₹759.83 million, up to [●] Equity Shares by Nilima Krishnakumar Boob* aggregating up to ₹840.77 million, up to [●] Equity Shares by Shradha Krishnakumar Boob* aggregating up to ₹440.28 million, up to [●] Equity Shares by Prasad Krishnakumar Boob* aggregating up to ₹440.28 million, up to [●] Equity Shares by Pooja Vivek Navandar* aggregating up to ₹440.28 million, up to [●] Equity Shares by Asha Ashok Sikchi aggregating up to ₹1,141.38 million, up to [●] Equity Shares by Kunal Ashok Sikchi aggregating up to ₹310.54 million, up to [●] Equity Shares by Ashok Sikchi aggregating up to ₹282.43 million, up to [●] Equity Shares by Nandita Sikchi aggregating up to ₹273.60 million and up to [●] Equity Shares by Ganapati Dadasaheb Yadav aggregating up to ₹32.42 million * *First holders of Equity Shares. For details of joint shareholding, see "Capital Structure" beginning on page 69.*
Offer Agreement	Agreement dated April 6, 2021 entered amongst our Company, Selling Shareholders and the Book Running Lead Managers, as amended by way of Amendment Agreement to the Offer Agreement dated June 22, 2021, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of this Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company, in consultation with the Book Running Lead Managers, in terms of this Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company in consultation with the Book Running Lead Managers, on the Pricing Date in accordance with the Book Building Process and this Red Herring Prospectus.
Offer Proceeds	The proceeds of the Offer. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" beginning on page 85
Offered Shares	Up to [●] Equity Shares aggregating to ₹ 15,466.22 million offered by the Selling Shareholders in the Offer for Sale
Other Selling Shareholders	Collectively, (i) Asha Ashok Boob, (ii) Ashokkumar Ramkishan Sikchi HUF, (iii) Krishnakumar Ramnarayan Boob HUF, (iv) Ashok Ramnarayan Boob HUF, (v) Nidhi Mohunta (jointly with Ashok Ramnarayan Boob), (vi) Nilima Krishnakumar Boob (jointly with Krishnakumar Ramnarayan Boob), (vii) Shradha Krishnakumar Boob (jointly with Krishnakumar Ramnarayan Boob), (viii) Prasad Krishnakumar Boob (jointly with Krishnakumar Ramnarayan Boob) (ix) Asha Ashok Sikchi, (x) Kunal Ashok Sikchi, (xi) Ashok Sikchi, (xii) Nandita Sikchi, (xiii) Pooja Vivek Navandar (jointly with Krishnakumar Ramnarayan Boob), and (xiv) Ganapati Dadasaheb Yadav
Price Band	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 Price Band and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the Book Running Lead Managers, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and regional edition of Loksatta, a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located, each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the Book Running Lead Managers, will finalise the Offer Price
Promoter Selling Shareholders	Collectively, (i) Ashok Ramnarayan Boob; (ii) Krishnakumar Ramnarayan Boob; (iii) Siddhartha Ashok Sikchi; and (iv) Parth Ashok Maheshwari
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of 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	Bank account opened with the Public Offer Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Offer Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Offer Account will be opened, in this case being ICICI Bank Limited
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer comprising [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors). Our Company, in consultation with the Book Running Lead Managers may allocate up to 60% of the QIB portion to Anchor Investors on a discretionary basis
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	This red herring prospectus dated June 30, 2021 to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have

Term	Description
	complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. This Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	Account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Refund Account will be opened, in this case being Axis Bank Limited
Registered Brokers	Stock brokers registered with SEBI and the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of the SEBI circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Agreement dated April 5, 2021 entered by and amongst our Company, 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, as amended on June 21, 2021
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
"Registrar to the Offer" or "Registrar"	Link Intime India Private Limited
"Retail Individual Bidder(s)" or "RIB(s)"	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	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 (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms 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
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. 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 provided as Annexure 'A' to the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list 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
Selling Shareholders	Collectively, Promoter Selling Shareholders and Other Selling Shareholders
Share Escrow Agent	Share Escrow Agent appointed pursuant to Share Escrow Agreement, namely, Link Intime India Private Limited
Share Escrow Agreement	Share escrow agreement dated June 30, 2021 between our Company, Selling Shareholders and the Share Escrow Agent
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms
Sponsor Bank	ICICI Bank Limited, being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
"Syndicate" or "Members of the Syndicate"	Collectively, the Book Running Lead Managers and the Syndicate Members
Syndicate Agreement	Agreement dated June 30, 2021 entered amongst our Company, Selling Shareholders, the Book Running Lead Managers, the Registrar and the Syndicate Members, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, JM Financial Services Limited and Kotak Securities Limited
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	Agreement to be entered amongst our Company and the Underwriters to be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI PIN	Password to authenticate UPI transaction
UPI Circulars	SEBI circular number CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number

Term	Description
	SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB 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 an RIB in accordance with the UPI Circulars to make an ASBA Bid in the Offer
Working Day(s)	All days on which commercial banks in Mumbai are open for business provided however, with reference to (a) announcement of Price Band and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Technical/Industry Related Terms or Abbreviations

Term	Description
4-MAP	4-Methoxy Acetophenone
Adjusted EBITDA	Adjusted EBITDA is calculated as restated profit for the period plus tax expense, finance cost, depreciation and amortization expenses, less other income
Adjusted EBITDA Margin	Adjusted EBITDA divided by revenue from operations
AP	L-Ascorbyl Palmitate
API	Active Pharmaceutical Ingredients
BHA	Butylated Hydroxy Anisole
CAGR	Compounded Annual Growth Rate (as a %): (End Year Value/ Base Year Value) ^ (1/No. of years between Base year and End year) –1 [^ denotes 'raised to']
Capital Invested	Capital invested is the sum of (i) gross block of property, plant and equipment; (ii) gross block of right-of-use asset; (iii) gross block of other intangible assets; (iv) inventories; and (v) trade receivables; less (vi) trade payables.
Chartered Engineer	Kishor Sharad Deshpande, Chartered Engineer
CSR	Corporate Social Responsibility
DCC	Dicyclohexyl Carbodimide
EBITDA	Restated profit for the period plus tax expense, finance cost, depreciation and amortization expenses
EBITDA Margin	EBITDA divided by revenue from operations
FMCG	Fast moving consumer goods
Frost & Sullivan	Frost & Sullivan (India) Private Limited
Independent Chartered Accountant	M/s Daga & Chaturmutha, Chartered Accountants
JNPT	Jawaharlal Nehru Port Trust
MEHQ	Monomethyl ether of hydroquinone
MIDC	Maharashtra Industrial Development Corporation
MTPA	Metric tonne per annum
PAT Margin	Restated profit for the period as a percentage of revenue from operations.
R&D	Research and development
ROCE	Return on Capital Invested or capital employed is calculated as Adjusted EBITDA divided by Capital Invested.
ROE	Return on Equity is calculated as restated profit for the period as a percentage of net worth.
STT	Securities transaction tax
US FDA	United States Food and Drug Administration

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AIFs	Alternative Investments Funds, as defined in, and registered under the SEBI AIF Regulations
AGM	Annual general meeting
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations

Term	Description
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act or Companies Act, 2013	Companies Act, 2013, along with the relevant rules made thereunder
Companies Act, 1956	Companies Act, 1956, along with the relevant rules made thereunder
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP or Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's Identification
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*formerly known as the Department of Industrial Policy and Promotion*)
DP ID	Depository Participant Identification
DP/ Depository Participant	Depository participant as defined under the Depositories Act
EMI	Equated Monthly Instalment
EPS	Earnings Per Share
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations there under
FEMA Non-debt Instruments Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Regulations	The Foreign Exchange Management (Non Debt Instruments) Rules, 2019, the Foreign Exchange Management (Mode of Payment and Reporting of Non Debt Instruments) Regulations, 2019 and the Foreign Exchange Management (Debt Instruments) Regulations, 2019, as applicable
Financial Year/ Fiscal/Fiscal Year/ FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
Gazette	Gazette of India
GDP	Gross domestic product
GoI or Government or Central Government	Government of India
GST	Goods and services tax
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IMPS	Immediate Payment Service
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015
India	Republic of India
Indian GAAP/ IGAAP	Generally Accepted Accounting Principles in India notified under section 133 of the Companies Act and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
IPO	Initial public offering
IST	Indian Standard Time
IT	Information Technology
IT Act	The Income Tax Act, 1961
KYC	Know your customer
MCA	Ministry of Corporate Affairs
MPCB	Maharashtra Pollution Control Board
MSMEs	Micro, Small, and Medium Enterprises
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N/A	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-banking financial company
NEFT	National Electronic Funds Transfer
NPCI	National Payments Corporation of India

Term	Description
NRI	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an overseas citizen of India cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB or 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 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 FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E	Price/earnings
P/E Ratio	Price to Earnings ratio
PAN	Permanent Account Number
PAT	Profit after tax
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
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 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 SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Systemically Important NBFC	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
U.S. GAAP	Generally Accepted Accounting Principles (as adopted by the U.S. Securities and Exchange Commission)
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation organised under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person
U.S. Securities Act	United States Securities Act of 1933, as amended
U.S./USA/United States	United States of America
USD or US$	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

SUMMARY OF THIS RED HERRING PROSPECTUS

The following is a general summary of the terms of the Offer and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Red Herring Prospectus, 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 Red Herring Prospectus, including "*Risk Factors*", "*Objects of the Offer*", "*Our Business*", "*Industry Overview*", "*Outstanding Litigation and Material Developments*", "*Description of Equity Shares and Terms of Articles of Association*" and "*Offer Procedure*" beginning on pages 20, 85, 122, 94, 278, 318 and 303 respectively.

Primary business of our Company

We manufacture functionally critical specialty chemicals such as Performance Chemicals (i.e. MEHQ, BHA and AP), Pharmaceutical Intermediates (i.e. Guaiacol and DCC), and FMCG Chemicals (i.e. 4-MAP and Anisole). Our products are used as polymerization inhibitors, intermediates for agrochemicals and pharmaceuticals, anti-oxidants, UV blockers, and anti-retroviral reagents, which are functionally critical in a wide range of industries, including in the manufacture of paints and inks, agro-chemicals, pharmaceuticals, flavours and fragrance, food and animal nutrition (feed), and personal care (cosmetics) products. Our Company was established on 'green' or eco-friendly manufacturing processes led by differentiated catalytic technologies.

Primary business of the industry in which our Company operates

Specialty chemicals are low-volume and high-value products which are sold on the basis of their quality or utility, rather than composition. Thus, they may be used primarily as additives or to provide a specific attribute to the end product. Specialty chemicals are more likely to be prepared and processed in batches. The focus is on value addition to the end-product and the properties or technical specifications of the chemical. Green chemistry is an emerging focus among manufacturing industries that minimizes pollution at a molecular level. *(Source: F&S Report)*

Names of our Promoters

Our Promoters are Ashok Ramnarayan Boob, Krishnakumar Ramnarayan Boob, Siddhartha Ashok Sikchi and Parth Ashok Maheshwari.

Offer size

Offer of Equity Shares by way of Offer for Sale by the Selling Shareholders(1)(2)	Up to [●] Equity Shares aggregating up to ₹ 15,466.22 million

(1) The Offer has been authorized by a resolution of our Board of Directors at their meeting held on March 20, 2021. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated April 6, 2021 and the IPO Committee has taken on record the revised approvals received from the Selling Shareholders by way of its resolution dated June 22, 2021. For details on the authorisations of the Selling Shareholders in relation to the Offer for Sale, see "The Offer" beginning on page 55.

(2) Each of the Selling Shareholders, severally and not jointly, confirms that the Equity Shares being offered by such Selling Shareholder have been held for a period of at least one year immediately preceding the date of filing the Draft Red Herring Prospectus with SEBI and up to the date of this Red Herring Prospectus, and are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders, severally and not jointly, confirm that they have authorised and consented to participate in the Offer for Sale, and to offer such number of Equity Shares aggregating up to ₹ 15,466.22 million, in the manner disclosed in "The Offer" beginning on page 55.

Objects of the Offer

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and to carry out the Offer for Sale of up to [●] Equity Shares aggregating up to ₹15,466.22 million by the Selling Shareholders. For further details, see "*Objects of the Offer*" on page 85.

Aggregate pre-Offer shareholding of Promoters, Promoter Group and Selling Shareholders

(a) 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:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer paid up equity share Capital (%)
Promoters			
1.	Ashok Ramnarayan Boob	16,316,940	15.36
2.	Krishnakumar Ramnarayan Boob	4,957,100(1)	4.67
3.	Siddhartha Ashok Sikchi	3,600,480	3.39
4.	Parth Ashok Maheshwari	6,754,000	6.36
	Total (A)	**31,628,520**	**29.78**
Promoter Group			
1.	Asha Ashok Boob	13,155,900	12.39

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer paid up equity share Capital (%)
2.	Ashokkumar Ramkishan Sikchi HUF	12,093,440	11.39
3.	Nidhi Mohunta	6,754,000(2)	6.36
4.	Ashok Ramnarayan Boob HUF	6,689,760	6.30
5.	Nilima Krishnakumar Boob	4,273,500(3)	4.02
6.	Shradha Krishnakumar Boob	3,913,600(3)	3.68
7.	Prasad Krishnakumar Boob	3,913,600(3)	3.68
8.	Pooja Vivek Navandar	3,913,600(3)	3.68
9.	Krishnakumar Ramnarayan Boob HUF	3,693,440	3.48
10.	Asha Ashok Sikchi	2,808,220	2.64
11.	Kunal Ashok Sikchi	2,760,320	2.60
12.	Ashok Sikchi	2,510,460	2.36
13.	Nandita Sikchi	2,432,000	2.29
14.	Ashok Ramnarayan Boob and Asha Ashok Boob (as trustees of ARB Business Trust)	100	Negligible
15.	Asha Ashok Boob and Ashok Ramnarayan Boob (as trustees of AAB Business Trust)	100	Negligible
16.	Nilima Krishnakumar Boob and Krishnakumar Ramnarayan Boob (as trustees of Shri Ramnarayan Boob Business Trust)	100	Negligible
17.	Nilima Krishnakumar Boob and Krishnakumar Ramnarayan Boob (as trustees of Smt. Alaknanda Boob Business Trust)	100	Negligible
18.	Kunal Ashok Sikchi and Siddhartha Ashok Sikchi (as trustee of AAS Business Trust)	100	Negligible
19.	Kunal Ashok Sikchi and Siddhartha Ashok Sikchi (as trustee of ARS Business Trust)	100	Negligible
	Total (B)	**68,912,440**	**64.88**
	Total (A+B)	**100,540,960**	**94.65**

(1) *Jointly held with Nilima Krishnakumar Boob, who is the second holder.*
(2) *Jointly held with Ashok Ramnarayan Boob, who is the second holder.*
(3) *Jointly held with Krishnakumar Ramnarayan Boob who, is the second holder*
.

(b) The aggregate pre-Offer shareholding of the Selling Shareholders as a percentage of the pre-Offer paid-up equity share capital of our Company is set out below:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer paid up equity share Capital (%)
1.	Ashok Ramnarayan Boob*	16,316,940	15.36
2.	Krishnakumar Ramnarayan Boob*	4,957,100(1)	4.67
3.	Siddhartha Ashok Sikchi*	3,600,480	3.39
4.	Parth Ashok Maheshwari*	6,754,000	6.36
5.	Asha Ashok Boob**	13,155,900	12.39
6.	Ashokkumar Ramkishan Sikchi HUF**	12,093,440	11.39
7.	Nidhi Mohunta**	6,754,000(2)	6.36
8.	Ashok Ramnarayan Boob HUF**	6,689,760	6.30
9.	Nilima Krishnakumar Boob**	4,273,500(3)	4.02
10.	Shradha Krishnakumar Boob**	3,913,600(3)	3.68
11.	Prasad Krishnakumar Boob**	3,913,600(3)	3.68
12.	Pooja Vivek Navandar**	3,913,600(3)	3.68
13.	Krishnakumar Ramnarayan Boob HUF**	3,693,440	3.48
14.	Asha Ashok Sikchi**	2,808,220	2.64
15.	Kunal Ashok Sikchi**	2,760,320	2.60
16.	Ashok Sikchi**	2,510,460	2.36
17.	Nandita Sikchi**	2,432,000	2.29
18.	Ganapati Dadasaheb Yadav	225,120	0.21
	Total	**100,765,480**	**94.86**

^ *Our Company had made certain inadvertent errors in the Form MGT-7 filed for Fiscals 2017, 2018, 2019 and 2020, and Form PAS-3 filed for bonus issue of equity shares on February 6, 2021. Our Company has filed revised Form MGT-7 for Fiscals 2017, 2018, 2019 and 2020, and revised Form PAS-3 for rectification of the same. For details see, Risk Factors - There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected on page 21.*

^^ *Our Company had made an inadvertent error in recording the first name of Ganapati Dadasaheb Yadav in the return of allotment filed for an issue of sweat equity shares to him in 2007. Our Company has filed revised Form PAS-3 for rectification of the same. For details see, Risk Factors - There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings* *undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected on page 21.*

* *Promoters of our Company.*
** *Members of our Promoter Group.*
(1) *Jointly held with Nilima Krishnakumar Boob, who is the second holder.*
(2) *Jointly held with Ashok Ramnarayan Boob, who is the second holder.*
(3) *Jointly held with Krishnakumar Ramnarayan Boob, who is the second holder.*

For further details, see "*Capital Structure*" beginning on page 69.

Summary of Financial Information

A summary of the financial information of our Company as per the Restated Financial Statements is as follows:

(*in ₹ million*)

Particulars	As of and for the Fiscal		
	March 31, 2021	March 31, 2020	March 31, 2019
Equity share capital	106.22	13.28	14.16
Net worth(1)	5,396.67	3,420.97	2,720.57
Total Revenue from operations	5,124.28	4,193.00	3,932.70
Profit after tax	1,983.80	1,396.31	976.58
Earnings per Share (₹ / share)			
- Basic	18.68	13.15	9.19
- Diluted	18.68	13.15	9.19
Net Asset Value per equity share(2) (₹)	50.81	32.21	25.61
Total borrowings (as per balance sheet)	3.31	26.90	25.96

(1) *Net worth means aggregate of equity share capital and other equity.*
(2) *Net Asset Value per equity share represents total equity as at the end of the fiscal year, as restated, divided by the number of Equity Shares outstanding as on March 31, 2021.*
(3) *Our Company undertook a bonus issue of seven equity shares for every one equity share made on February 6, 2021. The total reserves and surplus of our Company prior to and post the said bonus issue were ₹4,886.50 million and ₹4,793.56 million, respectively.*
(4) *The details of 'Earnings per Share' disclosed above are based on the Restated Financial Statements of our Company, as adjusted for the bonus issue dated February 6, 2021and sub-division of the face value of equity shares of our Company from ₹ 10 per equity share to ₹1 per equity share on February 25, 2021.*

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.

Outstanding litigations and material developments

A summary of outstanding litigation proceedings involving our Company and Directors as of the date of this Red Herring Prospectus is provided below. Further, there are no outstanding litigation proceedings against our Promoters, Subsidiaries or Group Companies.

Type of Proceedings	Number of Cases	Amount, to the extent quantifiable (in ₹ million)*
Litigation against our Company		
Criminal	2	Not quantifiable
Tax matters	1	2.38#
Litigation against our Directors		
Criminal cases	2	Not quantifiable

* *To the extent quantifiable, excluding interest and penalty thereon.*
\# *Out of which ₹237,692 has been paid against the total liability imposed in relation to the classification of the impugned goods under the Customs Tariff Act, 1975.*

For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 278.

Risk factors

Investors should see "*Risk Factors"* beginning on page 20 to have an informed view before making an investment decision.

Summary of contingent liabilities and commitments

(a) Contingent liabilities

Pursuant to recent judgement by the Supreme Court dated February 28, 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to applicability of the judgement and year from which the same applies. Our Company has assessed that there was no impact of the same for period ending March 31, 2021 since provident fund was already deducted on such special allowance for current period end.

Owing to the aforesaid, uncertainty and pending clarification from the authorities in this regard, our Company had not recognised any provision for the years prior to February 28, 2019.

(b) Commitments

The details of our commitments are set forth in the table below:

(*in ₹ million*)

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	104.04	189.17	192.91
Total	104.04	**189.17**	**192.91**

For further details, see "*Restated Financial Statements – Annexure VI – Note 34: Contingent Liabilities, Contingent Assets and Commitments*" on page 222.

Summary of related party transactions

Key management personnel compensation

(*in ₹ million*)

Particulars	For Fiscal 2021	For Fiscal 2020	For Fiscal 2019
Short-Term Employee Benefits	322.35	224.54	180.64
Director Sitting Fee	1.01	0.28	0.18
Total	323.36	224.82	180.82

(*in ₹ million*)

Sr. No.	Nature of Transaction	For Fiscal 2021		
		Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Total
1	Purchase of raw material, consumables and spares	-	2.16	**2.16**
2	Sale of goods	-	1.11	**1.11**
3	Sale of scrap	-	-	-
4	Sale of property plant and equipment	3.58	0.23	**3.81**
5	Donation	-	7.00	**7.00**
6	Remuneration to relative of key management personnel – short term employee benefit	4.16	-	**4.16**
7	Interim dividend paid	31.49	1.63	**33.12**
8	Final dividend for previous year	-	-	-
9	Recoverable expenses from shareholders	51.61	2.68	**54.29**
10	Unsecured deposit received	1.71	-	**1.71**
11	Unsecured deposit (paid)	(1.29)	-	**(1.29)**
	Total	**91.26**	**14.81**	**106.07**

(*in ₹ million*)

Sr. No.	Nature of Transaction	For Fiscal 2020		
		Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Total
1	Purchase of raw material, consumables and spares	0.09	0.86	**0.95**
2	Sale of goods	-	3.10	**3.10**
3	Sale of scrap	-	0.14	**0.14**
4	Donation	-	20.50	**20.50**
5	Remuneration to relative of key management personnel	2.56	-	**2.56**
6	Interim dividend paid	73.87	3.83	**77.70**
7	Final dividend for previous year	47.01	2.44	**49.45**
8	Unsecured deposit received	1.60	-	**1.60**
	Total	**125.12**	**30.87**	**156.00**

(*in ₹ million*)

Sr. No.	Nature of Transaction	For Fiscal 2019		
		Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Total
1	Purchase of raw material, consumables and spares	0.09	1.07	**1.16**
2	Sale of goods	-	9.86	**9.86**
3	Sale of scrap	-	0.49	**0.49**
4	Donation	-	11.80	**11.80**
5	Remuneration to relative of key management personnel	2.33	-	**2.33**
6	Interim dividend paid	67.15	3.48	**70.64**
7	Final dividend for previous year	33.58	1.74	**35.32**
8	Unsecured deposit received	1.29	-	**1.29**
9	Unsecured deposit (paid)	(5.53)	-	**(5.53)**
	Total	**98.91**	**28.44**	**127.35**

For further details, see "*Restated Financial Statements – Annexure VI – Note 36: Related Party Disclosure*" beginning on page 223.

Financing Arrangements

There have been no financing arrangements whereby the Promoters, members of our 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 filing of this Red Herring Prospectus.

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

Nil*

* *As certified by M/s Daga & Chaturmutha, Chartered Accountants, by way of their certificate dated June 30, 2021.*

Except for the bonus allotment made on February 6, 2021, none of our Promoters and Selling Shareholders have acquired any Equity Shares in the one year preceding the date of this Red Herring Prospectus.

For further details, see "*Capital Structure – Equity share capital history of our Company*" beginning on page 69.

Average cost of acquisition of Equity Shares by our Promoters and Selling Shareholders

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

Sr. No.	Name	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
Promoters / Promoter Selling Shareholders			
1.	Ashok Ramnarayan Boob	16,316,940	0.63
2.	Krishnakumar Ramnarayan Boob	4,957,100(1)	0.71
3.	Siddhartha Ashok Sikchi	3,600,480	0.67
4.	Parth Ashok Maheshwari	6,754,000	0.00
Total (A)		**31,628,520**	-
Other Selling Shareholders			
1.	Ashokkumar Ramkishan Sikchi HUF	12,093,440	0.69
2.	Krishnakumar Ramnarayan Boob HUF	3,693,440	0.73
3.	Ashok Ramnarayan Boob HUF	6,689,760	0.75
4.	Asha Ashok Boob	13,155,900	0.73
5.	Nidhi Mohunta	6,754,000(2)	0.00
6.	Nilima Krishnakumar Boob	4,273,500(3)	0.70
7.	Shradha Krishnakumar Boob	3,913,600(3)	0.00
8.	Pooja Vivek Navandar	3,913,600(3)	0.00
9.	Prasad Krishnakumar Boob	3,913,600(3)	0.00
10.	Asha Ashok Sikchi	2,808,220	0.66
11.	Ashok Sikchi	2,510,460	0.63
12.	Nandita Sikchi	2,432,000	0.63
13.	Kunal Ashok Sikchi	2,760,320	0.66

Sr. No.	Name	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
14.	Ganapati Dadasaheb Yadav	225,120	0.00
Total (B)		**69,136,960**	-
Total (A+B)		**100,765,480**	-

* *As certified by M/s Daga & Chaturmutha, Chartered Accountants, by way of their certificate dated June 30, 2021.*
(1) Jointly held with Nilima Krishnakumar Boob, who is the second holder.
(2) Jointly held with Ashok Ramnarayan Boob, who is the second holder.
(3) Jointly held with Krishnakumar Ramnarayan Boob, who is the second holder.

For further details of split of equity shares in the last one year, see "*Capital Structure – Equity share capital history of our Company*" beginning on page 69.

Details of pre-IPO Placement

Our Company does not contemplate any issuance of Equity Shares as a pre-Offer placement from the date of this Red Herring Prospectus till the listing of the Equity Shares.

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

Except for the allotment of equity shares on February 6, 2021 pursuant to bonus issue, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Red Herring Prospectus.

For details, see "*Capital Structure- Equity share capital history of our Company*" on page 69.

Split / Consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Red Herring Prospectus.

Date	Particulars
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each and accordingly, the authorised share capital of our Company is ₹150,000,000 comprising of 150,000,000 Equity Shares of face value of ₹1 each. Further, the cumulative number of issued, subscribed and paid-up Equity Shares pursuant to sub-division is 106,218,960 Equity Shares of face value of ₹1 each.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Red Herring Prospectus to "India" are to the Republic of India and all references to the "US", "U.S." "USA" or "United States" are to the United States of America.

Unless otherwise specified, any time mentioned in this Red Herring Prospectus is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year. Further, unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial data in this Red Herring Prospectus is derived from the restated consolidated financial statements of our Company as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, comprising (i) the restated consolidated balance sheet as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, (ii) the restated summary statements of profit and loss and the restated summary statement of cash flows for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, and (iii) notes thereto prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For further information on our Company's financial information, see "*Financial Information*" beginning on page 172.

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

Unless the context otherwise indicates, any percentage or amounts, with respect to financial information of our Company in this Red Herring Prospectus have been derived from the Restated Financial Statements.

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular Financial Year, unless stated otherwise, are to the 12-month period ended on March 31 of that year.

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

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of specialty chemical companies, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. Such non-GAAP measures are not measures of operating performance or liquidity defined by generally accepted accounting principles. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies in India or elsewhere.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;

- “USD” or “US$” or “$” are to United States Dollar, the official currency of the United States of America;

Except otherwise specified, our Company has presented certain numerical information in this Red Herring Prospectus in “million” and “billion” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This 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.

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

(in ₹)

Currency	As at*		
	March 31, 2021	March 31, 2020	March 31, 2019
1 USD	73.51	75.39	69.17

Source: RBI reference rate and www.fbil.org.in

* *In case last day of any of the respective years/periods is a public holiday, the previous working day, not being a public holiday, has been considered.*

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled “*Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*” dated March 2021, as supplemented by report titled “*Independent Market Report on Specialty Chemicals used in Pharmaceuticals & Personal Care Applications*” dated June 2021 further supplemented by report titled “*Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*” dated June, 2021, issued by Frost & Sullivan, which have been exclusively commissioned on March 31, 2021 and June, 2021, respectively and paid for by our Company. For risks in relation to commissioned reports, see “*Risk Factors – Industry information included in this Red Herring Prospectus has been derived from an industry report commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate*” on page 44. Frost & Sullivan was appointed on January 19, 2021 for commissioning the Industry Report.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Although the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us, the Book Running Lead Managers, or any of their respective 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.

In accordance with the SEBI ICDR Regulations, “*Basis for Offer Price*” beginning on page 87 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Book Running Lead Managers or any of their affiliates have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information.

The extent to which the market and industry data used in this 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.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” beginning on page 20. Accordingly, investment decisions should not be based solely on such information.

Disclaimer of Frost & Sullivan

This Red Herring Prospectus contains data and statistics from the “*Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*” dated March 2021 supplemented by report titled “*Independent Market*

Report on Specialty Chemicals used in Pharmaceuticals & Personal Care Applications" dated June 2021 further supplemented by report titled "*Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*" dated June, 2021, issued by Frost & Sullivan, which is subject to the following disclaimer:

"*Independent Market Report on Specialty Chemicals used in Pharmaceuticals & Personal Care Applications" dated March 2021", read with and as supplemented by our report titled "Independent Market Report on Specialty Chemicals used in Pharmaceuticals & Personal Care Applications" dated June 2021" and "Supplementary Market Report Specialty Chemicals used in Pharmaceuticals & Personal Care Applications" dated June 2021 has been prepared for the proposed initial public offering of equity shares by Clean Science and Technology Limited (the "Company").*

This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("Frost & Sullivan") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Frost & Sullivan 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 primary 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.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients 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."

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable law of 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 applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "U.S. QIBs") in transactions exempt from the registration requirements of the U.S. Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as "QIBs".

Notice to Prospective Investors in the European Economic Area and the United Kingdom

This Red Herring Prospectus has been prepared on the basis that all offers of Equity Shares in Member States of the European Economic Area and the United Kingdom (each, a "**Relevant State**") will be made pursuant to an exemption under the Prospectus Regulation, from the requirement to produce a prospectus for offers of Equity Shares. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and EC (and amendments thereto,) and includes, in relation to the UK, the Prospectus Regulation as it forms part of the UK domestic law by virtue of the European Union (Withdrawal) Act 2018. Accordingly, any person making or intending to make an offer in a Relevant State of Equity Shares which are the subject of the placement contemplated in this Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company, the Promoter Selling Shareholder or any of the Book Running Lead Managers to produce a prospectus for such offer. None of our Company, the Promoter Selling Shareholder and the Book Running Lead Managers have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Book Running Lead Managers which constitute the final placement of Equity Shares contemplated in this Red Herring Prospectus.

FORWARD-LOOKING STATEMENTS

This 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. Similarly, statements that describe our strategies, objectives, plans or goals are also 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.

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:

- Our operations are dependent on our R&D capabilities and an inability to continue to design catalytic processes may adversely affect our business;

- None of our catalytic processes are patented and our intellectual property may not be adequately protected, which may have a material adverse impact on our business and results of operations;

- There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected.

- We depend on the success of our relationships with our customers. A significant portion of our revenue is generated from certain key customers; and

- Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing processes.

For details regarding factors that could cause actual results to differ from expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 20, 122 and 255, 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.

Forward-looking statements reflect current views as on the date of this 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, Selling Shareholders, our Directors, the Book Running Lead Managers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the Book Running Lead Managers will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. Potential investors should carefully consider all the information in the Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, 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 or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Financial Statements" on pages 122, 94, 255 and 172, respectively, as well as the other financial and statistical information contained in this 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. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021, included herein is derived from the Restated Financial Statements, included in this Red Herring Prospectus. For further information, see "Restated Financial Statements" on page 172.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Clean Science and Technology Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Clean Science and Technology Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled "Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated March 2021, supplemented by report titled "Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated June 2021 and further supplemented by report titled "Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated June, 2021 (collectively, the "**F&S Reports**"), prepared and released by Frost & Sullivan and exclusively commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Reports and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "– Industry information included in this Red Herring Prospectus has been derived from the F&S Reports prepared by Frost & Sullivan, and exclusively commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 44. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 17.*

Internal Risk Factors

1. Our operations are dependent on our R&D capabilities and an inability to continue to design catalytic processes may adversely affect our business.

Our competitive position in the specialty chemicals industry is primarily characterised by cost-efficiencies and R&D improvements. Our ability to continue to design catalytic processes is a significant factor in our ability to remain competitive. This depends on a variety of factors, including meeting development, production, certification and regulatory approval schedules; successful development and application of catalytic-technologies; captive production of key raw materials; hiring and training of qualified personnel; identification of emerging regulatory and technological trends in our target end markets; and the level of demand for new products. There can be no assurance that we will be able to secure the necessary technological knowledge through our own R&D or external sources, such as technical assistance agreements or strategic acquisitions, that will allow us to continue to develop our product portfolio or that we will be able to respond to industry trends by developing and offering cost effective products. We may also be required to make significant investments in R&D, which may strain our resources and may not provide results that can be monetized. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected.

Further, our R&D efforts may not result in new catalytic processes being developed on a timely manner or to meet the needs of our customers as effectively as competitive offerings. We have invested substantial effort, funds and other resources towards our R&D activities and have set-up two dedicated in-house R&D centers at Kurkumbh, Maharashtra. For instance, in Fiscals 2019, 2020 and 2021, we invested ₹ 4.98 million, ₹ 7.50 million, and ₹ 7.95 million, on R&D related assets that represented 0.13%, 0.18%, and 0.16% of our revenue from operations in these periods, respectively. However, our ongoing investments in R&D may result in higher costs without a proportionate increase in revenues. Delays in any part of the process, our inability to obtain necessary regulatory approvals or customer approvals for our products or failure of a product to be successful at any stage could adversely affect our business. Consequently, an inability on our part to successfully introduce new products and processes may have an adverse effect on our business, results of operations and financial condition. Further, our competitors may develop competing processes that gain market acceptance before or instead of our products. We are also subject to the risks generally associated with new process technologies and product introductions, including lack of market acceptance, delays in product development and failure of products to operate properly which may lead to increased warranty claims. We are also dependent on skilled workforce and technical expertise for our R&D capabilities and the loss of the services of such skilled personnel or our inability to recruit or train a sufficient number of experienced personnel may have an adverse effect on our financial results and business prospects. For further details, see "- *We are dependent on our Promoters, Directors, a number of Key Managerial Personnel and persons with technical expertise and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition"* on page 40.

2. None of our catalytic processes are patented and our intellectual property may not be adequately protected, which may have a material adverse impact on our business and results of operations.

Our continued commercial success depends in part on our ability to protect our existing intellectual property and to obtain other intellectual property rights. As of the date of this Red Herring Prospectus, none of our catalytic processes are patented, and competitors may be able to imitate these process technologies and erode or negate any competitive advantage we may have, which could harm our business and ability to continue to achieve profitability. Further, there can be no assurance that any patent applications that we may make in the future will mature into granted patents, or that such patents, if issued, will provide us with adequate proprietary protection or competitive advantages.

As a result, we cannot be certain that our technical knowledge will continue to remain confidential. Certain technical knowledge may be leaked, either inadvertently or wilfully, at various stages of the manufacturing process. A significant number of our employees have access to confidential processes and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we seek to enforce non-disclosure clauses in our employee agreements/ appointment letters, we cannot guarantee that we will be able to successfully enforce such agreements. The agreements with our customers also include clauses on confidentiality, however, there can be no assurance that such agreements will be successful in protecting our technical knowledge. The potential damage from such disclosure is exacerbated as our processes and products are not patented, and thus we may have no recourse against copies of our processes and products that enter the market subsequent to such leakages. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

If we fail to protect the intellectual property associated with our in-house developed catalytic-technologies, we may not be able to claim registered ownership of such processes, and consequently, we may be unable to seek remedies for infringement of those processes by third parties. Detecting and policing unauthorized use of proprietary technology are difficult and expensive. We may need to resort to litigation to enforce or defend patents issued to us or determine the enforceability, scope and validity of our proprietary rights or those of others. An adverse determination in any such litigation could materially impair our intellectual property rights. As on the date of this Red Herring Prospectus, we do not own any registered trademarks. Our Company had filed registration applications for the logo "Clean" of our Company that have been refused on grounds of similar trademarks already appearing in the register for same or similar goods or services, and because the logo was determined to be incapable of distinguishing the goods and services of one person from the other. Our Company, has also filed an application for registration of the corporate logo "Clean Science", which is currently subject to an objection raised by the Trade Marks Registry, on the grounds that the mark is common non-distinctive geometrical figures, incapable of distinguishing the goods and services of one person from the other. While we have responded to the objection raised by the Registrar of Trade Marks, we cannot assure you that the said objection will be resolved and that we will be granted registration for our logo. If our intellectual property rights are inadequate, including as a result of the narrow scope of the patents granted or third parties' infringement, or if we otherwise fail to sufficiently protect our intellectual property, our business, financial condition and results of operations could be adversely affected.

3. There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the

rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected.

There have been certain instances of non-compliances and errors in relation to certain corporate actions taken by our Company in the past, including with respect to regulatory filings made by our Company. For instance, in relation to the equity shares jointly held by our Promoters and Promoter Group members, the shareholding pattern included in the annual returns (in Form MGT-7) filed for Fiscals 2017, 2018, 2019 and 2020, only indicated the first-named joint Shareholder and did not include details of the respective second-named joint Shareholder. The annual return for Fiscal 2020 filed by our Company with the RoC also contained incorrect details (date and consideration) of the transfers from Ashok Ramnarayan Boob to Nidhi Ashok Boob, Asha Ashok Boob to Parth Ashok Maheshwari and Krishnakumar Ramnarayan Boob to Pooja Vivek Navandar (jointly with Krishnakumar Ramnarayan Boob), each of whom are members of our Promoter Group. Further, the list of allotees attached to the return of allotment (in Form PAS-3) filed by our Company with the RoC, in relation to the bonus issue of equity shares dated February 6, 2021, did not include details of joint shareholding for an allottee (a member of the Promoter Group) having joint shareholding. Our Company has filed the rectified Form MGT-7 for Fiscals 2017, 2018, 2019 and 2020 and Form PAS-3 for rectification of the aforesaid errors on June 19, 2021, together with the applicable penalty for such re-filing, and the compounding application previously filed for the same has been withdrawn.

Pursuant to the resolutions approved by our Board and Shareholders, our Company had allotted sweat equity shares to Ganapati Dadasaheb Yadav and Dilip Digambar Ravetkar in 2007 and 2011 for their valuation services to the Company. The allotment of sweat equity shares to Dilip Digambar Ravetkar was not in accordance with the provisions of Section 79A of the Companies Act 1956 read with Unlisted Companies (Issue of Sweat Equity Shares) Rules, 2003, since he was neither a director nor a permanent employee of the Company at the time of such allotments. In order to rectify this non-compliance, Dilip Digambar Ravetkar has, on June 18, 2021, transferred his entire shareholding of 225,120 Equity Shares in our Company to our Chairman and Non-Executive Director, Pradeep Ramwilas Rathi, who was a non-executive director of the Company at the time of such issuance of sweat equity shares. Accordingly, Dilip Digambar Ravetkar is no longer a shareholder of our Company. Our Company and certain of its Directors have filed a compounding application dated June 21, 2021 in relation to the aforesaid non-compliance, before the Regional Director, Western Region, Mumbai seeking compounding of the offence under sections 441 read with section 450 of the Companies Act, 2013 and section 629A read with section 79A of the Companies Act, 1956. In the event that any penalty is levied in relation to the said compounding application, the same shall be paid by our Company. Additionally, an incorrect name for Ganapati Dadasaheb Yadav was inadvertently mentioned in the said Board and Shareholder resolutions and in the list of allottees included in the return of allotment filed with the RoC for such issuance made in 2007. The said inconsistency has been rectified pursuant to filing of a revised Form PAS-3 with the RoC on June 21, 2021. The inconsistency in recording the name of Ganapati Dadasaheb Yadav (who is one of the Selling Shareholders in the Offer) in the return of allotment was purely procedural/clerical in nature, and he is the legal and beneficial owner of his Offered Shares in the Offer.

Further, the valuation reports for the allotment of sweat equity shares by our Company are not traceable. There have also been certain instances of delay in filing forms with the RoC, and certain inconsistencies in the forms filed. For instance, the date of birth of one of our directors has been erroneously recorded in a Form 32 filed by the Company in relation to his directorship.

There can be no assurance that the relevant authority will admit the compounding application and compound such past violations. Further, we cannot assure you that such inaccuracies and non-compliances, including delays, will not happen in the future and that our Company will not be subject to any action, including monetary penalties by statutory or regulatory authorities on account of any past or future, inadvertent discrepancies in, or non-availability of, or non-compliances with respect to, any of its secretarial records and filings or corporate actions. This may subject us to regulatory actions and/or penalties which may adversely affect our business, financial condition and reputation.

4. ***We depend on the success of our relationships with our customers. A significant portion of our revenue is generated from certain key customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.***

We have developed strong and long-term relationships with various multinational corporations that helped us expand our product offerings and geographic reach. Accordingly, we are dependent on our arrangements with such corporations and our business depends on the continuity of our relationship with these customers. We are dependent on a limited number of customers for a significant portion of our revenues. In Fiscals 2019, 2020 and 2021, revenue from our top 10 customers amounted to ₹ 1,987.20 million, ₹ 1,877.23 million, and ₹ 2,454.64 million, respectively, and represented 50.53%, 44.77%, and 47.90%, respectively, of our total revenues from operations in such periods. Revenue generated from our largest customer amounted to ₹ 321.08 million, ₹ 479.81 million, and ₹ 680.44 million, respectively, and represented 8.16%, 11.44%, and 13.28%, of our total revenues from operations in Fiscals 2019, 2020 and 2021, respectively.

There can be no assurance that our significant customers in the past will continue to place similar orders with us in the future. For instance, two of our top 10 customers (based on revenue from operations in Fiscals 2019 and 2020), reduced their volume of business with us subsequently, and were not among our top 10 customers in Fiscal 2021. We generated an aggregate revenue of ₹ 365.83 million and ₹ 251.64 million, from these two customers in Fiscals 2019 and 2020, respectively, that represented 9.30% and 6.00% of our revenue from operations in these periods, respectively. A significant decrease in business from any such key customer, whether due to circumstances specific to such customer or adverse market conditions or the economic environment generally, may materially and adversely affect our business, results of operations and financial condition.

Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance. The deterioration of the financial condition or business prospects of these customers could reduce their requirement of our products and result in a significant decrease in the revenues we derive from these customers. We cannot assure you that we will be able to maintain historic levels of business from our significant customers, or that we will be able to significantly reduce customer concentration in the future. In addition, our revenues may be adversely affected if there is an adverse change in any of our customers supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers. Maintaining strong relationships with our customers is, therefore, essential to our business strategy and to the growth of our business. The loss of one or more of our significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. Also, see " – *We typically do not enter into long-term agreements with majority of our customers, and an inability to continue to engage with them would have a material adverse effect on our business, results of operations and financial condition*" on page 24.

5. ***We have certain capital commitments that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.***

As of March 31, 2021, our capital commitments were as follows:

Particulars	As of March 31, 2021 (₹ million)
Estimated amount of contracts remaining to be executed on capital account and not provided for	104.04
Total	104.04

If we are unable to meet our obligations with respect to these commitments, it could have an adverse effect on our business, financial condition and results of operations. For further information, see "*Restated Financial Statements – Annexure VI – Note 34: Contingent Liabilities, Contingent Assets and Commitments*" on page 222.

6. ***Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing processes. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations could materially and adversely affect our business, financial condition and results of operations.***

Our business is dependent on our ability to efficiently manage our manufacturing facilities and the operational risks associated with it, including those beyond our reasonable control. For information on the location of our facilities, see "*Our Business – Properties*" on page 134. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations, including on account of power failure, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, non-availability of adequate labour or disagreements with our workforce, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks, could reduce our ability to meet the conditions of our contracts and adversely affect sales and revenues from operations in such period. Disruptions in our manufacturing operations could delay production or require us to temporarily or permanently, cease operations at our manufacturing facilities. For instance, due to the COVID-19 pandemic, operations at certain of our manufacturing facilities were temporarily suspended during the last week of March 2020 and first week of April 2020. Further, any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. In addition, we may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facilities to cease, or limit, production until the disputes concerning such approvals are resolved. As regulatory approvals are site specific, we may be unable to transfer manufacturing activities to another location immediately. We may also be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. Further, we may also face protests from local residents at our existing facilities or while setting up new facilities, which may delay or halt our operations.

Certain raw materials that we use as well as our finished goods are corrosive and flammable and require expert handling and storage, failing which we may be exposed to fires or other industrial accidents. Any failure in handling these raw materials and finished products appropriately, or any mishandling of hazardous chemicals or any adverse incident related to the use of these chemicals or otherwise during the manufacturing process or storage of products and certain raw materials, may cause industrial accidents, fire, loss of human life, damage to our and third-party property and, or, environmental damage. There have been certain instances in the past where some of our workers were seriously injured and some workers lost their lives, allegedly due to an explosion of a pipe that was carrying certain chemicals. For details of criminal litigation involving the Company, arising from such incidents, see "*Outstanding Litigation and Material Developments*" on page 278.

While we have obtained insurance policies to cover certain of these risks, there can be no assurance that these insurance policies will sufficiently cover all losses that arise or will be honoured at all. Our insurance cover for property, plant and equipment as of March 31, 2021, was ₹ 2,721.08 million. Also see " – *An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability*" on page 42. If any other industrial accident, loss of human life or environmental damage were to occur we could be subject to significant penalties, other actionable claims and, in some instances, criminal prosecution. In addition to adversely affecting our reputation, any such accidents, may result in a loss of property of our Company and/ or disruption in our manufacturing operations entirely, levy of fines, penalties or compensation and/or adverse action against our employees, officers or management, which may have a material adverse effect on our results of operations and financial condition.

Similarly, there is no assurance that those of our manufacturing facilities unaffected by an interruption will have the capacity to increase their output to manufacture products for the affected manufacturing facilities, to the extent that all outstanding orders will be filled in a timely manner. In the event of prolonged interruptions in the operations of our manufacturing facilities, we may have to import various supplies and products or purchase them locally in order to meet our obligations towards customers, which could affect our profitability, business and financial condition.

7. Some of our Directors and Promoters may have interest in entities, which are in businesses similar to ours and this may result in conflict of interest with us.

As on the date of this Red Herring Prospectus, some of our Directors have interests in entities that are engaged in businesses similar to ours. For instance, Our Chairman and Non-Executive Director, Pradeep Ramwilas Rathi is currently a director and shareholder of Rieco Industries Limited, of Sudarshan Chemical Industries Limited and Rabro Speciality Chemicals, and one of our Non-Executive, Independent Directors, Ganapati Dadasaheb Yadav is a director on the board of directors of Aarti Industries Limited.

Further, Siddhartha Ashok Sikchi is a shareholder and director of MFSPL and Ashok Ramnarayan Boob and Pradeep Ramwilas Rathi are directors of MFSPL, one of our Group Companies, which is involved in manufacturing of certain chemical products. We have entered into transactions with MFSPL typically for sale of goods and scrap and our transactions with MFSPL amounted to ₹ 10.35 million, ₹ 3.24 million, and ₹ 1.11 million, and during the Fiscals 2019, 2020, and 2021, respectively.

While there is presently no conflict, there is no assurance that our Directors and Promoters will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in future. Such factors may have an adverse effect on the results of our operations and financial condition.

8. We typically do not enter into long-term agreements with majority of our customers, and an inability to continue to engage with them would have a material adverse effect on our business, results of operations and financial condition.

Though we have had repeat orders from customers and have developed long-term relationships with certain customers, we typically do not enter into long-term contracts with our customers. In the absence of long-term contracts, there can be no assurance that our existing customers will continue to purchase our products and any loss of our customers will have a material adverse effect on our business, results of operations and financial condition. Customers with whom we do not have long-term agreements may choose to cease sourcing our products. In the event a customer ceases to use us as its preferred supplier for their products, we cannot assure you that we will be successful in marketing those products to another customer. This could lead to a surplus of those products in our inventory. We are also exposed to risks of lower sales volume or lower price realization on such volumes depending on prevailing market conditions, as a result of such short-term arrangements. Further, in the event of any disputes with our customers including in relation to payments for the products supplied, in the absence of formal, long-term agreements, we may have limited recourse to seek contractual remedies against our customers. Our relationship with our customers are therefore dependent to a large extent on our ability to regularly meet customer requirements, including price competitiveness, efficient and timely product deliveries and consistent product quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers and agents.

9. We do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability or quality of such raw materials, in a timely manner or at all, could have an adverse

effect on our business and results of operations.

Our competitiveness, costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials, including phenol, hydrogen peroxide, acetic anhydride, tertiary butyl alcohol, acetone, methanol, and cyclohexylamine at acceptable prices.

Further, we usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers or the open market on a spot basis. The terms and conditions for product quality and return policy are set forth in the purchase orders. Pricing is typically negotiated for each purchase order. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins. Further, the purchase prices for our customers are pre-determined and accordingly, any subsequent variation in the price of the raw materials may not be fully passed onto our customers.

In Fiscals 2019, 2020 and 2021, the cost of materials consumed amounted to ₹ 1,786.10 million, ₹ 1,279.79 million, and ₹ 1,378.62 million, respectively, and represented 45.42%, 30.52%, and 26.90%, respectively, of our revenue from operations. Our imported raw materials, largely comprising phenol and tertiary butyl alcohol, as a percentage of our total raw materials purchased amounted to ₹ 667.62 million, ₹ 394.01 million, and ₹ 394.36 million, respectively, and amounted to 37.44%, 30.97%, and 27.74% in Fiscals 2019, 2020 and 2021, respectively.

The price and availability of such raw materials depend on several factors beyond our control, including overall economic conditions, foreign exchange rate, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade and regulatory restrictions. A majority of our raw materials also include derivatives of crude oil, such as phenol, acetone, and cyclohexylamine, and volatility and fluctuations in the price of crude oil, directly impact the cost of our raw materials. Our other raw materials, including packaging materials, are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions.

We depend on third-party vendors and suppliers for the purchase of raw materials. We have historically sourced raw materials from multiple vendors in India, China and the United States and continue to diversify our procurement base. Raw materials sourced within India, from China and the United States amounted to ₹ 1,027.39 million, ₹ 61.54 million and ₹ 178.20 million, in Fiscal 2021, respectively, and represented 37.94%, 2.27%, and 6.58%, of our total expenses in such periods, respectively. Although we have not faced significant disruptions in the procurement of raw materials in the past, the COVID-19 pandemic temporarily affected our ability to source raw materials from vendors outside India who were unable to transport raw materials to us. In particular, purchase of raw materials from our suppliers outside India may be hampered due to *inter alia* supply chain issues, change in government policies (including anti-dumping measures) and international geo-political situations or any other circumstances, which are beyond our reasonable control. For instance, the price of phenol, our primary raw material, has increased previously on account of anti-dumping duty that was levied. The occurrence of any such event may adversely affect our business, results of operations and financial condition. Further, our Company has also filed an application for the initiation of anti-dumping investigation concerning imports of DCC originating in or exported from the People's Republic of China, citing material injury to the domestic industry due to dumped imports of the subject goods, and has requested for imposition of the anti-dumping duty on the import of the subject goods originating in or exported from the said country. While the Directorate General of Trade Remedies, Department of Commerce, Ministry of Commerce and Industry has issued an initial notification in this regard, we cannot assure you that any favorable action would be taken by the relevant authorities.

We cannot assure you that we will be able to continue to obtain adequate and good quality supplies of our raw materials, in a timely manner or at all, in the future. Any such reductions or interruptions in the supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, may have an adverse effect on our ability to manufacture our products in a timely or cost-effective manner, affecting our ability to meet the demand for our products. Further, there can be no assurance that we will be able to enter into new or continue our existing arrangements with suppliers on terms acceptable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner, if at all, which may impact our business and profitability.

10. There are outstanding litigation proceedings against our Company and Directors. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.

There are outstanding legal proceedings against our Company and one of our Directors which are pending at various levels of adjudication before various courts, tribunals and other authorities.

The summary of outstanding matters set out below includes details of criminal proceedings and tax proceedings involving our Company and Directors.

Type of proceeding	Number of cases	Amount, to the extent quantifiable (*₹ million)*
Against our Company		
Criminal	2	Not quantifiable
Tax	1	2.38*#
Against our Directors		
Criminal	2	Not quantifiable

* *To the extent quantifiable, excluding interest and penalty thereon.*

\# *Out of which ₹237,692 has been paid against the total liability imposed in relation to the classification of the impugned goods under the Customs Tariff Act, 1975*

For further information, see "*Outstanding Litigation and Other Material Developments*" beginning on page 278.

There can be no assurance that these legal proceedings will be decided in our favor or in favor of our Company or our Director. In addition, we cannot assure you that no additional liability will arise out of these proceedings. Decisions in such proceedings adverse to our interests may have an adverse effect on our reputation and the reputation of our Director, business, results of operations and financial condition.

11. Our Group Companies have incurred losses in the last three Financial Years, for which respective financial statements are available.

Our Group Company, AFASPL has incurred a loss after tax (on a consolidated basis) of ₹ 260.69 million in Fiscal 2020, while CSTPL Foundation made a deficit of ₹0.03 million in Fiscal Year 2018. For further details, see "*Our Group Companies*" on page 167. We cannot assure you that our Group Companies will not incur losses in the future, or that such losses will not adversely affect our reputation or our business.

12. A significant proportion of our revenues are derived from sale of MEHQ and any reduction in the demand for MEHQ could have an adverse effect on our business, results of operations and financial condition.

We derive majority of our revenues from the sale of MEHQ, which is used as a polymerization inhibitor in acrylic acids, primarily involved in the manufacturing acrylic fibers, paints and inks, adhesives and super absorbent polymers. It also finds use in the agriculture industry. In Fiscals 2019, 2020 and 2021, revenue from sale of MEHQ amounted to ₹ 1,959.95 million, ₹ 1,862.78 million, and ₹ 2,463.63 million, respectively, and represented 49.84%, 44.43%, and 48.08% of our revenue from operations, respectively. Accordingly, our revenues are dependent on the end user industries that use our products as an input. However, our revenue from the sale of MEHQ may decline as a result of, amongst other, (i) seasonality of demand for our customers' products, which may cause our manufacturing capacities to be underutilized during specific periods; (ii) our customers' failure to successfully market their products or to compete effectively; (iii) loss of market share, which may lead our customers to reduce or discontinue the purchase of our products; (iv) economic conditions of the markets in which our customers operate; (v) increased competition; (vi) pricing pressures; and (vii) regulatory action, which could have an adverse effect on our business and sales to our customers would decline substantially. There can be no assurance that the lack of demand for MEHQ can be off-set by sales of our other products. Accordingly, any significant downturn in the industrial use of MEHQ could have a significant impact on our business, financial condition and our growth prospects.

13. We derive a significant portion of our revenues from operations from a limited number of markets and any adverse developments in these markets could adversely affect our business.

We have historically derived a significant portion of our revenues from operations from a limited number of markets, namely, China, India, Europe, and the Americas. Revenue from sale of products to China, India, Europe, and the Americas, amounted to ₹ 1,881.75 million, ₹ 1,592.22 million, ₹ 700.50 million, and ₹ 581.67 million, in Fiscal 2021, respectively, and represented 37.12%, 31.41%, 13.82% and 11.47%, of our revenue from sale of products, respectively, in Fiscal 2021. For further information on sales to these markets in Fiscals 2019, 2020 and 2021, see "*Our Business – Sales and Distribution Network*" on page 132. Therefore, any developments in the global specialty chemical industry or the industries in which our customers operate could have an impact on our sales from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that China, the European Union and the United States, among others, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. Any such imposition of trade barriers may have an adverse effect on our results of operations and financial condition.

In addition, our revenues from these markets may decline as a result of increased competition, regulatory action, pricing pressures including as a result of anti-dumping measures, fluctuations in the demand for or supply of our products or services, or the outbreak of an infectious disease such as COVID-19. Our failure to effectively react to these situations or to successfully introduce new products or services in these markets could adversely affect our business, prospects, results of operations and financial condition. Further, our international operations are subject to risks that are specific to each country and region in which we operate, as well as risks associated with international operations, in general. These risks include complying with changes in foreign laws, regulations and policies, including restrictions on trade, import and export license requirements, and tariffs and taxes, intellectual property enforcement issues and changes in foreign trade and investment policies. In the event we are unable to effectively address or comply with changes in foreign laws, or meet the conditions stipulated in our licenses, we may be subject to penalties and other regulatory actions, which could adversely affect our reputation, business, prospects, result of operations and financial condition.

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

The specialty chemicals industry requires a substantial amount of capital and we will continue to incur significant expenditure in maintaining and growing our existing infrastructure, purchase equipment and develop and implement new technologies in our new and existing manufacturing facilities. In Fiscals 2019, 2020 and 2021, our capital expenditure towards additions to fixed assets (property, plant and equipment, and right-of-use assets) were ₹ 357.62 million, ₹ 531.29 million, and ₹381.30 million, respectively, representing 13.34%, 21.44%, and 14.08%, respectively, of our total expenditure in such periods. While we have historically funded our capital expenditure primarily through internal accruals and cash flow from operations, we cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, venture capital funds, joint-venture partners and other strategic investors. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

15. Our manufacturing facilities are all located in close proximity to each other in a particular region and any adverse development affecting such region may have an adverse effect on our business, prospects, financial condition and results of operations.

Our manufacturing facilities are located in Kurkumbh in the state of Maharashtra in India. For information on the location of our facilities, see "*Our Business – Properties*" on page 134. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state or local governments in this region could adversely affect manufacturing activities, result in modification of our business strategy, or require us to incur significant capital expenditure, or suspend our operations. Any such adverse development affecting continuing operations at our manufacturing facilities could result in significant loss from inability to meet customer contracts and production schedules and could materially affect our business reputation within the industry. We cannot assure you that there will not be any significant disruptions in our operations in the future. The occurrence of or our inability to effectively respond to, any such event, could have an adverse effect on our business, results of operations, financial condition and cash flows.

16. We are subject to strict quality requirements, regular inspections and audits by entities such as the USFDA and Bureau Veritas, and the success and wide acceptability of our products is largely dependent upon our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders which may expose us to warranty claims.

All our products and manufacturing processes are subject to stringent quality standards and specifications as specified by our customers in terms of the various contractual arrangements entered into with them. As a result, any failure on our part to maintain applicable standards and manufacture products according to prescribed quality specifications, may lead to loss of reputation and goodwill of our Company, cancellation of the order, loss of customers, rejection of the product, which will require us to incur additional cost, that may not be borne by the customer, to replace the rejected product which could have adverse effect on our business and financial condition. Additionally, it could expose us to monetary liability and/ or litigation. For instance, a particular shipment of MEHQ in Fiscal 2020 was recalled due to detection of a foreign particle that resulted in a discount offered to such customer and replacement of shipment. While the amounts involved were not material and such recall did not have a significant impact on our results of operations, there can be no assurance that such recalls will not happen in the future or that they will not involve larger volumes of our products. Certain of our customers have also audited and approved our facilities and manufacturing processes in the past, and may undertake similar audits periodically in the future. The occurrence of quality defects on account of errors and omission could result in damage to our reputation and loss of customers, which could adversely affect our business, operations, our cash flows and financial condition. Our Company has also obtained certain product specific approvals from domestic and foreign regulators, including the US FDA. Failure to meet quality and standards of our products and processes can have serious consequences including rejection of the product, which will require us to incur additional cost, which will not be borne by the customer, to replace the rejected product, withdrawal of our product approval, and loss of customer which could have adverse effect on our reputation, business and our financial condition. This may result in our customers cancelling present or future purchases of our products. For instance, we have received certain feedback from customers in the past with respect to quality compliance that has led to rejection of certain shipments. While these have not materially affected our operations, and we have since carried out more stringent quality checks, there can be no assurance that our products will at all times comply with customer specifications, and the rejection of a large volume of products in the future could adversely affect our operations.

Our business also requires obtaining and maintaining quality certifications and accreditations from independent certification entities. For instance, our facilities are ISO 9001:2015 and 14001:2015 and ISO 45001:2018 certified for quality, environment management and health and safety, respectively and are certified for sustainability by industry bodies including Ecovadis and Together for Sustainability. Such specifications and standards of quality is an important factor in the success and wide acceptability of our products. If we fail to comply with applicable quality standards or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, within time or at all, our business prospects and financial performance will be materially and adversely affected.

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

17. Exchange rate fluctuations may adversely affect our results of operations as our sales from exports and a significant portion of our expenditures are denominated in foreign currencies.

We have material exposure to foreign exchange related risks since a significant portion of our revenue from operations are in foreign currency, including the US Dollar. In Fiscals 2019, 2020 and 2021, sales from exports amounted to ₹ 2,842.91 million, ₹ 2,883.12 million, and ₹ 3,502.90 million, respectively, and represented 72.29%, 68.76%, and 68.36%, respectively, of our total revenue from operations in such periods. Similarly, a significant portion of our expenses, including cost of imported raw material, are denominated in currencies other than Indian Rupees. In Fiscals 2019, 2020 and 2021, expenses in foreign currency incurred for purchase of raw material amounted to ₹ 667.62 million, ₹ 394.01 million, and ₹ 394.36 million, respectively, and represented 24.91%, 15.90%, and 14.56%, respectively, of our total expenses in such periods. While we make provisions for foreign exchange fluctuations and also take steps to hedge our foreign currency fluctuation risk, a significant or frequent fluctuation in the exchange rate between the Indian Rupee and other currencies, may adversely affect our results of operations. In Fiscals 2019, 2020 and 2021, we had mark-to-market (loss)/ gain on outstanding forward contract amounting to ₹ 34.45 million, ₹ (45.45) million, and ₹ 28.19 million, respectively, and net gain on account of foreign exchange fluctuations amounted to ₹ 88.63 million, ₹ 28.23 million, and ₹ 113.53 million, respectively, which represented 2.19%, 0.66%, and 2.11%, of our total income in such periods, respectively.

The exchange rate between the Indian Rupee and foreign currencies, primarily the USD, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Accordingly, any appreciation or depreciation of the Indian Rupee against these currencies can impact our results of operations. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards.

While we seek to pass on losses on account of foreign currency fluctuations to our customers, our ability to foresee future foreign currency fluctuations is limited. Further, due to the time gap between the accounting of purchases and actual payments, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of the Rupee. We may, therefore, be exposed to risks arising from exchange rate fluctuations and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers, and as a result, suffer losses on account of foreign currency fluctuations. There is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline. We may experience foreign exchange losses and gains in respect of transactions denominated in foreign currencies. While we selectively enter into hedging transactions to minimize our foreign currency exchange risks, there can be no assurance that such measures will enable us to manage our foreign currency risks. Certain markets in which we sell our products may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even non-realization of revenue. 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.

18. ***Restrictions on import of raw materials and an increase in shipment cost may adversely impact our business and results of operations.***

In Fiscal 2021, we imported raw materials amounting to ₹ 394.36 million which amounted to 14.56% of our total expenses incurred on raw materials. Some of our raw material imports are regulated by the Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 that, *inter alia*, allows the concerned authority to take any action if it deems that the chemicals proposed to be imported may cause major accidents or stop an import of chemicals based on safety and environmental considerations. We are unable to assure you that such regulations would not be made more stringent which would consequently restrict our ability to import raw materials from other jurisdictions. We also cannot assure you that, under these circumstances, we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, business and results of operations. Further, any increase in export tariff will increase expenses which in turn may impact our business and results of operations.

19. ***Our business is dependent on the delivery of adequate and uninterrupted supply of electrical power and water at a reasonable cost. Any shortages or any prolonged interruption or increase in the cost of power and water, could adversely affect our business, result of operations and financial conditions.***

Adequate and cost effective supply of electrical power and water is critical to our operations. Each of our manufacturing facilities depends on the delivery of an adequate supply of electrical power. For further information, see "*Our Business – Manufacturing Facilities*" on page 129. There can be no assurance that electricity supplied to our existing manufacturing facilities will be sufficient to meet our requirements or that we will be able to procure adequate and interrupted power supply in the future at a reasonable cost. There may be power cuts in the supply provided by the relevant state electricity boards from time to time and so we have stand-by diesel generator sets for our operations to ensure that there is no stoppage in our production. Power costs represent a significant portion of our operating costs. In Fiscals 2019, 2020, and 2021, the power and fuel expenses amounted to ₹ 322.34 million, ₹ 347.53 million, and ₹ 349.49 million, respectively, and represented 12.03%, 14.02%, and 12.91%, respectively, of our total expenses in such periods. If the per unit cost of electricity is increased by the state electricity boards our power costs will increase. Also, if fuel costs or the costs of operating our power generation plants go up, our cost of internal generation of electricity will rise. It may not be possible to pass on any increase in our power costs to our dealers, which may adversely affect our profit margins. An interruption in or limited supply of electricity may result in suspension of our manufacturing operations. A prolonged suspension in production could materially and adversely affect our business, financial condition or results of operations.

Our operations and facilities are dependent on a steady and stable supply of water, and irregular or interrupted supply of water, or government intervention are factors that could adversely affect our daily operations. We depend on the availability of water from the Maharashtra Industrial Development Corporation, for use in our manufacturing facilities. If there is an insufficient supply of water to satisfy our requirements or a significant increase in prices, we may need to limit or delay our production, which could adversely affect our business, financial condition and results of operations. We cannot assure you that we will always have access to sufficient supplies of water in the future to accommodate our production requirements and planned growth. In addition to the production losses that we would incur during production shutdowns in the absence of supply of electrical power or water, we would not be able to immediately return to full production volumes following power interruptions, however brief. Any interruption of power, even if short, could give rise to inefficiencies when we resume production. Accordingly, any increase in power costs and water costs could adversely affect our operations and financial condition.

20. ***Our proposed capacity expansion plans relating to our manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns.***

We have made and intend to continue making investments to expand the capacity of our manufacturing facilities to aid our growth efforts and consolidate our pan-India presence. For further information, see "*Our Business – Manufacturing – Additional Production Facilities*" on page 130.

Our expansion plans remain subject to the potential problems and uncertainties that construction projects face including cost overruns or delays. For instance, our Company experienced certain time and cost overruns in the commencement of production at the Anisole vapour-phase plant at Facility II between October 2017 and March 2018.

Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, incremental preoperative expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. There can be no assurance that the proposed capacity additions and expansions will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

21. ***The specialty chemicals industry provides for significant entry barriers. We face competition from both domestic as well as multinational corporations and our inability to compete effectively could result in the loss of customers, hence, our market share, which could have an adverse effect on our business, results of operations, financial condition and future prospects.***

The specialty chemicals industry presents significant entry barriers, including customer validation and approvals, expectation from customers for process innovation and cost reduction, high quality standards and stringent specifications. In particular, our typical end customers expend significant time and resources to engage with suppliers, based on quality and regulatory compliance. From the product testing stage, to the batch procurement phase, to the eventual customer approval stage – acquiring a new end customer could take a few years depending on product complexity. As of March 31, 2021, we had a market share of 43.9% in Performance Chemicals, 6.1% in Pharmaceutical Intermediaries, and 39.3% in FMCG Chemicals, in terms of installed manufacturing capacities in the global speciality chemicals market. (*Source: F&S Reports*).

We face competition from both domestic and multinational corporations. Our failure to obtain new customers or to retain or increase our existing market share or effectively compete could adversely affect our business, financial condition and results of operations. We compete on the basis of pricing, relationships with customers, product quality, and process innovation. We face pricing pressures from multinational companies that are able to produce chemicals at competitive costs and consequently, supply their products at cheaper prices. There can be no assurance that we will be able to meet the pricing pressures imposed by such multinational competitors which would adversely affect our profitability.

Additionally, some of our competitors in the specialty chemicals segment may have greater financial resources, technology, research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. Accordingly, 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. Further, we may incur significant expense in preparing to meet anticipated customer requirements that we may not be able to recover or pass on to our customers. Increased competition may force us to improve our process, technical, product and service capabilities and/or lower our prices or result in loss of customers, which may adversely affect our profitability and market share, in turn, affecting our business, financial condition, results of operations and future prospects. There is no assurance that we will remain competitive with respect to technology, design, quality or cost.

In addition, our competitors may develop competing technologies that gain market acceptance before or instead of our products. Our competitors' actions, including expanding manufacturing capacity, expansion of their operations to newer geographies or product segments in which we compete, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume.

22. ***We are subject to increasingly stringent environmental, health and safety laws, regulations and standards, as regulated by, inter alia, the State Environmental Impact Assessment Authority, Maharashtra Pollution Control Board and Central Pollution Control Board, respectively. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.***

We are subject to a wide range of laws and government regulations, including in relation to safety, health, labour, and environmental protection. These safety, health, labour, and environmental protection laws and regulations impose controls on air and water release or discharge, noise levels, storage handling, the management, use, generation, treatment, processing, handling, storage, transport or disposal of hazardous materials, including the management of certain hazardous waste, and exposure to hazardous substances with respect to our employees, along with other aspects of our manufacturing operations. For instance, there is a limit on the amount of pollutant discharge that our manufacturing facilities may release into the air and water. Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. For further information on the relevant laws and regulations applicable to our operations, see "*Key Regulations and Policies*" on page 135. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our manufacturing facilities. The occurrence of any of these events could have an adverse effect on our business, results of operations and financial condition.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict.

We are also subject to the laws and regulations governing employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products. We cannot assure you that we will not be involved in future litigation or other proceedings, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

23. We operate in a hazardous industry and are subject to certain business and operational risks consequent to our operations, such as, the manufacture, usage and storage of various hazardous substances.

While our operations are focused on reducing effluent discharge and emissions, certain of our manufacturing processes generate pollutants and waste, some of which may be hazardous and harmful to the environment. We are accordingly exposed to operating risks associated with handling of such hazardous materials such as possibility for leakages and ruptures from containers, explosions, and the discharge or release of toxic or hazardous substances, which in turn may cause industrial accidents, fire, personal injury, loss of human life, damage to our and third-party property and environmental contamination. In addition, due to the hazardous nature of the raw materials and products at our facilities, risks associated with accidents, including as a result of natural calamities, are exacerbated. There have been certain instances in the past where some of our workers were seriously injured and some workers lost their lives, allegedly due to an explosion of a pipe that was carrying certain chemicals being under pressure. For details of criminal litigation involving the Company, arising from such incidents, see "*Outstanding Litigation and Material Developments*" on page 278.

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 one or more of our manufacturing facilities and expose us, our employees and management to civil or criminal liability, including significant penalties, which could have an adverse effect on our results of operations and financial condition. Moreover, certain environmental laws impose strict liability for accident/ damages resulting from hazardous substances and any failure to comply with such laws may lead to penalties, fines and imprisonment. Further in case any adverse action is taken against our Company, the same may have a material adverse impact on our reputation and customer arrangements.

24. Adverse geopolitical conditions such as increased tensions between India and China, could adversely affect our business, results of operations and financial condition.

Adverse geopolitical conditions such as increased tensions between India and China resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries imposing restrictions on the import or export of products or raw materials, among others, and could either affect our ability to supply our products to China or to procure raw materials required for our manufacturing operations from China. In Fiscals 2019, 2020, and 2021, revenue generated from sales to customers in China amounted to ₹ 1,510.29 million, ₹ 1,454.57 million, and ₹ 1,881.75 million, respectively, and represented 39.24%, 35.53%, and 37.12%, of our total sale of products in such periods, respectively. The occurrence of any event that may alter trade relations between the two countries may therefore significantly impact our business and financial condition. We could also be affected by the introduction of import tariffs in India, or in the countries to which we export our products, or changes in trade agreements between countries.

25. We are subject to risks associated with rejection of supplied products, and consequential claims and associated product liability costs due to defects in our products, which could generate adverse publicity or adversely affect our business, results of operations or financial condition.

We develop, manufacture and market a diverse range of specialty chemicals, which are primarily used as raw materials for a variety of end user applications. The products that we produce are subject to risks such as contamination, adulteration and product tampering during their production, transportation or storage. Defects, if any, in our products could lead to rejection of supplied products and consequential financial claims. We are also exposed to risks associated with product liability claims if the use of our products results in personal injury. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. While our agro-chemical intermediates are researched prior to commercialization, there is no certainty of their long-term effects on soil or water supplies and any adverse effects caused by such products could adversely affect our business and reputation. Also, see *" – We are subject to increasingly stringent environmental, health and safety laws, regulations and standards, as regulated by State Environmental Impact Assessment Authority, Maharashtra Pollution Control Board and Central Pollution Control Board, respectively. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.*" on page 30.

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, or from defects arising from deterioration in our quality controls. Further, while we seek to conform our products to meet a variety of contractual specifications and regulatory requirements, there can be no assurance that product liability claims or recall claims against us will not arise, whether due to product malfunctions, defects, or other causes. For instance, a particular shipment of MEHQ in Fiscal 2020 was recalled due to detection of a foreign particle that resulted in a discount offered to such customer and replacement of shipment. While the amounts involved were not material and such recall did not have a significant impact on our results of operations, there can be no assurance that such recalls will not happen in the future or that they will not involve larger volumes of our products. Product liability claims, regardless of their merits or the ultimate success of the defense against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation, divert our management's time, adversely affect our goodwill and impair the marketability of our products. Further, there may be instances where our Company is unable to meet the timelines for delivery of the products to its customer. Any such time overrun may result in termination of the arrangement, price negotiations and reputational harm, which may have an adverse impact on our business and financial position.

Also, see *" – We are subject to strict quality requirements, regular inspections and audits, and the success and wide acceptability of our products is largely dependent upon our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders which may expose us to warranty claims*." on page 27.

26. Some of the substances used in our manufacturing process may be hazardous, corrosive and flammable and require expert handling and storage.

Set forth below is a list of certain substances that are used in our manufacturing process and that may be hazardous, corrosive and flammable and require expert handling and storage:

Substance	Compounds Present	Structural Formula	Impact of Use
Phenol	Cumene (isopropylbenzene) and Cyclohexylbenzene	C6H5OH	Impact on human health includes corneal damage on eye contact, inflammation and blistering in case of skin contact, irritation to gastrointestinal or respiratory tract in case of inhalation. Severe over-exposure can produce lung damage, choking, unconsciousness or death.
Hydrogen Peroxide	Anthraquinone (such as 2-ethylanthraquinone or the 2-amyl derivative) and hydrogen palladium catalyst	H2O2	As an aggressive oxidizer, it can corrode many materials, including human skin. And can cause severe skin burns and eye damage. It is harmful if swallowed or inhaled.
Acetic Anhydride	Methyl Acetate and acetate salt	(CH3CO)2O	Impact on human health includes severe skin burns and eye damage, and it is destructive to the tissue of the mucous

Substance	Compounds Present	Structural Formula	Impact of Use
	Catalyst: Rhodium chloride in the presence of lithium iodide		membranes and upper respiratory tract. It may also be harmful by skin absorption and may cause respiratory system irritation
Tertiary Butyl Alcohol	Isobutane as a coproduct of propylene oxide and catalytic hydration of isobutylene Grignard reaction between acetone and methylmagnesium chloride	(CH3)3COH	Impacts include irritation on eye contact or skin contact, vomiting if ingested, and cough, pain or choking on inhalation. Headaches and dizziness may occur, proceeding to fainting or unconsciousness, narcotic effects, and impaired consciousness
Acetone	Propylene and benzene	(CH3)2CO	Impact of exposure to high concentrations includes feeling of weakness, irritation of the respiratory tract, nausea, vomiting, headache, central nervous system depression, dizziness, narcosis, excited/restless, drunkenness, disturbed motor response, respiratory difficulties, disturbances of consciousness
Methanol	Carbon monoxide and hydrogen catalyst (mixture of copper and zinc oxides, supported on alumina)	CH3OH	Inhalation of high air born concentration can also irritate mucous membranes, cause headache, nausea, sleepiness, confusion, loss of consciousness, digestive and visual disturbances, and even death. Repeated exposure by inhalation or absorption may cause systemic poisoning, brain disorders, impaired vision and blindness. Inhalation may worsen conditions such as emphysema or bronchitis. Repeated skin contact may cause dermal irritation, dryness and cracking.
Cyclohexylamine	Aniline and cobalt- or nickel-based catalysts	C6H13N	It is a flammable liquid and vapour that is harmful if swallowed, and is toxic in contact with skin. It can also causes severe skin burns and eye damage, and may cause respiratory irritation. It also suspected of damaging fertility

(*Source: F&S Reports*)

While our Company believes that it has necessary controls and processes in place, any failure of such systems, mishandling of hazardous chemicals, leakages, explosion or any adverse incident related to the use of these chemicals or otherwise during the manufacturing process, transportation, handling or storage of products and certain raw materials, may cause industrial accidents, fire, loss of human life and property, damage to our and third-party property and, or, environmental damage, require shutdown of one or more of our manufacturing facilities and expose us to civil or criminal liability. If any such event were to occur we could be subject to significant penalties, other actionable claims and, in some instances, criminal prosecution. In addition to adversely affecting our reputation, any such accidents, may result in a loss of property of our Company and/or disruption in our manufacturing operations entirely, which may have an adverse effect on our results of operations, cash flows and financial condition.

27. We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facilities, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.

Our operations are subject to extensive government regulation 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 the geographies in which we operate, generally for carrying out our business and for our manufacturing facilities. For further information on approvals relating to our business and operations, see "*Government and Other Approvals*" on page 281. Additionally, in relation to the roof-top solar power-plants installed at third party premises, the relevant approvals are required to be obtained by the respective third parties.

Several of these approvals are granted for a limited duration. These approvals expire from time to time and we are required to make applications for and are in the process of making applications for obtaining approvals for renewal. For instance, we have filed applications for, *inter alia*, renewal of certain environmental approvals for Facility I and II, registration of boiler/ economizer for Facility III, and the merging of the environmental clearance obtained from SEIAA dated June 30, 2020, for Facility II and Facility III. For further information on pending approvals, see "*Government and Other Approvals*" on page 281. We cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected.

Our business is also subject to frequent audits under various regulations including the Indian Boilers Act, 1923, and the Legal Metrology Act, 2009.

The approvals required by us are subject to numerous conditions and we cannot assure you that these conditions will be met at all times or that these approvals 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 are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In addition, these registrations, approvals or licenses are liable to be cancelled or the manufacture or sale of products may be restricted. In case any of these registrations, approvals or licenses are cancelled, or its use is restricted, then it could adversely affect our results of operations or growth prospects.

We are also required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax and excise duty. While such undisputed dues are regularly deposited during the year with the appropriate authorities, there have been slight delays in this respect in the past, including in Fiscals 2019, 2020 and 2021, as noted by the auditors in the Companies (Auditors Report) Order 2016, as amended ("**CARO**") disclosures, included as an annexure to the auditor's report on our audited financial statements. We cannot assure you to that we will be able to pay our statutory dues timely, or at all, in the future. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations and financial condition.

28. We have applied for certain approvals that are pending with various regulatory authorities. If we are unable to obtain or maintain such regulatory approvals, we may be unable to operate our manufacturing facilities or sell our products, which could adversely affect our business, cash flows and results of operations.

We have filed applications for, *inter alia*, renewal of certain environmental approvals for Facility I and II, registration of boiler/ economizer for Facility III, grant of license for approval of factory layout for Facility III and the merging of the environmental clearance obtained from SEIAA dated June 30, 2020, for Facility II and Facility III. For further information on pending approvals, see "*Government and Other Approvals – Approvals applied for but no received*" on page 282. In the event that we are unable to obtain or maintain such statutory permits and approvals or comply with any or all of their applicable terms and conditions, or seek waivers or extensions of time for complying with such terms and conditions, our operations may be interrupted and penalties may be imposed on us by the relevant authorities.

29. Any adverse changes in regulations governing our business, products and the products of our customers, may adversely impact our business, prospects and results of operations.

Government regulations and policies of India as well as the countries to which we export our products can affect the demand for, expenses related to and availability of our products. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. Any changes in government regulations and policies, such as the withdrawal of or changes in tax benefits, incentives and subsidies or anti-dumping duties levied by India or other countries, could adversely affect our business and results of operations. Further, regulatory requirements with respect to our products and the products of our customers are subject to change. An adverse change in the regulations governing the development of our products and use of products by our customers may have an adverse impact on our operations. Our Company may be required to alter our manufacturing and/ or distribution process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers. We cannot assure you that we will be able to comply with the regulatory requirements. If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for manufacturing and marketing new products or we may be required to withdraw existing products from the market. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products and/ or we may be deemed to be in breach of our arrangements with our customers. Consequently, there is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products, which may adversely impact our business, results of operations and financial condition.

30. We currently avail benefits under certain export promotion schemes and are entitled to certain incentives. Any change in these benefits and incentives applicable to us or a delay in disbursement of benefits under such schemes may affect our results of operations.

We currently avail benefits under certain export promotion schemes such as the Merchandise Exports from India Scheme and Export Promotion of Capital Goods scheme. In Fiscals 2019, 2020, and 2021, these export incentives amounted to ₹ 69.35 million, ₹ 86.46 million, and ₹ 43.71 million, respectively, and represented 1.76%, 2.06%, and

0.85% of our revenue from operations in such periods, respectively. Any reduction or withdrawal of such benefits or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business, results of operations and financial condition. Further, the benefits/ incentives under such schemes are available to us for a fixed period subject to compliance with various terms and conditions and such incentive are not subject to renewal. There can be no assurance that we will continue to enjoy these benefits in the future or will be able to obtain timely disbursement of such benefits.

31. Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.

As of March 31, 2021, we own and operate two manufacturing facilities with an aggregate estimated installed production capacity of 29,900 MTPA. We have also recently set-up a unit at our third manufacturing facility that is being constructed adjacent to our existing facilities at Kurkumbh (Maharashtra). Our ability to maintain our profitability depends on our ability to (i) maintain our high capacity utilization; and (ii) demand and supply balance of our principal products in the target markets; and (iii) procure raw materials at competitive prices. In particular, the level of our capacity utilization can impact our operating results. High capacity utilization allows us to spread our fixed costs, resulting in a high gross profit margin. Our product mix also affects capacity utilization of our manufacturing facilities, and the demand and supply balance and the average selling prices of our products, would in turn affect our gross profit margin.

Our capacity utilization is affected by the availability of raw materials, industry/ market conditions as well as by the product requirements of, and procurement practice followed by, our customers. In the event that we are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition. Further, if our customers place orders for less than anticipated volume or cancel existing orders or change their policies resulting in reduced quantities being supplied by us, it could result in the under-utilization of our manufacturing capacities. 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 or utilization of our manufacturing capacity for a particular product. Any such mismatch leading to over or under utilization of our manufacturing facilities could adversely affect our business, results of operations, financial condition and cash flows.

In Fiscals 2019, 2020, and 2021, our overall capacity utilization was 67.88%, 62.95%, and 71.94%, respectively. For further information, see "*Our Business - Capacity and Capacity Utilization*" on page 129. In addition, we are in the process of expanding our manufacturing capacities. The success of any capacity expansion and expected return on investment on capital invested is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs and develop new expertise and utilize the expanded capacities as anticipated. In case of oversupply in the industry or lack of demand, we may not be able to utilise our expanded capacity efficiently. As a result, our historical capacity utilization rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and implement our growth strategy of improving operational efficiency. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, could materially and adversely impact our business, growth prospects and future financial performance.

32. An inability to effectively manage our growth and expansion may have a material adverse effect on our business prospects and future financial performance.

We have experienced stable growth over the past three years. Our total revenue from operations has increased at a CAGR of 14.15% from ₹ 3,932.70 million in Fiscal 2019 to ₹ 5,124.28 million in Fiscal 2021. However, there can be no assurance that our growth strategy will be successful or that we will be able to continue to expand further, or at the same rate.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategies, include, developing newer processes for new product launched, strengthening our distribution network, and expanding our manufacturing capacities. For further information, see "*Our Business – Strategies*" on page 126. Our ability to achieve our growth strategies will be subject to a range of factors, including our ability to identify market opportunities and demands in the industry, develop products using innovative catalytic-technologies and our ability to continue to develop catalysts, compete with existing companies in our markets, consistently exercise effective quality control, hire and train qualified personnel and undertake complex chemistries. Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategy. We may face increased risks when we enter new markets in India and internationally, and may find it more difficult to hire, train and retain qualified employees in new regions. In addition, we may have difficulty in finding reliable suppliers with adequate supplies of raw materials meeting our quality standards.

Our business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to expand, train, motivate and manage our workforce. There can be no assurance that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategy could have a material adverse effect on our business, financial condition and profitability.

33. The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance.

In late 2019, COVID-19 emerged and by March 11, 2020 was declared a global pandemic by the World Health Organization. The COVID-19 pandemic has had, and may continue to have, repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for 2020 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession.

The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, including in the regions in which we operate, such as prohibiting people from assembling in heavily populated areas, instituting quarantines, restricting travel, issuing lockdown orders and restricting the types of businesses that may continue to operate, 'stay-at-home' orders, and enforcing remote working regulations. These measures have led to a significant decline in economic activities. No prediction can be made of when any of the restrictions currently in place will be relaxed or when further restrictions will be announced. Although some governments are beginning to ease or lift such restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown.

On March 14, 2020, India declared COVID-19 as a 'notified disaster' and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. Our manufacturing facilities were accordingly shut-down for a period of two weeks, and we were allowed to resume operations subject to certain adjustments in working patterns and limited workforce. The COVID-19 pandemic resulted in some disruptions in the supply of raw materials from our domestic and international suppliers during the months of March 2020 to May 2020.

The scale of the pandemic and the speed at which the local and global community has been impacted, has affected our quarterly and annual revenue growth rates and expenses as a percentage of our revenues, particularly, in Fiscal 2021, and may differ significantly from our historical rates, and our future operating results may fall below expectations. The impact of the pandemic on our business, operations and future financial performance include, but are not limited to the following:

- a complete or partial closure of, or disruptions or restrictions on our ability to conduct, our manufacturing operations and R&D activities, to comply with government imposed measures;
- our inability to source key raw materials as a result of the temporary or permanent closure of the facilities of suppliers of our key raw materials;
- a significant percentage of our workforce being unable to work, including because of travel or government restrictions in connection with COVID-19, including stay at home order, which could result in a slowdown in our operations;
- our strategic projects/ proposed products becoming delayed or postponed indefinitely;
- impact our ability to travel, pursue partnerships and other business transactions and delay shipments of our products;
- delays in orders or delivery of orders, which will negatively impact our cash conversion cycle and ability to convert our backlog into cash;
- inability to collect full or partial payments from customers due to deterioration in customer liquidity, including customer bankruptcies or payments to suppliers due to delay in collections or liquidity issue;
- our inability to access debt and equity capital on acceptable terms, or at all;

- impact our compliance with the covenants in our credit facilities and other financing agreements and could result in events of default and the acceleration of indebtedness;

- uncertainty as to what conditions must be satisfied before government authorities completely lift lockdown orders; and

- the potential negative impact on the health of our employees, particularly if a significant number of them are afflicted by COVID-19, could result in a deterioration in our ability to ensure business continuity during this disruption.

Any resulting financial impact due to the above cannot be reasonably estimated at this time. The extent to which the COVID-19 impacts our business and results will depend on future developments, which are highly uncertain and cannot be predicted, such as new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. In addition, we cannot predict the impact that the COVID-19 pandemic will have on our customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events.

As of the date of this Red Herring Prospectus, there is significant uncertainty relating to the severity of long-term adverse impact of the COVID-19 pandemic on the global economy, global financial markets and the Indian economy, and we are unable to accurately predict the long-term impact of the COVID-19 pandemic on our business. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this "*Risk Factors*" section.

34. There is a growing consumption of green chemicals and evolution of green chemistry driving other companies to adopt green chemistries, which may affect our competitive position and thereby have an adverse effect on our business, results of operations, and financial condition.

Green chemistry is an emerging focus among manufacturing industries that minimizes pollution at a molecular level (*Source: F&S Reports*). Green chemistry is the design of chemical products and processes that reduce or eliminate the use or generation of hazardous substances (*Source: F&S Reports*). Companies are actively designing novel concept to reduce emission of hazardous substances and actively switching their production process to green chemistry (*Source: F&S Reports*).

As more companies adopt green chemistries and increase their production of green chemicals, we may face pricing pressures from such companies that produce chemicals at competitive costs and consequently, supply their products at cheaper prices. There can be no assurance that we will be able to meet the pricing pressures imposed by such competitors which would adversely affect our profitability. Additionally, some of our competitors in the specialty chemicals segment may have greater financial resources, technology, research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to the trends on green chemicals and evolution of green chemistry. Accordingly, 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.

Further, while we have introduced green chemistries in the past, such as by deploying vapour-phase technology for manufacturing Anisole from phenol with better atom economy and only water as effluent compared to liquid phase manufacturing process, and are in the process of refining our existing processes by leveraging our expertise on complex chemistries such as halogenation, hydrogenation, oxidation, Grignard chemistry, and coupling reactions, that we have generated over time, increased competition may force us to reconsider our processes, which may adversely affect our profitability and market share, in turn, affecting our business, financial condition, results of operations and future prospects. In addition, our competitors may develop competing technologies that gain market acceptance before or instead of our products. Our competitors' actions, including expanding manufacturing capacity, expansion of their operations to newer geographies or product segments in which we compete, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume

35. Our commercial success depends on the success of our customer's products with end consumers. If any of the products of our customers cause, or are perceived to cause, severe side effects, or if there is any decline in the demand for our customer's products, our revenues and profitability could be adversely affected.

Our products are used by our customers as raw materials in a range of industries, including monomer, food and animal nutrition, pharmaceutical, personal care (cosmetics), agro-chemical, flavor and fragrances, and automotive industries. For further information, see "*Our Business*" on page 122. If our customers' products cause, or are perceived to cause, severe side effects to their end-users, we may face a number of consequences, including, a severe decrease in the demand for, and sales of, the relevant products; the recall or withdrawal of the relevant products; withdrawal or cancellation of regulatory approvals for the relevant production facility; damage to our reputation and brand name; and exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or sanctions. As a result of these consequences, our reputation, revenues and profitability may be adversely affected. For instance, we have received certain feedback from customers in the past with respect to quality, specifically on account of contamination by foreign particle, that has led to rejection of certain shipments which had to be replaced or due to which we had to offer discounts on subsequent orders. While these have not materially affected our operations, there can be no assurance that our products will at all times comply with customer specifications, and the rejection of a large volume of products could adversely affect our operations.

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

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

Our business depends on our estimate of the demand for our products from customers. As is typical in the specialty chemicals industry, we maintain a reasonable level of inventory of raw materials, work in progress and finished goods. For further information, see "*Our Business – Inventory Management*" on page 132. However, if we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we forecast the demand and price for our products and accordingly, plan our production volumes, any error in our forecast could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. If we overestimate demand, we may incur costs to build capacity or purchased more raw materials and manufacture more products than required. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

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

37. Newly developed products may replace our existing products and our R&D efforts may not yield new products, processes and solutions consistently to enable us to remain competitive.

New specialty chemicals may be developed, which may replace our existing products and/or render our existing products obsolete. While we conduct R&D to develop innovative and cost effective products, and to broaden our product range, we may not be able to develop new products consistently. We developed two new products in the last three Fiscals, and revenue generated from such products amounted to ₹ 29.72 million, and ₹ 200.66 million, in Fiscals 2020 and 2021, respectively, which represented 0.69% and 3.73% of our total income in such periods, respectively. In Fiscals 2019, 2020 and 2021, R&D expenditure (excluding Director remuneration allocated as R&D) amounted to ₹ 20.34 million, ₹ 23.88 million, and ₹ 27.37 million, respectively, that represented 0.50%, 0.56%, and 0.51% of our total income in these periods, respectively. Any reduction in the utility of our products in general or to such industries including due to the emergence of cost effective and more efficient alternatives and the shift of the practice in these industries towards developing our products in-house, may have an adverse impact on the demand for our products and consequently, may have a material adverse impact on our business, results of operations, cash flows and financial condition. Further, there can be no assurance that the lack of demand from any one of these industries can be offset by sales to other industries in which our products find application.

38. Failure to maintain confidential information of our customers could adversely affect our results of operations and, or, damage our reputation

The agreements with our customers include clauses on confidentiality and non-disclosure obligations. According to these agreements, we are required to keep confidential certain details of our customers. In the event of any breach or alleged breach of our confidentiality agreements with our customers, these customers may terminate their engagements with us or initiate litigation for breach of contract. Moreover, if our customers' confidential information is misappropriated by us or our employees, our customers may seek damages and compensation from us, in addition, to seeking termination of the contract. Assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

39. Our manufacturing facilities are located on leased premises. If these leases are terminated or not renewed on terms acceptable to us, it could have a material adverse effect on our business, financial condition and results of operations.

We currently operate our manufacturing facilities on land allotted to us by the Maharashtra Industrial Development Corporation ("**MIDC**"), and according to the terms of the respective lease agreements, the tenure of such lease agreements is 95 years from the respective dates specified in the lease agreements. Under the terms of the respective lease agreements entered into with the MIDC, we are subject to various compliance requirements, including a prohibition to make any changes or alterations to the building or other erections on the premises without the prior approval of MIDC or effect any change to the use of plot, keeping the buildings constructed on the said land insured against loss or damage by fire in a sum equivalent to the cost of the buildings, giving preference to people whose land was acquired for the purpose of developing the industrial area where the facilities are located for the Company's labor requirements, restrictions on use of certain raw materials, making prescribed arrangements for effluent treatment, and compliance with applicable pollution control norms. Further, we are required to meet certain construction obligations as set out therein, commence production and obtain the occupancy certificate, in each case within specified timeframes from the date of being handed over possession. While one unit at Facility III has recently commenced operations, the remaining facility is being constructed on land allotted to us by MIDC and the lease agreement has prescribed timelines for, *inter alia*, commencement of construction, milestones for construction and completion of construction. For further details, see "*Our Business – Properties*" on page 134.

Failure to comply with the conditions of use of such land could result in our inability to continue, renew or extend these arrangements at commercially acceptable terms, or at all. In the event we are unable to continue, renew or extend these arrangements on acceptable terms, or are compelled to vacate the premises for any reason, we may not be able to obtain alternate locations for our manufacturing activities, in a short span of time. Occurrence of any of the above events may have a material adverse effect on our business, results of operations and financial condition.

We are also in discussions with the relevant authorities for acquiring land for the construction of a fourth facility. There can be no assurance that we will be granted rights over such land at terms favourable to us, or at all.

40. We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.

Some of the financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from certain lenders include, amongst others, changes to the (a) capital structure of our Company, (b) memorandum and/or articles of association of our Company, (c) management control, and (d) directorship or shareholding of the Promoters in our Company. Further, under certain financing agreements, we are also required to get the facility rated from a credit rating agency, and maintain adequate insurance coverage over our properties. While we have received all relevant consents required for the purposes of this Offer and have complied with these covenants, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers may lead to acceleration of amounts due under such facilities and triggering of cross default provisions. While our Company is not in breach of any financial covenants under our financing arrangements, any acceleration of obligations under any of our financing documents may require us to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing.

41. Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.

We provide our customers with certain credit periods, as part of our standard payment terms. While we generally limit the credit we extend to our customers based on their financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, there is a risk that our estimates may not be accurate. In Fiscals 2019, 2020, and 2021, our trade receivables were ₹ 597.68 million, ₹ 698.33 million, and ₹ 742.25 million, respectively, and represented 15.20%, 16.65% and 14.48% of our revenue from operations in such periods, respectively. Any increase in our receivable turnover days or write-offs will negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition and results of operations.

42. ***We are dependent on third party transportation providers for the supply of raw materials and delivery of our products.***

As a manufacturing business, our success also depends on the uninterrupted supply and transportation of the various raw materials required for our manufacturing facilities and of our products from our manufacturing facilities to our customers, or intermediate delivery points such as ports, both of which are subject to various uncertainties and risks. We transport our raw materials and our finished products by road and sea. Our suppliers undertake the delivery of our raw materials and we rely on third party logistic companies and freight forwarders to deliver our products. We do not have formal contractual relationships with such logistic companies and freight forwarders. Transportation strikes may also have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, raw materials and products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and results of operation negatively. A failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations. Any recompense received from insurers or third party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

43. ***We are dependent on our Promoters, Directors, a number of Key Managerial Personnel and persons with technical expertise and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

We are dependent on our Promoters, Directors, senior management and other Key Managerial Personnel as well as persons with technical expertise for setting our strategic business direction and management of our business. Ashok Ramnarayan Boob, who is one of our Promoters, and our Managing Director and our Key Managerial Personnel have extensive experience in the specialty chemicals sector. We believe that the inputs and experience of our Promoters are valuable for the development of our business and operations and the strategic directions taken by our Company. We are also dependent on our Key Managerial Personnel and employees including our R&D personnel for developing catalytic-technologies, based on which our operations have grown. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and train experienced, talented and skilled professionals. Competition for individuals with specialized knowledge and experience is intense in our industry. The loss of the services of any key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. Further, any unauthorized disclosure of our production processes by our employees to any third party may have a material adverse impact on our business prospects. The attrition rate for our employees for Fiscals 2019, 2020 and 2021, was 12.00%, 22.00%, and 22.00%, respectively. Further, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel. If we are unable to attract and retain qualified personnel, our results of operations may be adversely affected.

44. ***Our growth strategy includes augmenting our organic growth by pursuing selective acquisitions and strategic alliances. If we are unable to successfully identify and integrate acquisitions, our growth strategy, business, financial condition, results of operations and prospects may be adversely affected.***

In the future, we may consider making strategic acquisitions of other specialty chemical manufacturing companies or other companies whose resources, capabilities and strategies are complementary to and are likely to increase our product portfolio and expand our distribution network. We may also enter into strategic alliances or joint ventures to explore such opportunities or make significant investments in entities that we do not control to capitalize on such business opportunities, and there can be no assurance that such strategic alliances, joint ventures or investments will be successful. As we have historically grown organically, we may face several risks in relation to entering into strategic alliances and acquisitions in the future, including, but not limited to, the following:

- we may be unable to identify suitable acquisition or investment or strategic alliance targets;
- we may be unable to arrange for adequate financing on commercially reasonable terms or to negotiate

commercially reasonable terms for such acquisitions or investments, or we may incur higher than anticipated costs in relation to proposed strategic transactions;

- our due diligence processes may fail to identify all the risks, liabilities and challenges in relation to proposed strategic transactions;

- we may not be able to achieve the strategic purpose of our proposed acquisitions, investments, alliances, collaborations or partnerships;

- we may face difficulties in integrating acquired entities' accounting, management information, human resources and other administrative systems with our own;

- our management may be distracted or strained by the challenges posed by strategic transactions, or related transition and integration activities;

- we may fail to maintain the quality and consistency or sustain compliance and due performance of contractual obligations by our business partners or acquisition targets;

- our relationships with our current and new employees, distributors, dealers, customers and business partners may be strained or impaired, as a result of our inability to successfully integrate an acquisition target; and

- we may inherit claims or liabilities, as a result of a strategic acquisition, including claims from erstwhile employees, distributors, dealers, customers, business partners or other third parties.

Accordingly, we cannot assure you that our future alliances, collaborations, partnerships, investments or acquisitions will prove value accretive to us. In the event that any of the risks discussed above, or any other incidental risks should materialize, our business, financial condition, results of operations and prospects may be adversely affected.

45. We may be subject to claims of infringement of third-party intellectual property rights, which could adversely affect our business.

While we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. Any claims of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. The risk of being subject to intellectual property infringement claims will increase as we continue to expand our operations and product offerings. As a result of such infringement claims, we could be required to pay third party infringement claims, alter our technologies, obtain licenses or cease some portions of our operations. The occurrence of any of the foregoing could result in unexpected expenses. In addition, if we are required to alter our technologies or cease production of affected items, our revenue could be adversely affected.

46. An inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations, financial condition, and cash flows.

While we have experienced significant growth and have expanded our operations extensively over the years, we cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further, or at the same rate. The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves further development of catalytic processes, identifying newer products to manufacture using commercializes clean technologies, and expanding our manufacturing capacities. For further information, see "*Our Business – Strategies*" beginning on page 126.

Our success in implementing our growth strategies may be affected by our ability to identify new market opportunities, successfully design catalysts, increase our distribution network and portfolio of products, and our ability to adapt to changes in the Indian or international regulatory environment applicable to us. Many of these factors are beyond our control and there can be no assurance that we will succeed in implementing our strategy. Any change in government policies and regulations including any ban imposed on a particular product by the respective governments, or any duties, pre-conditions or ban imposed by countries from where we source certain raw materials may have an adverse impact on our operations. In addition, there may be delays in the anticipated timing of activities related to such growth initiatives, strategies and operating plans; increased difficulty and cost in implementing these efforts; and the incurrence of other unexpected costs associated with operating the business. Any of these factors could adversely impact our results of operations. If, for any reason, the benefits we realize are less than our estimates or the implementation of these growth initiatives, strategies and operating plans adversely affect our operations or cost more or take longer to effectuate than we expect, or if our assumptions prove inaccurate, our results of operations may be materially adversely affected.

47. Significant disruptions of information technology systems or breaches of data security could adversely affect our business.

Our business is dependent upon information technology systems, including internet-based systems, to support business processes. While we have implemented security controls, such as protecting all personal computers with passwords, and storing external hard discs used by our IT personnel in a secured location with access limited to authorized personnel, our computer systems may be potentially vulnerable to breakdown, malicious intrusion and computer viruses. We cannot assure you that we will not encounter disruptions to our information technology systems in the future and any such disruption may result in the loss of key information or disruption of our business processes, which could adversely affect our business and results of operations. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Any such security breaches could have an adverse effect on our business and reputation.

48. An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

Our operations are subject to various risks inherent in the speciality chemical manufacturing industry including defects, malfunctions and failures of manufacturing equipment, fire, riots, strikes, explosions, loss-in-transit for our products, accidents and natural disasters. Our insurance may not be adequate to completely cover any or all of our risks and liabilities. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our insurance cover for property, plant and equipment as of March 31, 2021, was ₹ 2,721.08 million, while our gross block of property, plant and equipment was ₹ 2,572.04 million as of March 31, 2021. Consequently, our insurance cover as a percentage of gross block of property, plant and equipment was 105.79% as of March 31, 2021. Our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability. Further, to the extent that we are required to maintain insurance cover under, *inter alia*, our property and financing related arrangements and we have not obtained adequate insurance, contractual remedies for breach of terms maybe commenced against us. To the extent that we suffer loss or damage as a result of events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further information on our insurance arrangements, see "*Our Business – Insurance*" on page 133.

49. Our operations are labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

Our operations are labour intensive and we are dependent on a large labour force for our manufacturing operations. As of May 31, 2021, we had 349 permanent employees, and also engaged 552 personnel through contract labour. The success of our operations depends on availability of labour and maintaining good relationship with our workforce. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. While we have not experienced any major prolonged disruption in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience any such disruption in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

Further, 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. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and our financial condition.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits.

50. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.

The cost and availability of capital, among other factors, depend on our credit rating. Our long-term and short-term ratings by CRISIL are A+/Stable and A1+, respectively. Our credit rating reflects, amongst other things, the rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, or any downgrade in our ratings may increase borrowing costs in the future and constrain our access to capital and lending markets and, as a result, could adversely affect our business and results of operations, and the price of our Equity Shares. In addition, non-availability of credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

51. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. These transactions include remuneration to executive Directors and Key Managerial Personnel, payment of dividend, sale of goods, scrap, property, plant and equipment, receipt of unsecured interest free deposits from certain of our Promoters, and purchase of raw material and consumables. Further, our Company has also made payments of donation to CSTPL Foundation in Fiscals 2019, 2020 and 2021 for carrying out our CSR activities, where three of our Promoters, Ashok Ramnarayan Boob, Krishnakumar Ramnarayan Boob and Siddhartha Ashok Sikchi are directors. For further information relating to our related party transactions, see "*Other Financial Information – Related Party Transactions*" on page 251. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

In Fiscals 2019, 2020, and 2021, the aggregate amount of such related party transactions was ₹ 308.17 million, ₹ 380.82 million, and ₹ 429.43 million, respectively. The percentage of the aggregate value such related party transactions to our revenue from operations in Fiscals 2019, 2020, and 2021, was 7.84%, 9.08%, and 8.38%, respectively. For further information on our related party transactions, see "*Summary of This Red Herring Prospectus - Related Party Transactions*" on page 13. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

52. After the completion of the Offer, our Promoters along with the Promoter Group will continue to collectively hold substantial shareholding in our Company.

As on the date of this Red Herring Prospectus, our Promoters and members of the Promoter Group hold 94.65% of the share capital of our Company, for details of their shareholding pre and post Offer, see "*Capital Structure*" on page 69. After the completion of the Offer, our Promoters along with the Promoter Group will continue to collectively hold substantial shareholding in our Company, and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoters as our controlling shareholder could conflict with our interests or the interests of its other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further details in relation to the interests of our Promoters in the Company, please see *"Our Promoters and Promoter Group", "Our Management"* and *"Restated Financial Statements"* on pages 162, 146 and 172 respectively.

53. If we are subject to any frauds, theft, or embezzlement by our employees, contractors or dealers, it could adversely affect our reputation, results of operations and financial condition.

Our operations may be subject to incidents of theft and phishing. We may also encounter some inventory loss on account of employee/ contractor/ dealer/ vendor fraud, theft, or embezzlement. We have previously had one instance of phishing wherein a third-party falsely sought payments from our customer by posing as the Company, that we accounted for as a bad debt. While we have since adopted measures to keep our customers updated on our invoicing and payment processes, in the event of any similar instances in the future, our results of operations and reputation may be adversely affected. Although we have set up various security measures in our manufacturing facilities such as deployment of security guards and operational processes such as periodic stock taking and have obtained relevant insurance in relation to the same, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future or be able to successfully claim under such insurance policies on the occurrence of any such events, which could adversely affect our reputation, results of operations and financial condition.

54. We have in the past not complied with the corporate social responsibility requirements under the Companies Act, 2013

Companies meeting certain financial thresholds are required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average profit/(loss) before tax of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in, *inter alia*, our Company, Directors and Key Managerial Personnel being subject to such penalties and formal actions as prescribed under the Companies Act, 2013. We have previously spent less than the prescribed amount under the Companies Act, 2013 for corporate social responsibility due to delays in identifying and finalizing tie-ups with non-government organizations for discharging the CSR obligations. While we have not been penalized for such non-compliance, we cannot assure you that no penalties will be imposed on us or our Directors and Key Managerial Personnel regarding such non-compliance in the future, the costs of which may be significant, and which may have an adverse impact on our business, financial condition and reputation.

55. ***Information relating to the installed manufacturing capacity of our manufacturing facilities included in this Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the installed manufacturing capacity of our facilities included in this Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account by an independent chartered engineer in the calculation of the installed manufacturing capacity of our manufacturing facilities. These assumptions and estimates include the standard capacity calculation practice of specialty chemicals industry after examining the reactor capacities and other ancillary equipment installed at the facilities, the period during which the manufacturing facilities operated in a year/ period, expected operations, availability of raw materials, expected utilization levels, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. For further information, see "*Our Business - Capacity and Capacity Utilization*" on page 129. Further, the installed capacity, capacity utilisation and other related information may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to capacity information that may be computed and presented by other specialty chemical companies. Undue reliance should therefore not be placed on our historical installed capacity information for our existing facilities included in this Red Herring Prospectus.

56. ***Industry information included in this Red Herring Prospectus has been derived from the F&S Reports prepared by Frost & Sullivan, and exclusively commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have availed the services of an independent third party research agency, Frost & Sullivan, to prepare an industry report titled "*Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*" dated March 2021, supplemented by report titled *"Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*" dated June 2021 further supplemented by report titled "*Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*" dated June, 2021, exclusively for purposes of inclusion of such information in this Red Herring Prospectus. Given the scope and extent of the Industry Report, disclosures are limited to certain excerpts and the Industry Report has not been reproduced in its entirety in the Red Herring Prospectus. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. The report is a paid report, and is subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from this industry report. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or the BRLMs or any of our or its respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

57. ***Certain Promoters, Directors and Key Managerial Personnel, are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.***

Certain of our Promoters, Directors and Key Managerial Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses and such interests are to the extent of their, their relatives and their company's shareholding in our Company, payment of dividend or distributions thereon. Further, our Directors are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of certain Promoter Group entities, Group Companies and other 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

Promoter Group entities, Group Companies and such other entities. For the payments that are made by our Company to certain Promoter Group entities, Group Companies and other related parties, see "*Other Financial Information - Related Party Transactions*" on page 251. For further information, see "*Our Management – Interest of our Directors*", "*Our Management – Interest of our Key Managerial Personnel*", "*Our Promoters and Promoter Group*" and "*Other Financial Information - Related Party Transactions*" on pages 152, 160, 162 and 251, respectively. Further, the registered offices of our Subsidiaries are located on property owned by one of our Promoters, Krishnakumar Ramnarayan Boob and our Company is in receipt of certain unsecured interest-free deposits from Ashok Ramnarayan Boob and Krishnakumar Ramnarayan Boob in relation to the purchase of certain vehicles by the Company for the use of such directors, which are re-payable by our Company. For further information, "*Financial Indebtedness*" on page 252. We cannot assure you that our Promoters and Directors will exercise their rights to the benefit and best interest of our Company. As shareholders of our Company, our Promoters, Directors or Key Managerial Personnel, may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders.

58. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our Company has declared dividends in the past. Further, our Board has adopted a dividend policy at their meeting held on March 20, 2021. For further information, see "*Dividend Policy*" on page 171. Our ability to pay dividends in the future will depend on a number of factors identified in the dividend policy of our Company, liquidity position, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions and other relevant or material factors considered relevant by our Board, compliance with the terms of our financing arrangements, including financial covenants, and external factors, such as the state of the economy and capital markets, applicable taxes, regulatory changes and other relevant or material factors considered relevant by our Board. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. We cannot assure you that we will be able to pay dividends in the future. For instance, while our Company has not been in breach of financial covenants contained in its financing agreements, we cannot assure you that any future non-compliance or breach will not affect our ability to declare and pay dividends to our shareholders. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

59. Our customers may engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions. We have in the past entered into and may enter into transactions with customers who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply, such as Iran. There can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

60. We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the net proceeds from the Offer for Sale.

The Offer consists of an Offer for Sale. The Selling Shareholders, who include the Promoters and certain Directors and Key Managerial Personnel of our Company, shall be entitled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses, and our Company will not receive any proceeds from the Offer for Sale.

61. We have issued Equity Shares at prices that may be lower than the Offer Price in the last 12 months.

We have issued Equity Shares in the last 12 months at a price lower than the Offer Price as below:

Date	No. of Equity Shares	Face value per equity share (₹)	Issue price per equity share / (₹)	Description
February 6,	9,294,159	10	NA	Bonus issue of seven equity shares for every one

Date	No. of Equity Shares	Face value per equity share (₹)	Issue price per equity share / (₹)	Description
2021				equity share held on the record date, i.e., February 5, 2021

For details, see "*Capital Structure*" on page 69. We cannot assure you that the Equity Shares issued in the future will be at or lower than the Offer Price. Further, the price at which Equity Shares have been issued by us in the preceding one year is not necessarily indicative of the Offer Price.

External Risk Factors

Risks Relating to India

62. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

63. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition and the trading price of the Equity Shares.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

India has from time to time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy.

Other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

64. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. 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 price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

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

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by DBRS in May 2020. India's sovereign ratings from S&P is BBB-with a "stable" outlook. Any such 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. 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 favorable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

66. Financial 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 turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and 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 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. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. In particular, sub-prime mortgage loans in the United States have experienced increased rates of delinquency, foreclosure and loss. Since September 2008, liquidity and credit concerns and volatility in the global credit and financial markets increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. financial institutions.

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 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.

67. If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017.

Further, the Government of India has notified the Finance Act, 2021 ("**Finance Act**") which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. 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 group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

68. Financial difficulty and other problems in certain financial institutions in India could have a material adverse effect on our business, results of operations, cash flows and financial condition.

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business.

69. If inflation were to rise 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 clients thereby reducing our margins.

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 transportation, wages, raw materials 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 adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our clients. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic 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.

70. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

71. A third party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.

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

72. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a law suit in India.

Our Company is a company incorporated under the laws of India. All of our Company's Directors and officers are residents of India and our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

Risks Relating to the Equity Shares and this Offer

73. The trading volume and market price of the Equity Shares may be volatile following the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- 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 by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

74. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 87 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

75. The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares 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 and volatility in the Stock Exchanges and securities markets elsewhere in the world.

76. Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. 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. Additionally, the Finance Act, 2020 does not require dividend distribution tax ("**DDT**") to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

Similarly, any business income realised from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

Further, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non -delivery basis is specified at 0.003% of the consideration amount. These amendments were notified on December 10, 2019 and have come into effect from July 1, 2020.

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

77. There is no guarantee that our Equity Shares will be listed on the stock exchanges in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer.

In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the stock exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

78. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

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. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. 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 six Working Days from the Bid 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 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 of 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.

79. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

80. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer 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 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 referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions or at all.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 316.

81. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Restated Financial Statements for Fiscals 2019, 2020, and 2021, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should be limited accordingly.

82. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and Selling Shareholders in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Offer Price*" beginning on page 87 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" on page 291. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. While we are 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, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

84. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

85. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

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

86. The requirements of being a publicly listed company may strain our resources.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

87. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

88. U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.

A foreign corporation will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is "passive income" or (ii) at least 50% of its gross assets during the taxable year (based on of the quarterly values of the assets during a taxable year) are "passive assets," which generally means that they produce passive income or are held for the production of passive income.

While the Company does not believe it was a PFIC for the fiscal year ended March 31, 2021, there can be no assurance that the U.S. Internal Revenue Service will agree or that the Company will not be a PFIC in any current or future years. Prospective investors should consult with their own tax professionals about the implications of the Company's passive asset holdings and the possibility of the Company being treated as a PFIC.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes the Offer details:

Offer of Equity Shares by way of Offer for Sale by the Selling Shareholders [(1)(2)]	Up to [●] Equity Shares aggregating up to ₹15,466.22 million
Of which	
QIB Portion[(3)]	Not more than [●] Equity Shares
of which:	
Anchor Investor Portion[(4)]	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
Balance of the Net QIB Portion for all QIBs, including Mutual Funds	[●] Equity Shares
C) Non-Institutional Portion	Not less than [●] Equity Shares
D) Retail Portion	Not less than [●] Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	106,218,960 Equity Shares
Equity Shares outstanding after the Offer	106,218,960 Equity Shares

(1) *The Offer has been authorized by resolution of our Board of Directors at their meeting held on March 20, 2021. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated April 6, 2021 and the IPO Committee has taken on record the revised approvals received from the Selling Shareholders by way of its resolution dated June 22, 2021.*

(2) *Each of the Selling Shareholders, severally and not jointly, confirms that the Equity Shares being offered by such Selling Shareholder have been held for a period of at least one year immediately preceding the date of filing of the Draft Red Herring Prospectus with SEBI and up to the date of this Red Herring Prospectus, and are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders, severally and not jointly, confirm that they have authorised and consented to participate in the Offer for Sale, and to offer such number of Equity Shares aggregating up to ₹ 15,466.22 million, as part of the Offer for Sale in the following manner:*

Sr. No	Name of the Selling Shareholder*	Number of Offered Shares	Aggregate proceeds from the sale of Offered Shares	Date of consent letter
Promoter Selling Shareholders				
1.	Ashok Ramnarayan Boob	Up to [●] Equity Shares	Up to ₹2,440.16 million	June 19, 2021
2.	Krishnakumar Ramnarayan Boob (jointly with Nilima Krishnakumar Boob)	Up to [●] Equity Shares	Up to ₹1,930.59 million	June 19, 2021
3.	Siddhartha Ashok Sikchi	Up to [●] Equity Shares	Up to ₹405.05 million	June 19, 2021
4	Parth Ashok Maheshwari	Up to [●] Equity Shares	Up to ₹759.83 million	June 19, 2021
Other Selling Shareholders				
5.	Asha Ashok Boob	Up to [●] Equity Shares	Up to ₹2,440.16 million	June 19, 2021
6.	Ashokkumar Ramkishan Sikchi HUF	Up to [●] Equity Shares	Up to ₹1,360.51 million	June 19, 2021
7.	Krishnakumar Ramnarayan Boob HUF	Up to [●] Equity Shares	Up to ₹415.51 million	June 19, 2021
8.	Ashok Ramnarayan Boob HUF	Up to [●] Equity Shares	Up to ₹752.60 million	June 19, 2021
9.	Nidhi Mohunta (jointly with Ashok Ramnarayan Boob)	Up to [●] Equity Shares	Up to ₹759.83 million	June 19, 2021
10.	Nilima Krishnakumar Boob (jointly with Krishnakumar Ramnarayan Boob)	Up to [●] Equity Shares	Up to ₹ 840.77 million	June 19, 2021
11.	Shradha Krishnakumar Boob (jointly with Krishnakumar Ramnarayan Boob)	Up to [●] Equity Shares	Up to ₹ 440.28 million	June 19, 2021
12.	Prasad Krishnakumar Boob (jointly with Krishnakumar Ramnarayan Boob)	Up to [●] Equity Shares	Up to ₹ 440.28 million	June 19, 2021
13.	Pooja Vivek Navandar (jointly with Krishnakumar Ramnarayan Boob)	Up to [●] Equity Shares	Up to ₹ 440.28 million	June 19, 2021
14.	Asha Ashok Sikchi	Up to [●] Equity Shares	Up to ₹1,141.38 million	June 19, 2021
15.	Kunal Ashok Sikchi	Up to [●] Equity Shares	Up to ₹310.54 million	June 19, 2021
16.	Ashok Sikchi	Up to [●] Equity Shares	Up to ₹282.43 million	June 19, 2021
17.	Nandita Sikchi	Up to [●] Equity Shares	Up to ₹273.60 million	June 19, 2021
18.	Ganapati Dadasaheb Yadav	Up to [●] Equity Shares	Up to ₹ 32.42 million	June 19, 2021
Total		Up to [●] Equity Shares	**Up to ₹15,466.22 million**	-

** Our Company has received a termination letter dated June 21, 2021 from Anantroop Financial Advisory Services Private Limited and a termination letter dated June 21, 2021 from Dilip Digambar Ravetkar stating their respective intentions to not offer equity shares held by them in the Offer.*

(3) *Subject to valid bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers, and the Designated Stock Exchange, subject to applicable laws. For details, see "Offer Procedure" beginning on page 303.*

(4) *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary*

basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. For details, see "Offer Procedure" on page 303.

^ *Our Company had made certain inadvertent errors in the Form MGT-7 filed for Fiscals 2017, 2018, 2019 and 2020, and Form PAS-3 filed for bonus issue of equity shares on February 6, 2021. Our Company has filed revised Form MGT-7 for Fiscals 2017, 2018, 2019 and 2020, and revised Form PAS-3 for rectification of the same. For details see, Risk Factors - There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected on page 21.*

^^ *Our Company had made an inadvertent error in recording the first name of Ganapati Dadasaheb Yadav in the return of allotment filed for an issue of sweat equity shares to him in 2007. Our Company has filed revised Form PAS-3 for rectification of the same. For details see, Risk Factors - There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected on page 21.*

Allocation to Bidders in all categories except the Anchor Investor Portion and the Retail Portion, 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 proportional basis. For further details, see "*Offer Procedure*" beginning on page 303.

For details of the terms of the Offer, see "*Terms of the Offer*" beginning on page 296.

SUMMARY OF FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 172 and 255, respectively.

(*The remainder of this page is intentionally left blank*)

RESTATED CONSOLIDATED BALANCE SHEET

(All amounts are in ₹ million, unless otherwise stated)

Information	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	1,826.04	1,626.25	1,248.72
Capital work-in-progress	549.92	34.15	39.28
Right-of-use asset	29.75	27.00	18.63
Other intangibles assets	2.68	2.51	2.44
Financial assets			
(i) Loans	21.22	12.24	9.79
(ii) Other financial assets	154.97	3.51	3.01
Income tax assets (net)	14.38	3.05	4.01
Other non-current assets	48.84	19.96	23.06
Total non-current assets	2,647.80	1,728.67	1,348.94
Current assets			
Inventories	528.99	345.89	370.24
Financial assets			
(i) Investments	2,321.13	1,329.84	752.46
(ii) Trade receivables	742.25	698.33	597.68
(iii) Cash and cash equivalents	93.44	92.05	94.24
(iv) Bank balances other than (iii) above	63.37	0.77	0.25
(v) Loans	2.27	2.27	-
(vi) Other financial assets	95.22	61.10	43.82
Current tax assets (net)	-	-	-
Other current assets	104.70	39.87	67.10
Total current assets	3,951.37	2,570.12	1,925.79
Total assets	**6,599.17**	**4,298.79**	**3,274.73**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	106.22	13.28	14.16
Other equity	5,290.45	3,407.69	2,706.41
Total equity	5,396.67	3,420.97	2,720.57
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	3.31	2.89	1.29
Provisions	3.74	3.32	2.91
Deferred tax liabilities (net)	175.69	102.03	138.84
Total non-current liabilities	182.74	108.24	143.04
Current liabilities			
Financial liabilities			
(i) Borrowings	-	24.01	24.67
(ii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	2.37	0.98	2.03
b) total outstanding dues of creditors other than micro enterprises and small enterprises	607.52	355.89	221.38
(iii) Other financial liabilities	277.87	184.44	108.51
Other current liabilities	130.50	172.93	53.26
Provisions	1.50	1.49	1.27
Current tax liabilities (net)	-	29.84	-
Total current liabilities	1,019.76	769.58	411.12
Total liabilities	1,202.50	877.82	554.16
Total equity and liabilities	**6,599.17**	**4,298.79**	**3,274.73**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amounts are in ₹ million, unless otherwise stated)

Information	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Revenue from operations	5,124.28	4,193.00	3,932.70
Other income	256.43	108.65	112.93
Total income	5,380.71	4,301.65	4,045.63
Expenses			
Cost of materials consumed	1,378.62	1,279.79	1,786.10
Changes in inventories of finished goods and work-in-progress	(142.79)	12.59	(73.90)
Employee benefits expenses	435.57	310.13	248.57
Finance costs	0.91	1.21	0.33
Depreciation and amortisation expenses	172.05	137.14	110.33
Other expenses	863.34	737.63	608.84
Total expenses	2,707.70	2,478.49	2,680.27
Profit before tax	2,673.01	1,823.16	1,365.36
Tax expense:			
Current tax	617.51	461.19	350.78
Deferred tax	71.70	(34.34)	38.00
Total tax expenses	689.21	426.85	388.78
Profit for the year (A)	**1,983.80**	**1,396.31**	**976.58**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability / (asset)	(0.14)	0.27	(0.14)
(ii) Income tax related to remeasurements of defined benefit liability / (asset)	0.04	(0.07)	0.04
	(0.10)	0.20	(0.10)
(iii) Equity instruments designated through other comprehensive income	28.77	(60.13)	(7.61)
(iv) Income tax related to equity instruments designated through other comprehensive income	(2.34)	8.66	1.16
	26.43	(51.47)	(6.45)
Total Other comprehensive income (B)	26.33	(51.27)	(6.55)
Total comprehensive income for the year (A+ B)	2,010.13	1,345.04	970.03
Earnings per equity share			
[nominal value of Re. 1]			
Basic	**18.68**	**13.15**	**9.19**
Diluted	**18.68**	**13.15**	**9.19**

RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts are in ₹ million, unless otherwise stated)

Information	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from operating activities			
Profit before tax	2,673.01	1,823.16	1,365.36
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation	172.05	137.14	110.33
Loss on sale of property, plant and equipments	3.12	-	1.31
Dividend income	(29.78)	(22.23)	(12.95)
Finance costs (excluding foreign exchange adjustment)	0.91	1.21	0.33
Profit on instruments designated through fair value through profit and loss (FVTPL)	(31.27)	(40.29)	(2.01)
Fair value gain on instruments designated through fair value through profit and loss	(49.25)	(14.44)	(5.31)
(FVTPL)			
Interest income	(11.51)	(1.36)	(0.87)
Interest income on investments measured at amortised cost	(17.94)	-	-
Mark to Market gain on forward contract	28.19	45.45	(34.45)
Unrealised foreign exchange differences	(0.80)	(34.40)	(9.77)
Operating profit before working capital changes	2,736.73	1,894.25	1,411.97
Movement in working capital:			
(Increase) in other non-current financial loans	(8.98)	(2.45)	(1.13)
Decrease / (Increase) in other non-current assets	-	1.72	32.68
(Increase) / Decrease in inventories	(183.10)	24.35	(79.87)
Decrease / (Increase) in trade receivables	(43.23)	(79.19)	(201.08)
Increase / (Decrease) in current financial loans	-	(2.27)	-
Decrease / (Increase) in other current financial assets	(43.02)	(17.54)	(0.53)
(Increase) / Decrease in other current assets	(64.83)	27.23	13.02
Increase in non-current provisions	0.42	0.41	0.83
Increase / (Decrease) in trade payables	253.52	132.45	(40.64)
Increase / (Decrease) in other current financial liabilities	(17.48)	16.75	43.13
(Decrease) / Increase in other current liabilities	(42.43)	29.09	23.62
Increase / (Decrease) in current provisions	(0.09)	0.42	0.78
Cash generated from operations	2,587.51	2,025.23	1,202.79
Net income tax (paid)	(659.06)	(424.20)	(355.41)
Net cash from operating activities (A)	1,928.45	1,601.03	847.38
B. Cash flow from investing activities			
Purchase of property, plant and equipment, right-of-use asset, intangible assets and capital	(844.24)	(502.87)	(388.46)
work-in-progress, net of capital creditors and advances			
Sale proceeds from property, plant and equipment	4.43	-	0.57
Bank deposits placed during the year	(214.05)	(1.02)	(2.95)
Purchase of current investments	(3,140.46)	(3,980.48)	(1,359.46)
Proceeds from sale of investments	2,276.41	3,418.25	786.25
Dividend received	29.78	1.67	12.95
Interest received	20.41	1.63	1.16
Net cash (used in) investing activities (B)	(1,867.72)	(1,062.82)	(949.95)
C. Cash flow from financing activities			
Long-term borrowings (repaid) during the year	0.42	1.60	(4.24)
(Repayment) / Proceeds of short-term borrowings (net)	(24.01)	(0.65)	24.67
Interest paid	(0.91)	(1.21)	(0.33)
Buyback of equity shares	-	(491.18)	-
Tax on buyback of equity shares	-	90.58	-
Transaction costs of increase in share capital	(1.24)		
Interim dividend paid	(33.19)	(77.86)	(70.79)
Final dividend paid	-	(49.55)	(35.39)
Tax on dividend paid during the year	-	(26.06)	(21.90)
Net cash used in financing activities (C)	(58.93)	(554.34)	(107.98)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	1.80	(16.13)	(210.54)
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	(0.41)	13.94	9.77
Cash and cash equivalents at the beginning of the year	92.05	94.24	295.01
Cash and cash equivalents at the end of the year	93.44	92.05	94.24

GENERAL INFORMATION

Registered and Corporate Office of our Company

Clean Science and Technology Limited
Office No. 503, Pentagon Tower P-4
Magarpatta City
Hadapsar
Pune 411 013
Maharashtra, India
Company Identification Number: U24114PN2003PLC018532
Company Registration Number: 018532

Address of the RoC

Our Company is registered with the RoC situated at the following address:

Registrar of Companies, Pune

PCNTDA Green Building, Block A
1st & 2nd Floor, Near Akurdi Railway Station
Akurdi
Pune 411 044
Maharashtra, India

Board of Directors

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

Name	Designation	DIN	Address
Pradeep Ramwilas Rathi	Chairman and Non-Executive Director	00018577	2, Boat Club Road, Pune 411 001, Maharashtra
Ashok Ramnarayan Boob	Managing Director	00410740	F 1002, 10th Floor, yoo Pune, Magarpatta City, Hadapsar, Pune 411 013 Maharashtra
Siddhartha Ashok Sikchi	Wholetime Director	02351154	L 201 Marvel Ritz E, SRVE No. 171 P, Behind Amnora Mall, Hadapsar, Pune 411 028, Maharashtra
Krishnakumar Ramnarayan Boob	Wholetime Director	00410672	Shubham, Back of Tulshi Market, New Nagar Road, Sangamner 422 605, Maharashtra
Sanjay Kothari	Non-Executive Director	00258316	2301, Sumer Trinity Tower, Tower No. 1, New Prabhadevi Road, Opp. Samana Press Prabhadevi, Mumbai 400 025, Maharashtra
Ganapati Dadasaheb Yadav	Non-Executive, Independent Director	02235661	Flat No. 1201, A Wing, Plot No 11,12,13, Palm Springs CHSL, Sector 7, Airoli, Thane, Navi Mumbai 400 708, Maharashtra
Keval Navinchandra Doshi	Non-Executive, Independent Director	03635213	19th Floor, Flat No 1901, Gundecha Gardens, G Wing, Bombay Gas Co. Road, Lalbaug, Mumbai 400 012, Maharashtra
Madhu Dubhashi	Non-Executive, Independent Director	00036846	B29, Gate 3, Abhimanshree Society, NCL Pashan Road, Pune 411008, Maharashtra

For further details of our Directors, see "*Our Management*" beginning on page 146.

Company Secretary & Compliance Officer

Mahesh Arvind Kulkarni
Clean Science and Technology Limited
Office No. 503, Pentagon Tower P-4
Magarpatta City
Hadapsar
Pune 411 013
Maharashtra, India
Tel: + 91 20 26899953
E-mail: compliance@cleanscience.co.in

Book Running Lead Managers

Axis Capital Limited
1st Floor, Axis House
C-2 Wadia International Centre
P. B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 22 4325 2183
E-mail: cleanscience.ipo@axiscap.in
Website: www.axiscapital.co.in
Investor Grievance ID: complaints@axiscap.in
Contact Person: Sagar Jatakiya
SEBI Registration Number: INM000012029

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030
E-mail: cleanscience.ipo@jmfl.com
Website: www.jmfl.com
Investor Grievance ID: grievance.ibd@jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration Number: INM000010361

Kotak Mahindra Capital Company Limited
27BKC, 1st Floor, Plot No. C – 27
"G" Block, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
E-mail: cleanscience.ipo@kotak.com
Website: https://investmentbank.kotak.com
Investor Grievance ID: kmccredressal@kotak.com
Contact Person: Ganesh Rane
SEBI Registration Number: INM000008704

Legal Counsel to our Company as to Indian law

Cyril Amarchand Mangaldas
Peninsula Chambers
Peninsula Corporate Park, Ganpatrao Kadam Marg
Lower Parel, Mumbai 400 013
Maharashtra, India
Tel: +91 22 2496 4455

Legal Counsel to the Book Running Lead Managers as to Indian law

IndusLaw
2nd Floor
Block D, The MIRA
Mathura Road
New Delhi -110 065
Tel.: +91 11 4782 1000

International Legal Counsel to the Book Running Lead Managers

Squire Patton Boggs (MEA) LLP
Dubai International Financial Centre (DIFC)
Burj Daman Office Tower, Level 10
P.O. Box 111 713, Dubai
Tel: +971 4447 8700

Registrar to the Offer

Link Intime India Private Limited
Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg
Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: +91 22 49186200
E-mail: cleanscience.ipo@linkintime.co.in

Investor Grievance E-mail: cleanscience.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

Statutory Auditor to our Company

B S R & Co. LLP
8th Floor, Business Plaza
Westin Hotel Campus
36/3B, Koregaon Park Annex
Mundhwa Road
Pune 411 011
Maharashtra
Tel: +91 20 6747 7300
Email: sdakshindas@bsraffiliates.com
Firm Registration Number: 101248W/W-100022
Peer Review Certificate Number: 011748

Bankers to the Offer

Escrow Collection Bank and Refund Bank

Axis Bank Limited
Senapatibapat Branch, Lohi and Jain Building
Ambika Society, CTS 2840/A, Plot No. 20
SenapatiBapat Marg, Near Chatturushringi Temple
Pune 411 016
Maharashtra
Tel: +91 88069 03151
E-mail: senapatibapat.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Varsha Shriram
SEBI Registration No.: INBI00000017
CIN: L65110GJ1993PLC020769

Public Offer Bank and Sponsor Bank

ICICI Bank Limited
Capital Market Division, 1st Floor
122, Mustry Bhavan, DinshawVachha Road
Backbay Reclamation, Churchgate
Mumbai 400 020
Maharashtra
Tel: 022 6681 8911/23/24
Fax: 022 2261 1138
E-mail: kmr.saurabh@icicibank.com
Website: www.icicibank.com
SEBI Registration No.: INBI00000004
Contact Person: Saurabh Kumar

Bankers to our Company

HDFC Bank Limited
5th Floor, Marathon IT Park
Bund Garden Road
Pune 411 001
Maharashtra
Tel: +91 98101 12970
E-mail: vishu.gupta@hdfcbank.com
Website: https://www.hdfcbank.com/
Contact Person: Vishu Gupta

Kotak Mahindra Bank Limited
Nyati Unitree, 4th Floor (East Zone)
Nagar Road, Yerawada
Pune 411 006
Maharashtra
Tel: +91 96736 10066
E-mail: manish.S2@kotak.com
Website: https://www.kotak.com/en.html
Contact Person: Manish Singh

Syndicate Members

JM Financial Services Limited

Ground Floor, 2,3 & 4,
Kamanwala Chmbers,
Sir P.M. Road, Fort,
Mumbai, Maharashtra 400 001
Tel: +91 22 6136 3400
E-mail: surajit.misra@jmfl.com/deepak.vaidya@jmfl.com/
tn.kumar@jmfl.com/sona.verghese@jmfl.com
Website: www.jmflfinancialservices.in
Contact Person: Surajit Misra/ Deepak Vaidya/
T N Kumar/ Sona Verghese
SEBI Registration No.: INZ000195834

Kotak Securities Limited

4th Floor, 12BKC, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051, Maharashtra, India
Telephone: +91 22 6218 5470
E-mail: umesh.gupta@kotak.com
Website: www.kotak.com
Contact Person: Umesh Gupta
SEBI Registration Number: INZ000200137

IPO Grading

As the Offer is an offer for sale of Equity Shares by the Selling Shareholders, no credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Monitoring Agency

As the Offer is an offer for sale of Equity Shares by the Selling Shareholders, our Company is not required to appoint a monitoring agency for this Offer.

Appraising Entity

As the Offer is an offer for sale of Equity Shares by the Selling Shareholders, our Company will not receive any proceeds from the Offer. Accordingly, no appraising entity has been appointed for the Offer.

Credit Rating

As the Offer is an offer for sale of Equity Shares by the Selling Shareholders, there is no credit rating required.

Trustees

As the Offer is an offer for sale of Equity Shares by the Selling Shareholders, the appointment of trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Changes in auditors

There have been no changes in the auditors of our Company during the three years preceding the date of this Red Herring Prospectus.

Designated Intermediaries

Self Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

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 appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website. The said list shall be updated on the SEBI website.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (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) as updated 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/Markets/PublicIssues/brokercentres_new.aspx? And www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, 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?expandable=6 and www.nseindia.com, 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?expandable=6 and on the website of NSE at www.nseindia.com, as updated from time to time.

Inter-se allocation of responsibilities among the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

Sr. No	Activity	Responsibility	Co-ordinator
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	Axis, JM Financial and Kotak	Axis
2.	Drafting and approval of all statutory advertisement.	Axis, JM Financial and Kotak	Axis
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	Axis, JM Financial and Kotak	JM Financial
4.	Appointment of Registrar to the Offer, Advertising Agency and Printer to the Offer including co-ordination for their agreements.	Axis, JM Financial and Kotak	Axis
5.	Appointment of all other intermediaries and including co-ordination for all other agreements	Axis, JM Financial and Kotak	JM Financial
6.	Preparation of road show presentation.	Axis, JM Financial and Kotak	Kotak
7.	Preparation of FAQs for the road show team.	Axis, JM Financial and Kotak	Kotak
8.	International institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedules.	Axis, JM Financial and Kotak	Kotak
9.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing the list and division of domestic investors for one-to-one meetings; and	Axis, JM Financial and Kotak	Axis

Sr. No	Activity	Responsibility	Co-ordinator
	• Finalizing domestic road show and investor meeting schedules		
10.	Conduct retail and non-institutional marketing of the Offer, which will cover, *inter-alia*: • Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows; • Finalising collection centres; • Finalising centres for holding conferences for brokers etc.; • Finalising commission structure; and • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material.	Axis, JM Financial and Kotak	JM Financial
11.	• Managing anchor book related activities and submission of letters to regulators post completion of anchor allocation, book building software, bidding terminals and mock trading, payment of 1% security deposit to the designated stock exchange.	Axis, JM Financial and Kotak	Kotak
12.	Managing the book and finalization of pricing in consultation with the Company.	Axis, JM Financial and Kotak	Kotak
13.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, unblocking of application monies and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI.	Axis, JM Financial and Kotak	JM Financial

Filing

A copy of the Draft Red Herring Prospectus was filed electronically on the SEBI's online portal and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD".

A copy of this Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office.

Experts

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

Our Company has received written consent dated June 21, 2021 from our Statutory Auditors, namely B S R & Co. LLP, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their name in this Red Herring Prospectus, as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated June 12, 2021 on our Restated Financial Statements; and (ii) their report dated June 21, 2021 on the statement of possible special tax benefits included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

In addition, our Company has received written consent dated June 21, 2021 from Kishor Sharad Deshpande, Chartered Engineer, to include his name as an "expert" as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013, in his capacity as a 'chartered engineer', in respect of the certificate dated June 21, 2021 received from him, and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

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 this 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, in consultation with the Book Running Lead Managers, and shall be advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and regional edition of Loksatta, a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered 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 in consultation with the Book Running Lead Managers after the Bid/ Offer Closing Date. For details, see "*Offer Procedure*" beginning on page 303.

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. In addition to this, the RIBs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through 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. RIBs (subject to the Bid Amount being up to ₹200,000). Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

For further details on the method and procedure for Bidding and book building process, see "*Offer Structure*" and "*Offer Procedure*" beginning on pages 301 and 303, respectively.

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

Bidders should note the Offer is also subject to (i) obtaining 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.

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 Underwriting Agreement is 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.)

Name, Address, Telephone number and E-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

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 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 registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board/ IPO Committee, 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. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

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

(in ₹, except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**[(1)]		
	150,000,000 Equity Shares of face value of ₹ 1 each	150,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	106,218,960 Equity Shares of face value ₹ 1 each	106,218,960	-
C	**PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 15,466.22 million[(2) (3)]	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	106,218,960 Equity Shares of face value of ₹ 1 each	106,218,960	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer (in ₹ million)	Nil	
	After the Offer (in ₹ million)	Nil	

* *To be updated upon finalization of the Offer Price.*

(1) *For details in relation to the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters – Amendments to the Memorandum of Association" on page 141.*

(2) *The Offer has been authorized by our Board pursuant to its resolution dated March 20, 2021. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated April 6, 2021 and the IPO Committee has taken on record the revised approvals received from the Selling Shareholders by way of its resolution dated June 22, 2021.*

(3) *Each of the Selling Shareholders, severally and not jointly, confirms that the Equity Shares being offered by such Selling Shareholder have been held for a period of at least one year immediately preceding the date of filing the Draft Red Herring Prospectus with the SEBI and up to the date of this Red Herring Prospectus, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders, severally and not jointly, confirm that they have authorised and consented to participate in the Offer for Sale, and to offer such number of Equity Shares aggregating up to ₹ 15,466.22 million, as part of the Offer for Sale in the manner disclosed in "The Offer" beginning on page 55.*

Notes to the capital structure

1. ***Equity share capital history of our Company***

(a) The following table sets forth details of the history of the equity share capital of our Company:

Date of allotment of equity shares	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment
November 7, 2003	10,000	10	10	Cash	Subscription to the Memorandum of Association[(1)]
March 24, 2007	331,117	10	50	Cash	Further issue[(2)]
July 16, 2007	370,882	10	50	Cash	Further issue[(3)]
November 24, 2007	81,400	10	50	Cash	Further issue[(4)]
November 24, 2007	4,000	10	50	Other than cash	Allotment of sweat equity shares[(5)]
December 3, 2007	16,600	10	50	Cash	Further issue[(6)]
August 13, 2009	120,500	10	50	Cash	Further issue[(7)]
March 26, 2011	479,228	10	60	Cash	Further issue[(8)]
March 26, 2011	2,000	10	60	Other than cash	Allotment of sweat equity shares[(9)]
March 31, 2020	(87,990)	10	NA	NA	Buy-back[(10)]
February 6, 2021	9,294,159	10	NA	NA	Bonus issue of seven equity shares for every one equity share held on the record date, i.e., February 5, 2021 [(11)]
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of issued, subscribed and paid-up equity shares pursuant to sub-division is 106,218,960				

Date of allotment of equity shares	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment
	Equity Shares of face value of ₹1 each.				
Total	**106,218,960**	**1**	**NA**	**NA**	**NA**

(1) 5,000 equity shares were allotted to Krishnakumar Ramnarayan Boob and 5,000 equity shares were allotted to Ashok Ramnarayan Boob.

(2) 95,220 equity shares were allotted to Ashok Ramnarayan Boob, 132,020 equity shares were allotted to Asha Ashok Boob, 20 equity shares were allotted to Nidhi Mohunta, 20 equity shares were allotted to Parth Ashok Maheshwari, 47,757 equity shares were allotted to Krishnakumar Ramnarayan Boob, 29,020 equity shares were allotted to Nilima Krishnakumar Boob, 20 equity shares were allotted to Shradha Krishnakumar Boob, 20 equity shares were allotted to Pooja Vivek Navandar, 20 equity shares were allotted to Prasad Krishnakumar Boob, 4,500 equity shares were allotted to Siddhartha Ashok Sikchi, 20,000 equity shares were allotted to Asha Sikchi and 2,500 equity shares were allotted to Ashok Sikchi.

(3) 171,720 equity shares were allotted to Ashok Ramnarayan Boob, 120,562 equity shares were allotted to Krishnakumar Ramnarayan Boob, 18,900 equity shares were allotted to Siddhartha Ashok Sikchi, 4,000 equity shares were allotted to Asha Sikchi and 24,000 equity shares were allotted to Ashok Sikchi, 4,000 equity shares were allotted to Ashokkumar Ramkishan Sikchi HUF, 19,300 equity shares were allotted to Nandita Sikchi and 8,400 equity shares were allotted to Kunal Sikchi.

(4) 9,000 equity shares were allotted to Kunal Sikchi, 3000 equity shares were allotted to Nandita Sikchi, 29,000 equity shares were allotted to Ashok Ramnarayan Boob, 40,000 equity shares were allotted to Anantroop Financial Advisory Services Private Limited and 400 equity shares were allotted to Siddhartha Ashok Sikchi.

(5) 2,000 equity shares were allotted to Ganapati Dadasaheb Yadav and 2,000 equity shares were allotted to Dilip Digambar Ravetkar. For details of non-compliances relating to such allotment and the compounding application filed in this respect, see "Risk Factors – There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected" on page 21.

(6) 800 equity shares were allotted to Siddhartha Ashok Sikchi, 1,200 equity shares were allotted to Ashok Sikchi and 14,600 equity shares to Krishnakumar Ramnarayan Boob (HUF).

(7) 5,300 equity shares were allotted to Siddhartha Ashok Sikchi, 1,000 equity shares were allotted to Asha Sikchi, 3,000 equity shares were allotted to Ashok Sikchi, 86,700 equity shares were allotted to Ashokkumar Ramkishan Sikchi HUF, 8,100 equity shares were allotted to Nandita Sikchi, 6,400 equity shares were allotted to Kunal Sikchi, 6,000 equity shares were allotted to Anantroop Financial Advisory Services Private Limited and 4,000 equity shares to Asha Ashok Boob.

(8) 6,540 equity shares were allotted to Ashok Ramnarayan Boob, 134,870 equity shares were allotted to Asha Ashok Boob, 83,622 equity shares were allotted to Ashok Ramnarayan. Boob HUF, 39,746 equity shares were allotted to Krishnakumar Ramnarayan Boob, 32,000 equity shares were allotted to Nilima Krishnakumar Boob, 40,000 equity shares were allotted to Krishnakumar Ramnarayan Boob HUF, 15,106 equity shares were allotted to Siddhartha Ashok Sikchi, 10,104 equity shares were allotted to Asha Sikchi, 682 equity shares were allotted to Ashok Sikchi, 10,704 equity shares were allotted to Kunal Sikchi, 82,176 equity shares were allotted to Ashokkumar Ramkishan Sikchi HUF and 23,678 equity shares were allotted to Anantroop Financial Advisory Services Private Limited.

(9) 1,000 equity shares were allotted to Ganapati Dadasaheb Yadav and 1,000 equity shares were allotted to Dilip Digambar Ravetkar. For details of non-compliances relating to such allotment and the compounding application filed in this respect, see "Risk Factors – There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected" on page 21.

(10) Buyback of 13,517 equity shares from Ashok Ramnarayan Boob, 16,440 equity shares from Asha Ashok Boob, 20 equity shares from Nidhi Mohunta, 5,575 equity shares from Nidhi Mohunta (jointly held with Ashok Ramnarayan Boob), 5,595 equity shares from Parth Ashok Maheshwari, 21,708 equity shares from Ashokkumar Ramkishan Sikchi HUF, 1,100 equity shares from Krishnakumar Ramnarayan Boob (jointly held with Nilima Krishnakumar Boob), 7,600 equity shares from Nilima Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 8,432 equity shares from Krishnakumar Ramnarayan Boob HUF, 1,100 equity shares from Shradha Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 1,100 equity shares from Prasad Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 1,100 equity shares from Pooja Vivek Navandar (jointly held with Krishnakumar Ramnarayan Boob), 4,331 equity shares from Anantroop Financial Advisory Services Private Limited, 186 equity shares from Ganapati Dadasaheb Yadav and 186 equity shares from Dilip Digambar Ravetkar, at a price of ₹ 4,546 per equity share.

(11) 1,427,741 equity shares were allotted to Ashok Ramnarayan Boob, 433,755 equity shares were allotted to Krishnakumar Ramnarayan Boob (jointly held with Nilima Krishnakumar Boob), 315,042 equity shares were allotted to Siddhartha Ashok Sikchi, 590,975 equity shares were allotted to Parth Ashok Maheshwari, 457,429 equity shares were allotted to Anantroop Financial Advisory Service Private Limited, 1,151,150 equity shares were allotted to Asha Ashok Boob, 1,058,176 equity shares were allotted to Ashokkumar Ramkishan Sikchi HUF, 323,176 equity shares were allotted to Krishnakumar Ramnarayan Boob HUF, 585,354 equity shares were allotted to Ashok Ramnarayan Boob HUF, 590,975 equity shares were allotted to Nidhi Mohunta (jointly held with Ashok Ramnarayan Boob), 373,940 equity shares were allotted to Nilima Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 342,440 equity shares were allotted to Shradha Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 342,440 equity shares were allotted to Prasad Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 245,728 equity shares were allotted to Asha Ashok Sikchi, 241,528 equity shares were allotted to Kunal Ashok Sikchi, 219,674 equity shares were allotted to Ashok Sikchi, 212,800 equity shares were allotted to Nandita Sikchi, 342,440 equity shares were allotted to Pooja Vivek Navandar (jointly held with Krishnakumar Ramnarayan Boob), 19,698 equity shares were allotted to Ganapati Dadasaheb Yadav and 19,698 equity shares were allotted to Dilip Digambar Ravetkar.

2. Issue of Equity Shares for consideration other than cash or out of revaluation reserves

Except as set out below, our Company has not issued equity shares through bonus issue or for consideration other than cash. Our Company has not issued any Equity Shares out of revaluation reserves since incorporation.

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share / (₹)	Reason for allotment	Benefits accrued to our Company
November 24, 2007	4,000	10	50	Allotment of sweat equity shares(1)	Our Company received valuation services from the allottees
March 26, 2011	2,000	10	60	Allotment of sweat equity shares(2)	Our Company received valuation services from the allottees
February 6, 2021	9,294,159	10	NA	Bonus issue of seven equity shares for every one equity share(3)*	-

**Our Company undertook a bonus issue of seven equity shares for every one equity share made on February 6, 2021. The total reserves and surplus of our Company prior to and post the said bonus issue were ₹4,886.50 million and ₹4,793.56 million, respectively.*

(1) *2,000 equity shares were allotted to Ganapati Dadasaheb Yadav and 2,000 equity shares were allotted to Dilip Digambar Ravetkar. For details of non-compliances relating to such allotment and the compounding application filed in this respect, see "Risk Factors – There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected" on page 21.*

(2) *1.000 equity shares were allotted to Ganapati Dadasaheb Yadav and 1,000 equity shares were allotted to Dilip Digambar Ravetkar. For details of non-compliances relating to such allotment and the compounding application filed in this respect, see "Risk Factors – There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected" on page 21.*

(3) *1,427,741 equity shares were allotted to Ashok Ramnarayan Boob, 433,755 equity shares were allotted to Krishnakumar Ramnarayan Boob (jointly held with Nilima Krishnakumar Boob), 315,042 equity shares were allotted to Siddhartha Ashok Sikchi, 590,975 equity shares were allotted to Parth Ashok Maheshwari, 457,429 equity shares were allotted to Anantroop Financial Advisory Service Private Limited, 1,151,150 equity shares were allotted to Asha Ashok Boob, 1,058,176 equity shares were allotted to Ashokkumar Ramkishan Sikchi HUF, 323,176 equity shares were allotted to Krishnakumar Ramnarayan Boob HUF, 585,354 equity shares were allotted to Ashok Ramnarayan Boob HUF, 590,975 equity shares were allotted to Nidhi Mohunta (jointly held with Ashok Ramnarayan Boob), 373,940 equity shares were allotted to Nilima Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 342,440 equity shares were allotted to Shradha Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 342,440 equity shares were allotted to Prasad Krishnakumar Boob (jointly held with Krishnakumar Ramnarayan Boob), 245,728 equity shares were allotted to Asha Ashok Sikchi, 241,528 equity shares were allotted to Kunal Ashok Sikchi, 219,674 equity shares were allotted to Ashok Sikchi, 212,800 equity shares were allotted to Nandita Sikchi, 342,440 equity shares were allotted to Pooja Vivek Navandar (jointly held with Krishnakumar Ramnarayan Boob), 19,698 equity shares were allotted to Ganapati Dadasaheb Yadav and 19,698 equity shares were allotted to Dilip Digambar Ravetkar.*

3. **Issue of Equity Shares under Sections 230 to 234 of the Companies Act or Sections 391 to 394 of the Companies Act, 1956.**

Our Company has not allotted any equity shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013.

4. **Issue of Equity Shares at a price lower than the Offer Price in the last year**

Other than the allotment of equity shares pursuant to the bonus issue as specified above in "- *Equity share capital history of our Company*" on page 69, our Company has not issued any equity shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Red Herring Prospectus.

5. ***Shareholding Pattern of our Company***

The table below presents the shareholding pattern of our Company as on the date of this 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 Equity 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 Voting Rights – Class e.g.: Equity Shares	Number of Voting Rights – Class e.g.: others	Number of Voting Rights – Total	Total as a % of (A+B + C)	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 (a)	Number of locked in Equity Shares (XII) – As a % of total Equity Shares held (b)	Number of Equity Shares pledged or otherwise encumbered (XIII) – Number (a)	Number of Equity Shares pledged or otherwise encumbered (XIII) – As a % of total Equity Shares held (b)	Number of Equity Shares held in dematerialized form (XIV)
(A)	**Promoter and Promoter Group**	23*	100,540,960	Nil	Nil	100,540,960	94.65	100,540,960	NA	100,540,960	94.65	Nil	Nil	Nil	Nil	Nil	NA	100,540,960
(B)	**Public**	8	5,678,000	Nil	Nil	5,678,000	5.35	5,678,000	NA	5,678,000	5.35	Nil	Nil	Nil	Nil	Nil	NA	5,678,000
(C)	**Non Promoter-Non Public**	Nil	Nil	Nil	Nil	NA	NA	NA	NA	NA	NA	Nil	Nil	Nil	Nil	Nil	NA	NA
(C1)	**Equity Shares underlying depository receipts**	Nil	Nil	Nil	Nil	NA	NA	NA	NA	NA	NA	Nil	Nil	Nil	Nil	Nil	NA	NA
(C2)	**Equity Shares held by employee trusts**	Nil	Nil	Nil	Nil	NA	NA	NA	NA	NA	NA	Nil	Nil	Nil	Nil	Nil	NA	NA
	Total	**31***	**106,218,960**	**-**	**-**	**106,218,960**	**100.00**	**106,218,960**	**-**	**106,218,960**	**100.00**	**-**	**-**	**-**	**-**	**-**	**-**	**106,218,960**

* *Certain Equity Shares of the Company are under joint holding and the number of shareholders is calculated based on the number of folios as reflected in the list of beneficial owners.*

6. ***Other details of shareholding of our Company***

(a) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company on a fully diluted basis, as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares^	Percentage of the fully diluted equity share capital (%)
1.	Ashok Ramnarayan Boob	16,316,940	15.36
2.	Asha Ashok Boob	13,155,900	12.39
3.	Ashokkumar Ramkishan Sikchi HUF	12,093,440	11.39
4.	Nidhi Mohunta(1)	6,754,000	6.36
5.	Parth Ashok Maheshwari	6,754,000	6.36
6.	Ashok Ramnarayan Boob HUF	6,689,760	6.30
7.	Krishnakumar Ramnarayan Boob(2)	4,957,100	4.67
8.	Nilima Krishnakumar Boob(3)	4,273,500	4.02
9.	Anantroop Financial Advisory Services Private Limited	4,167,778	3.92
10.	Shradha Krishnakumar Boob(3)	3,913,600	3.68
11.	Prasad Krishnakumar Boob(3)	3,913,600	3.68
12.	Pooja Vivek Navandar(3)	3,913,600	3.68
13.	Krishnakumar Ramnarayan Boob HUF	3,693,440	3.48
14.	Siddhartha Ashok Sikchi	3,600,480	3.39
15.	Asha Ashok Sikchi	2,808,220	2.64
16.	Kunal Ashok Sikchi	2,760,320	2.60
17.	Ashok Sikchi	2,510,460	2.36
18.	Nandita Sikchi	2,432,000	2.29
	Total	**104,708,138**	**98.58**

^ *Based on the beneficiary position statement dated June 29, 2021.*
(1) *Jointly held with Ashok Ramnarayan Boob who is the second holder.*
(2) *Jointly held with Nilima Krishnakumar Boob who is the second holder.*
(3) *Jointly held with Krishnakumar Ramnarayan Boob who is the second holder.*

(b) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company on a fully diluted basis, as of ten days prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares^	Percentage of the fully diluted equity share capital (%)
1.	Ashok Ramnarayan Boob	16,316,940	15.36
2.	Asha Ashok Boob	13,155,900	12.39
3.	Ashokkumar Ramkishan Sikchi HUF	12,093,440	11.39
4.	Nidhi Mohunta(1)	6,754,000	6.36
5.	Parth Ashok Maheshwari	6,754,000	6.36
6.	Ashok Ramnarayan Boob HUF	6,689,760	6.30
7.	Anantroop Financial Advisory Services Private Limited	4,390,001	4.13
8.	Krishnakumar Ramnarayan Boob(2)	4,957,100	4.67
9.	Nilima Krishnakumar Boob(3)	4,273,500	4.02
10.	Shradha Krishnakumar Boob(3)	3,913,600	3.68
11.	Prasad Krishnakumar Boob(3)	3,913,600	3.68
12.	Pooja Vivek Navandar(3)	3,913,600	3.68
13.	Krishnakumar Ramnarayan Boob HUF	3,693,440	3.48
14.	Siddhartha Ashok Sikchi	3,600,480	3.39
15.	Asha Ashok Sikchi	2,808,320	2.64
16.	Kunal Ashok Sikchi	2,760,320	2.60
17.	Ashok Sikchi	2,510,460	2.36
18.	Nandita Sikchi	2,432,000	2.29
	Total	**104,930,461**	**98.78**

^ *Based on the beneficiary position statement dated June 18, 2021.*
(1) *Jointly held with Ashok Ramnarayan Boob who is the second holder.*
(2) *Jointly held with Nilima Krishnakumar Boob who is the second holder.*
(3) *Jointly held with Krishnakumar Ramnarayan Boob who is the second holder.*

(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 two years prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of equity shares having face value of ₹10 each^	Percentage of the fully diluted equity share capital (%)
1.	Ashok Ramnarayan Boob	257,480	18.19
2.	Asha Ashok Boob	220,890	15.60
3.	Ashokkumar Ramkishan Sikchi HUF	172,876	12.21
4.	Krishnakumar Ramnarayan Boob(1)	108,065	7.63
5.	Ashok Ramnarayan Boob HUF	83,622	5.91
6.	Anantroop Financial Advisory Services Private Limited	69,678	4.92
7.	Nilima Krishnakumar Boob(2)	61,020	4.31
8.	Krishnakumar Ramnarayan Boob HUF	54,600	3.86
9.	Nidhi Mohunta(3)	50,020	3.53
10.	Parth Ashok Maheshwari	50,020	3.53
11.	Shradha Krishnakumar Boob(2)	50,020	3.53
12.	Prasad Krishnakumar Boob(2)	50,020	3.53
13.	Siddhartha Ashok Sikchi	45,006	3.18
14.	Asha Ashok Sikchi	35,104	2.48
15.	Ashok Sikchi	31,382	2.22
16.	Kunal Ashok Sikchi	34,504	2.44
17.	Nandita Sikchi	30,400	2.15
	Total	**1,404,707**	**99.22**

^ *Based on the beneficiary position statement dated June 30, 2019.*
(1) *Jointly held with Nilima Krishnakumar Boob who is the second holder.*
(2) *Jointly held with Krishnakumar Ramnarayan Boob who is the second holder.*
(3) *Jointly held with Ashok Ramnarayan Boob who is the second holder.*

(d) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as of one year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of equity shares having face value of ₹10 each^	Percentage of the fully diluted equity share capital (%)
1.	Ashok Ramnarayan Boob	203,963	15.36
2.	Asha Ashok Boob	164,450	12.39
3.	Ashokkumar Ramkishan Sikchi HUF	151,168	11.39
4.	Nidhi Mohunta(1)	84,425	6.36
5.	Parth Ashok Maheshwari	84,425	6.36
6.	Ashok Ramnarayan Boob HUF	83,622	6.30
7.	Anantroop Financial Advisory Services Private Limited	65,347	4.92
8.	Krishnakumar Ramnarayan Boob(2)	61,965	4.67
9.	Nilima Krishnakumar Boob(3)	53,420	4.02
10.	Shradha Krishnakumar Boob(3)	48,920	3.68
11.	Prasad Krishnakumar Boob(3)	48,920	3.68
12.	Pooja Vivek Navandar(3)	48,920	3.68
13.	Krishnakumar Ramnarayan Boob HUF	46,168	3.48
14.	Siddhartha Ashok Sikchi	45,006	3.39
15.	Asha Ashok Sikchi	35,104	2.64
16.	Kunal Ashok Sikchi	34,504	2.60
17.	Ashok Sikchi	31,382	2.36
18.	Nandita Sikchi	30,400	2.29
	Total	**1,322,109**	**99.57**

^ *Based on the beneficiary position statement dated June 30, 2020.*
(1) *Jointly held with Ashok Ramnarayan Boob who is the second holder.*
(2) *Jointly held with Nilima Krishnakumar Boob who is the second holder.*
(3) *Jointly held with Krishnakumar Ramnarayan Boob who is the second holder.*

7. Except for the issue of any Equity Shares pursuant to exercise of options granted or to be granted under the ESOS 2021, our Company does not intend or propose to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

8. As on the date of the filing of this Red Herring Prospectus, our Company has 31 Shareholders (based on the number of folios as reflected in the list of beneficial owners).

9. Except for the allotment of Equity Shares made pursuant to bonus issue as specified above in "- *Equity share capital history of our Company*" on page 69, and except as set out, none of our Promoter Group and Directors and their relatives have purchased or sold any Equity Shares during a period of six months preceding the date of this Red Herring Prospectus:

Date	Nature of Transaction	Number of equity shares	Price (₹)	Total consideration (₹)
March 26, 2021	Transfer by way of gift from Ashok Ramnarayan Boob to Ashok Ramnarayan Boob and Asha Ashok Boob (as trustees of ARB Business Trust)	100	Nil	Nil
	Transfer by way of gift from Asha Ashok Boob to Asha Ashok Boob and Ashok Ramnarayan Boob (as trustees of AAB Business Trust)	100	Nil	Nil
March 30, 2021	Transfer by way of gift from Krishnakumar Ramnarayan Boob jointly held with Nilima Krishnakumar Boob to Nilima Krishnakumar Boob and Krishnakumar Ramnarayan Boob (as trustees of Shri Ramnarayan Boob Business Trust)	100	Nil	Nil
	Transfer by way of gift from Nilima Krishnakumar Boob jointly with Krishnakumar Ramnarayan Boob to Nilima Krishnakumar Boob and Krishnakumar Ramnarayan Boob (as trustees of Smt. Alaknanda Boob Business Trust)	100	Nil	Nil
April 1, 2021	Transfer by way of gift from Ashok Sikchi to Kunal Ashok Sikchi and Siddhartha Ashok Sikchi (as trustees of ARS Business Trust)	100	Nil	Nil
	Transfer by way of gift from Asha Ashok Sikchi to Kunal Ashok Sikchi and Siddhartha Ashok Sikchi (as trustees of AAS Business Trust)	100	Nil	Nil
June 18, 2021	Transfer from Dilip Digambar Ravetkar to Pradeep Ramwilas Rathi	225,120	900	202,608,000

10. ***Details of shareholding of our Promoters and members of the Promoter Group in our Company***

(a) Build-up of our Promoters' shareholding in our Company

For details of the total shareholding of our Promoters, see "- *Shareholding of our Promoters and Promoter Group*" on page 79.

The following table sets forth details of the build-up of the shareholding of our Promoters since incorporation of our Company:

Date of allotment / transfer	Nature of consideration	Nature of transaction	No. of Equity Shares allotted / transferred	Face value per Equity Share (₹)	Issue / acquisition price (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
a. Ashok Ramnarayan Boob							
• *As the sole holder of Equity Shares*							

Date of allotment / transfer	Nature of consideration	Nature of transaction	No. of Equity Shares allotted / transferred	Face value per Equity Share (₹)	Issue / acquisition price (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
November 7, 2003	Cash	Subscription to MoA	5,000	10	10	0.05	0.05
March 24, 2007	Cash	Further Issue	95,220	10	50	0.90	0.90
July 16, 2007	Cash	Further Issue	171,720	10	50	1.62	1.62
November 24, 2007	Cash	Further Issue	29,000	10	50	0.27	0.27
March 26, 2011	Cash	Further Issue	6,540	10	60	0.06	0.06
January 30, 2017	Gift	Transfer to joint holding(1)	(50,000)	10	Nil	(0.47)	(0.47)
July 4, 2019	Gift	Transfer to joint holding(2)	(40,000)	10	Nil	(0.38)	(0.38)
March 31, 2020	NA	Buyback	(13,517)	10	NA	(0.13)	(0.13)
February 6, 2021	NA	Bonus	1,427,741	10	NA	13.44	13.44
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of Equity Shares held by Ashok Ramnarayan Boob pursuant to such sub-division was 16,317,040 Equity Shares having face value of ₹1 each.						
March 26, 2021	Gift	Transfer to ARB Business Trust(3)	(100)	1	Nil	(Negligible)	(Negligible)
Total			**16,316,940**	**-**	**-**	**15.36**	**15.36**
(1) Transfer of sole holding of Ashok Ramnarayan Boob to Nidhi Mohunta as first holder, held jointly with Ashok Ramnarayan Boob as second holder. (2) Transfer of sole holding of Ashok Ramnarayan Boob to Nidhi Mohunta as first holder, held jointly with Ashok Ramnarayan Boob as second holder. (3) Transfer of equity shares held by Ashok Ramnarayan Boob to Ashok Ramnarayan Boob and Asha Ashok Boob (as trustees of ARB Business Trust).							
• *As the second holder of Equity Shares jointly held with Nidhi Mohunta who is the first holder*							
January 30, 2017	Gift	Transfer to joint holding(1)	50,000	10	Nil	0.47	0.47
July 4, 2019	Gift	Transfer to joint holding(2)	40,000	10	Nil	0.38	0.38
March 31, 2020	NA	Buyback(3)	(5,575)	10	NA	(0.05)	(0.05)
February 6, 2021	NA	Bonus(4)	590,975	10	NA	5.56	5.56
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of issued, subscribed and paid-up equity shares held by Nidhi Mohunta (as first holder) jointly with Ashok Ramnarayan Boob (as second holder) pursuant to sub-division was 6,754,000 Equity Shares of face value of ₹1 each.						
Total			**6,754,000**			**6.36**	**6.36**
(1) Transfer of sole holding of Ashok Ramnarayan Boob to Nidhi Mohunta as first holder, held jointly with Ashok Ramnarayan Boob as second holder. (2) Transfer of sole holding of Ashok Ramnarayan Boob to Nidhi Mohunta as first holder, held jointly with Ashok Ramnarayan Boob as second holder. (3) Buyback of equity shares of our Company jointly held by Nidhi Mohunta as first holder, held jointly with Ashok Ramnarayan Boob as second holder. (4) Equity shares of our Company were allotted to Nidhi Mohunta as first holder, held jointly with Ashok Ramnarayan Boob as second holder.							
b. Krishnakumar Ramnarayan Boob							
• *As the first holder of Equity Shares held jointly with Nilima Krishnakumar Boob who is the second holder*							
November 7, 2003	Cash	Subscription to MoA	5,000	10	10	0.05	0.05
March 24, 2007	Cash	Further Issue	47,757	10	50	0.45	0.45
July 16, 2007	Cash	Further Issue	120,562	10	50	1.14	1.14
March 26, 2011	Cash	Further Issue	39,746	10	60	0.37	0.37
February 17, 2017	Gift	Transfer to joint holding(1)	(50,000)	10	Nil	(0.47)	(0.47)
February 17, 2017	Gift	Transfer to joint holding(2)	(50,000)	10	Nil	(0.47)	(0.47)
August 28, 2017	Gift	Transfer from sole to joint holding(3)	(113,065)	10	Nil	(1.06)	(1.06)
August 28, 2017	Gift	Transfer from sole to joint holding(3)	113,065	10	Nil	1.06	1.06
September 20, 2017	Gift	Transfer to Pooja Vivek Navandar (as first holder) and	(5,000)	10	Nil	(0.05)	(0.05)

Date of allotment / transfer	Nature of consideration	Nature of transaction	No. of Equity Shares allotted / transferred	Face value per Equity Share (₹)	Issue / acquisition price (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
		Krishnakumar Ramnarayan Boob (as second holder)[(4)]					
February 24, 2020	Gift	Transfer to Pooja Vivek Navandar (as first holder) and Krishnakumar Ramnarayan Boob (as second holder) [(5)]	(45,000)	10	Nil	(0.42)	(0.42)
March 31, 2020	NA	Buyback[(6)]	(1,100)	10	NA	(0.01)	(0.01)
February 6, 2021	NA	Bonus[(7)]	433,755	10	NA	4.08	4.08
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of Equity Shares held by Krishnakumar Ramnarayan Boob (as first holder) jointly with Nilima Krishnakumar Boob (as second holder) pursuant to such sub-division was 4,957,200 Equity Shares having face value of ₹1 each.						
March 30, 2021	Gift	Transfer to Shri Ramnarayan Boob Business Trust[(8)]	(100)	1	Nil	(Negligible)	(Negligible)
Total			**4,957,100**	**-**	**-**	**4.67**	**4.67**
(1) Transfer of sole holding of Krishnakumar Ramnarayan Boob to Shradha Krishnakumar Boob as first holder, held jointly with Krishnakumar Ramnarayan Boob as second holder. *(2) Transfer of sole holding of Krishnakumar Ramnarayan Boob to Prasad Krishnakumar Boob as first holder, held jointly with Krishnakumar Ramnarayan Boob as second holder.* *(3) Transfer of sole holding of Krishnakumar Ramnarayan Boob to Nilima Krishnakumar Boob as second holder, held jointly with Krishnakumar Ramnarayan Boob as first holder.* *(4) Transfer of equity shares held jointly by Krishnakumar Ramnarayan Boob as first holder and Nilima Krishnakumar Boob as second holder to Pooja Vivek Navandar as first holder and Krishnakumar Ramnarayan Boob as second holder.* *(5) Transfer of equity shares held jointly by Krishnakumar Ramnarayan Boob as first holder and Nilima Krishnakumar Boob as second holder to Pooja Vivek Navandar as first holder and Krishnakumar Ramnarayan Boob as second holder.* *(6) Buyback of equity shares of our Company held by Krishnakumar Ramnarayan Boob as first holder and Nilima Ramnarayan Boob as second holder.* *(7) Equity shares allotted to Krishnakumar Ramnarayan Boob as first holder jointly with Nilima Krishnakumar Boob as second holder.* *(8) Transfer of equity shares held jointly by Krishnakumar Ramnarayan Boob as first holder and Nilima Krishnakumar Boob as second holder to Nilima Krishnakumar Boob and Krishnakumar Ramnarayan Boob (as trustees of Shri Ramnarayan Boob Business Trust).*							
• *As second holder of Equity Shares jointly held with Nilima Krishnakumar Boob who is the first holder*							
March 18, 2017	Gift	Transfer to joint holding[(1)]	61,020	10	Nil	0.57	0.57
March 31, 2020	NA	Buyback[(2)]	(7,600)	10	NA	(0.07)	(0.07)
February 6, 2021	NA	Bonus[(3)]	373,940	10	NA	3.52	3.52
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of Equity Shares held by Nilima Krishnakumar Boob (as first holder) jointly with Krishnakumar Ramnarayan Boob (as second holder) pursuant to such sub-division was 4,273,600 Equity Shares having face value of ₹1 each.						
March 30, 2021	Gift	Transfer to Smt. Alaknanda Boob Business Trust[(4)]	(100)	1	Nil	Negligible	Negligible
Total			**4,273,500**	**1**	**-**	**4.02**	**4.02**
(1) Transfer of sole holding of Nilima Krishnakumar Boob to Nilima Krishnakumar Boob as first holder, held jointly with Krishnakumar Ramnarayan Boob as second holder. *(2) Buyback of equity shares of our Company held by Nilima Ramnarayan Boob as first holder and Krishnakumar Ramnarayan Boob as second holder.* *(3) Equity shares allotted to Nilima Krishnakumar Boob as first holder and Krishnakumar Ramnarayan Boob as second holder.* *(4) Transfer of equity shares held jointly by Nilima Krishnakumar Boob as first holder and Krishnakumar Ramnarayan Boob as second holder to Nilima Krishnakumar Boob and Krishnakumar Ramnarayan Boob (as trustees of Smt. Alaknanda Boob Business Trust).*							
• *As second holder of Equity Shares jointly held with Shradha Krishnakumar Boob who is the first holder*							
February 17, 2017	Gift	Transfer to joint holding[(1)]	50,000	10	Nil	0.47	0.47
March 31, 2020	NA	Buyback[(2)]	(1,100)	10	NA	(0.01)	(0.01)
December 3, 2020	Cash	Transfer to joint	20	10	10	Negligible	Negligible

Date of allotment / transfer	Nature of consideration	Nature of transaction	No. of Equity Shares allotted / transferred	Face value per Equity Share (₹)	Issue / acquisition price (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
		holding[3]					
February 6, 2021	NA	Bonus[4]	342,440	10	NA	3.22	3.22
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of Equity Shares held by Shradha Krishnakumar Boob (as first holder) jointly with Krishnakumar Ramnarayan Boob (as second holder) pursuant to such sub-division was 3,913,600 Equity Shares having face value of ₹1 each.						
Total			**3,913,600**	**1**	**-**	**3.68**	**3.68**
(1) Transfer of sole holding of Krishnakumar Ramnarayan Boob to Shradha Krishnakumar Boob as first holder, held jointly with Krishnakumar Ramnarayan Boob as second holder. *(2) Buyback of equity shares of our Company held by Shradha Krishnakumar Boob as first holder and Krishnakumar Ramnarayan Boob as second holder.* *(3) Transfer of sole holding of Shradha Krishnakumar Boob to Shradha Krishnakumar Boob as first holder, held jointly with Krishnakumar Ramnarayan Boob as second holder.* *(4) Equity shares allotted to Shradha Krishnakumar Boob as first holder and Krishnakumar Ramnarayan Boob as second holder.*							
• *As second holder of Equity Shares jointly held with Prasad Krishnakumar Boob who is the first holder*							
February 17, 2017	Gift	Transfer to joint holding[1]	50,000	10	Nil	0.47	0.47
March 31, 2020	NA	Buyback[2]	(1,100)	10	NA	(0.01)	(0.01)
December 3, 2020	Cash	Transfer to joint holding[3]	20	10	10	Negligible	Negligible
February 6, 2021	NA	Bonus[4]	342,440	10	NA	3.22	3.22
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of Equity Shares held by Prasad Krishnakumar Boob (as first holder) jointly with Krishnakumar Ramnarayan Boob (as second holder) pursuant to such sub-division was 3,913,600 Equity Shares having face value of ₹1 each.						
Total			**3,913,600**	**1**	**-**	**3.68**	**3.68**
(1) Transfer of sole holding of Krishnakumar Ramnarayan Boob to Prasad Krishnakumar Boob as first holder, held jointly with Krishnakumar Ramnarayan Boob as second holder. *(2) Buyback of equity shares of our Company held by Prasad Krishnakumar Boob as first holder and Krishnakumar Ramnarayan Boob as second holder.* *(3) Transfer of sole holding of Prasad Krishnakumar Boob to Prasad Krishnakumar Boob as first holder, jointly held with Krishnakumar Ramnarayan Boob as second holder.* *(4) Equity shares allotted to Prasad Krishnakumar Boob as first holder and Krishnakumar Ramnarayan Boob as second holder.*							
• *As second holder of Equity Shares jointly held with Pooja Vivek Navandar who is the first holder*							
September 20, 2017	Gift	Transfer from Krishnakumar Ramnarayan Boob (as first holder) and Nilima Krishnakumar Boob (as second holder)[1]	5,000	10	Nil	0.05	0.05
February 24, 2020	Gift	Transfer from Krishnakumar Ramnarayan Boob (as first holder) and Nilima Krishnakumar Boob (as second holder)[2]	45,000	10	Nil	0.42	0.42
March 31, 2020	NA	Buyback[3]	(1,100)	10	NA	(0.01)	(0.01)
December 3, 2020	Cash	Transfer to joint holding[4]	20	10	10	Negligible	Negligible
February 6, 2021	NA	Bonus[5]	342,440	10	NA	3.22	3.22
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of Equity Shares held by Pooja Vivek Navandar (as first holder) jointly with Krishnakumar Ramnarayan Boob (as second holder) pursuant to such sub-division was 3,913,600 Equity Shares having face value of ₹1 each.						
Total			**3,913,600**	**1**	**-**	**3.68**	**3.68**
(1) Transfer of equity shares held jointly by Krishnakumar Ramnarayan Boob as first holder and Nilima Krishnakumar Boob as second holder to Pooja Vivek Navandar as first holder and Krishnakumar Ramnarayan Boob as second holder. *(2) Transfer of equity shares held jointly by Krishnakumar Ramnarayan Boob as first holder and Nilima Krishnakumar Boob as second holder to Pooja Vivek Navandar as first holder and Krishnakumar Ramnarayan Boob as second holder.*							

Date of allotment / transfer	Nature of consideration	Nature of transaction	No. of Equity Shares allotted / transferred	Face value per Equity Share (₹)	Issue / acquisition price (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
(3) Buyback of equity shares of our Company held by Pooja Vivek Navandar as first holder and Krishnakumar Ramnarayan Boob as second holder. *(4) Transfer of sole holding of Pooja Vivek Navandar to Pooja Vivek Navandar as first holder jointly with Krishnakumar Ramnarayan Boob as second holder.* *(5) Equity shares allotted to Pooja Vivek Navandar as first holder and Krishnakumar Ramnarayan Boob as second holder.*							
c. Siddhartha Ashok Sikchi							
March 24, 2007	Cash	Further Issue	4,500	10	50	0.04	0.04
July 16, 2007	Cash	Further Issue	18,900	10	50	0.18	0.18
November 24, 2007	Cash	Further Issue	400	10	50	Negligible	Negligible
December 3, 2007	Cash	Further Issue	800	10	50	0.01	0.01
August 13, 2009	Cash	Further Issue	5,300	10	50	0.05	0.05
March 26, 2011	Cash	Further Issue	15,106	10	60	0.14	0.14
February 6, 2021	NA	Bonus	315,042	10	NA	2.97	2.97
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of Equity Shares held by Siddhartha Ashok Sikchi pursuant to such sub-division was 3,600,480 Equity Shares having face value of ₹1 each.						
Total			**3,600,480**	**1**	**-**	**3.39**	**3.39**
d. Parth Ashok Maheshwari							
March 24, 2007	Cash	Further Issue	20	10	50	Negligible	Negligible
January 30, 2017	Gift	Transfer of shares by Asha Ashok Boob	50,000	10	Nil	0.47	0.47
July 4, 2019	Gift	Transfer of shares by Asha Ashok Boob	40,000	10	Nil	0.38	0.38
March 31, 2020	NA	Buyback	(5,595)	10	NA	(0.05)	(0.05)
February 6, 2021	NA	Bonus	590,975	10	NA	5.56	5.56
February 25, 2021	Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of Equity Shares held by Parth Ashok Maheshwari pursuant to such sub-division was 6,754,000 Equity Shares having face value of ₹1 each.						
Total			**6,754,000**	**1**	**-**	**6.36**	**6.36**

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares. As of the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

(b) *Shareholding of our Promoters and Promoter Group*

The details of the shareholding of our Promoters and the members of the Promoter Group as on the date of this Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Pre- Offer		Post- Offer *	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
Promoters					
1.	Ashok Ramnarayan Boob	16,316,940	15.36	[●]	[●]
2.	Krishnakumar Ramnarayan Boob(1)	4,957,100	4.67	[●]	[●]
3.	Siddhartha Ashok Sikchi	3,600,480	3.39	[●]	[●]
4.	Parth Ashok Maheshwari	6,754,000	6.36	[●]	[●]
Total (A)		**31,628,520**	**29.78**	**[●]**	**[●]**
Promoter Group					
1.	Asha Ashok Boob	13,155,900	12.39	[●]	[●]
2.	Ashok Ramkishan Sikchi HUF	12,093,440	11.39	[●]	[●]
3.	Ashok Ramnarayan Boob HUF	6,689,760	6.30	[●]	[●]
4.	Nidhi Mohunta(2)	6,754,000	6.36	[●]	[●]
5.	Nilima Krishnakumar Boob(3)	4,273,500	4.02	[●]	[●]
6.	Shradha Krishnakumar Boob(3)	3,913,600	3.68	[●]	[●]
7.	Prasad Krishnakumar Boob(3)	3,913,600	3.68	[●]	[●]
8.	Pooja Vivek Navandar(3)	3,913,600	3.68	[●]	[●]
9.	Krishnakumar Ramnarayan Boob	3,693,440	3.48	[●]	[●]

Sr. No.	Name of the Shareholder	Pre- Offer		Post- Offer *	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
	HUF				
10.	Asha Ashok Sikchi	2,808,220	2.64	[●]	[●]
11.	Kunal Ashok Sikchi	2,760,320	2.60	[●]	[●]
12.	Ashok Sikchi	2,510,460	2.36	[●]	[●]
13.	Nandita Sikchi	2,432,000	2.29	[●]	[●]
14.	Asha Ashok Boob and Ashok Ramnarayan Boob (as trustees of AAB Business Trust)	100	Negligible	[●]	[●]
15.	Ashok Ramnarayan Boob and Asha Ashok Boob (as trustees of ARB Business Trust)	100	Negligible	[●]	[●]
16.	Nilima Krishnakumar Boob and Krishnakumar Ramnarayan Boob (as trustees of Shri Ramnarayan Boob Business Trust)	100	Negligible	[●]	[●]
17.	Nilima Krishnakumar Boob and Krishnakumar Ramnarayan Boob (as trustees of Smt. Alaknanda Boob Business Trust)	100	Negligible	[●]	[●]
18.	Kunal Ashok Sikchi and Siddhartha Ashok Sikchi (as trustee of AAS Business Trust)	100	Negligible	[●]	[●]
19.	Kunal Ashok Sikchi and Siddhartha Ashok Sikchi (as trustee of ARS Business Trust)	100	Negligible	[●]	[●]
Total (B)		**68,912,440**	**64.88**	**[●]**	**[●]**
Total (A+B)		**100,540,960**	**94.65**	**[●]**	**[●]**

* *Subject to finalisation of Basis of Allotment.*

(1) *Jointly held with Nilima Krishnakumar Boob, who is the second holder.*

(2) *Jointly held with Ashok Ramnarayan Boob, who is the second holder.*

(3) *Jointly held with Krishnakumar Ramnarayan Boob, who is the second holder.*

11. ***Details of Promoters' 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 (assuming full conversion of vested options, if any, under the ESOS 2021) of our Company held by our Promoters shall be locked in for a period of three years as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and our Promoters' shareholding in excess of 20% of the post-Offer equity share capital (assuming full conversion of vested options, if any, under the ESOS 2021) shall be locked in for a period of one year from the date of Allotment.

(b) Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoters' Contribution are set forth in the table below.

Name of Promoter	Number of Equity Shares Locked-in(1)(2)	Date of Allotment/ Transfer*	Nature of Transaction	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Percentage of pre- Offer paid-up equity share capital	Percentage of post- Offer paid-up equity share capital (including vested options under ESOS 2021)
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

* *Subject to finalisation of Basis of Allotment*

(1) *For a period of three years from the date of Allotment*

(2) *All Equity Shares were fully paid-up at the time of allotment*

Our Promoters have given their consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the post-Offer equity share capital (assuming full conversion of vested options, if any, under the ESOS 2021) of our Company as Promoters' Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of filing the 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.

(c) Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm that the Equity Shares considered as Promoters' Contribution:

(i) have not been acquired during the preceding three years from the date of this Red Herring Prospectus for consideration other than cash, involving any revaluation of assets or capitalization of intangible assets;

(ii) did not result from a bonus issue during the preceding three years from the date of this Red Herring Prospectus, by utilisation of revaluation reserves or unrealised profits of the Company, or from bonus issue against Equity Shares which are otherwise ineligible for Promoters' Contribution;

(iii) except for Equity Shares allotted on February 6, 2021 pursuant to a bonus issue, are not acquired or subscribed to during the preceding year from the date of this Red Herring Prospectus, and are not arising out of securities allotted during the preceding year;

(iv) are not subject to any pledge or any other encumbrance; and

(v) are held in dematerialized form prior to filing of this Red Herring Prospectus.

Further, our Company has not been formed by conversion of a partnership firm into a company.

12. ***Details of other lock-in***

In addition to the 20% of the post-Offer shareholding (assuming full conversion of vested options, if any, under the ESOS 2021) of our Company held by our Promoters and locked in for three years as specified above, in terms of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of our Company will be locked-in for a period of one year from the date of Allotment except for (i) the Equity Shares offered pursuant to the Offer for Sale; (ii) any Equity Shares held by the eligible employees (whether currently employees or not) of our Company arising out of options granted under the ESOS 2021; and (iii) the Equity Shares held by VCFs or Category I AIF or Category II AIF or FVCI, subject to certain conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least one year from the date of purchase by the VCFs or Category I AIF or Category II AIF or FVCI.

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.

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in may be transferred to and among the members of our Promoter Group or to any new promoter of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations, as applicable.

Pursuant to Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in for a period of three years from the date of Allotment may be pledged as collateral security for loans granted by scheduled commercial banks, public financial institutions, NBFC-SI or housing finance companies, provided that such loans have been granted by such bank or institution for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.

Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, NBFC-SI or housing finance companies as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

The Equity Shares held by any person other than our Promoters and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

13. ***Lock-in of the Equity Shares to be allotted, if any, to the Anchor Investors***

Any Equity Shares Allotted to Anchor Investors shall be locked-in for a period of 30 days from the date of Allotment.

14. Neither our Company, nor the Directors have entered into any buy-back arrangements for purchase of Equity Shares from any person. Further, the Book Running Lead Managers have not entered into any buy-back arrangements for purchase of Equity Shares from any person.

15. Except as disclosed in "*Our Management*" beginning on page 146, none of our Directors or Key Managerial Personnel hold any Equity Shares of our Company.

16. Other than the employee stock options granted pursuant to the ESOS 2021, our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Red Herring Prospectus.

17. All Equity Shares offered and Allotted pursuant to the Offer shall be fully paid-up at the time of Allotment.

18. As on the date of this Red Herring Prospectus, the Book Running Lead Managers and its associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company.

19. 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 the business of the relevant financing entity) during a period of six months immediately preceding the date of filing of this Red Herring Prospectus.

20. No person connected with the Offer, including, but not limited to, the Book Running Lead Managers, the members of the Syndicate, our Company, Directors, Promoters, and member of our Promoter Group shall offer any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

21. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

22. Our Company shall ensure that transactions in Equity Shares by our Promoters and our Promoter Group during the period between the date of filing of this Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transaction.

23. Our Company has filed (i) revised Form MGT-7 for Fiscals 2017, 2018, 2019 and 2020, and revised Form PAS-3 for rectification of certain inadvertent errors in the Form MGT-7 filed for Fiscals 2017, 2018, 2019 and 2020, and Form PAS-3 filed for bonus issue of equity shares on February 6, 2021; and (ii) revised Form PAS-3 for rectification of the first name of Ganapati Dadasaheb Yadav in the return of allotment filed for an issue of sweat equity shares to him in 2007. Our Company has also filed a compounding application dated April 3, 2021, in relation to non-compliance with the provisions of Section 79A of the Companies Act 1956 read with Unlisted Companies (Issue of Sweat Equity Shares) Rules, 2003 for allotment of sweat equity shares to Dilip Digambar Ravetkar (an erstwhile shareholder of our Company). For details see, "Risk Factors – *There have been certain instances of non-compliances and errors with respect to certain corporate actions and regulatory filings undertaken by our Company in the past. Our Company has re-filed the relevant forms for the rectification of such errors with the RoC, and has filed a compounding application before the Regional Director, Western Region, Mumbai for non-compliances in relation to issuance of sweat equity shares, for which we maybe subject to penalties and our business, financial condition and reputation may be adversely affected*" on page 21.

24. **Employee Stock Option Scheme**

Pursuant to the resolutions passed by our Board on March 20, 2021 and Shareholders on March 27, 2021, our Company has adopted the ESOS 2021. The ESOS 2021 is in compliance with the SEBI SBEB Regulations.

In accordance with ESOS 2021, our Company may grant up to 100,000 options to the eligible employees, in one or more tranches, exercisable into not more than 100,000 Equity Shares. In accordance with ESOS 2021, with each such option conferring a right upon such employee to apply for one Equity Share, in accordance with the terms and conditions as may be decided under the ESOS 2021. As on the date of this Red Herring Prospectus, our Company has granted 55,852 options under the ESOS 2021. The ESOS 2021 contemplates a statutory minimum vesting period of one year to maximum of four years from the date of grant of options. The Nomination and Remuneration Committee administers the ESOS 2021 and is designated by the Company as the compensation committee as envisaged under the SEBI SBEB Regulations.

The details of the ESOS 2021 are as follows:

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>Cumulative options granted as on June 30, 2021: 55,852
<table>
<tr><th>April 1, 2021 – June 30, 2021</th><th>Fiscal 2021</th><th>Fiscal 2020</th><th>Fiscal 2019</th></tr>
<tr><td>55,852</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>Exercise price of options (in ₹)</td><td>500</td></tr>
<tr><td>Options vested (excluding options that have been exercised)</td><td>NIL</td></tr>
<tr><td>Options exercised</td><td>NIL</td></tr>
<tr><td>Total number of options in force</td><td>55,852</td></tr>
<tr><td>Options forfeited/lapsed/cancelled</td><td>NIL</td></tr>
<tr><td>Variation in terms of options</td><td>NIL</td></tr>
<tr><td>Money realised by exercise of options</td><td>NIL</td></tr>
<tr><td>Total number of Equity Shares that would arise as a result of full exercise of options</td><td>55,852</td></tr>
<tr><td>Employee wise details of options granted to</td><td></td></tr>
<tr><td>(i) Key management personnel</td><td>
<table>
<tr><th>Name of key managerial personnel</th><th>Total no. of options granted</th></tr>
<tr><td>Saboo Krishnakumar Satyanarain</td><td>8,952</td></tr>
<tr><td>Pratik Abhaykumar Bora</td><td>8,333</td></tr>
<tr><td>Kothanda Rama Lakshmanan P</td><td>4,467</td></tr>
</table></td></tr>
<tr><td>(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year</td><td>
<table>
<tr><th>Name of employee</th><th>Total no. of options granted</th></tr>
<tr><td>Warekar Dilip Hindurao</td><td>4,077</td></tr>
</table></td></tr>
<tr><td>(iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td>Nil</td></tr>
<tr><td>Fully diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance with the applicable accounting standard ‘Earning Per Share’</td><td>
<table>
<tr><th>Fiscal 2021</th><th>Fiscal 2020</th><th>Fiscal 2019</th></tr>
<tr><td>NA</td><td>NA</td><td>NA</td></tr>
</table></td></tr>
<tr><td>Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company for the last three fiscals</td><td>
<table>
<tr><th>Fiscal 2021</th><th>Fiscal 2020</th><th>Fiscal 2019</th></tr>
<tr><td>NA</td><td>NA</td><td>NA</td></tr>
</table></td></tr>
<tr><td>Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>Pricing Formula: Black-Scholes-Merton Option Pricing Formula

Significant Assumptions used during the year to estimate the fair values of options at the time of grant of the option:

1) Risk Free interest rate – 5.03%
2) Expected life – 3.50
3) Expected Volatility – 35.54%
4) Expected Dividend – 0.31%
5) Stock Price per share – ₹ 509.33</td></tr>
<tr><td>Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the ESOP Regulations in respect of options granted in the last three years</td><td>NA</td></tr>
<tr><td>Intention of the KMPs and whole time directors who are holders of Equity Shares allotted on exercise of options granted to sell their equity</td><td>Not Applicable</td></tr>
</table>

shares within three months after the date of listing of Equity Shares pursuant to the Offer	
Intention to sell Equity Shares arising out of an employee stock option scheme within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not Applicable

OBJECTS OF THE OFFER

The objects of the Offer are to (i) to carry out the Offer for Sale of up to [●] Equity Shares aggregating up to ₹15,466.22 million by the Selling Shareholders; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer and all such proceeds (net of any Offer related expenses to be borne by the Selling Shareholders) will go to the Selling Shareholders. For details of the Selling Shareholders and their participation in the Offer see "*The Offer*" on page 55.

Utilisation of the Offer Proceeds by Selling Shareholders

Our Company will not receive any proceeds from the Offer (the "**Offer Proceeds**") and all the Offer Proceeds will be received by the Selling Shareholders, in proportion to the Offered Shares sold by the respective Selling Shareholders as part of the Offer. For details of Offered Shares offered by each Selling Shareholder, see "*The Offer*" and "*Other Regulatory and Statutory Disclosures*" beginning on pages 55 and 283, respectively.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. Other than (i) the listing fees, expenses for any corporate advertisements (not including expenses relating to marketing and advertisements undertaken in connection with the Offer) and fee for the audit of the financial statements, which will be solely borne by our Company, and (ii) fees for counsel to the Selling Shareholders, which shall be solely borne by the respective Selling Shareholders, all costs, charges, fees and expenses that are associated with and incurred in connection with the Offer including, *inter-alia*, filing fees, book building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges, the RoC and any other governmental authority, advertising, printing, road show expenses, fees and expenses of the legal counsel to our Company and the legal counsel to the BRLMs as to Indian law and the international legal counsel to the BRLMs, fees and expenses of the statutory auditors, registrar fees and broker fees (including fees for procuring of applications), bank charges, fees and expenses of the BRLMs, syndicate members, Self-Certified Syndicate Banks, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Offer shall be borne by each of the Selling Shareholders in proportion of their respective portion of the Offered Shares. Each Selling Shareholder shall, severally and not jointly, reimburse the Company for any expenses in relation to the Offer, paid by the Company on behalf of such Selling Shareholder, in proportion of its respective portion of the Offered Shares, directly from the Public Offer Account or, in the event of the Offer not being consummated or successful, as instructed by the Company.

The estimated Offer related expenses are as under:

Activity	Estimated Offer expenses(1) (in ₹ million)	As a % of the total estimated Offer expenses(1)	As a % of the total Offer size(1)
BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission/processing fee for SCSBs and Bankers to the Offer and fee payable to the Sponsor Bank (2)	[●]	[●]	[●]
Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs(3)(4)	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Fees payable to the other advisors to the Offer	[●]	[●]	[●]
Others			
- Listing fees, SEBI filing fees, upload fees, the Stock Exchanges processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
- Printing and stationery	[●]	[●]	[●]
- Advertising and marketing expenses	[●]	[●]	[●]
- Fee payable to legal counsels	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) *Amounts will be finalized and incorporated in the Prospectus on determination of Offer Price.*

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

Portion for Retail Individual Bidders	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non- Institutional Bidders	*0.15% 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 charges shall be payable 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.

Processing fees payable to the SCSBs of ₹10 per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders and Non-Institutional Bidders procured from the Syndicate /Sub-Syndicate Members/Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking. SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable taxes), per valid ASBA Form.

(3) *For Syndicate (including their Sub-syndicate members), RTAs and CDPs Brokerages, selling commission and processing/uploading charges on the portion for Retail Individual Investors (using the UPI mechanism), portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in1 type accounts- linked online trading, demat & 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	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*0.15% of the Amount Allotted* (plus applicable taxes)*

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

***Uploading Charges/ Processing Charges of ₹30** valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

- *for applications made by Retail Individual Investors using the UPI Mechanism*

***Uploading Charges/ Processing Charges of ₹10** valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

- *for applications made by Retail Individual Bidders using 3-in-1 type accounts*
- *for Non-Institutional Bidders using Syndicate ASBA mechanism / using 3- in -1 type accounts,*

The Bidding/uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(4) ***For Registered Brokers***

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders & Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual & Non-Institutional Bidders	*₹ 10 per valid application* (plus applicable taxes)*

**Based on valid applications.*

(5) ***For Sponsor Bank***

Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be:

Sponsor Bank	*₹ 10 per valid Bid cum Application Form* (plus applicable taxes).*

** For each valid application.*
The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI 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.

Monitoring of Utilization of Funds

As the Offer is an offer for sale of Equity Shares by the Selling Shareholders, our Company will not receive any proceeds from the Offer. Accordingly, no monitoring agency is appointed for the Offer.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Equity Shares proposed to be sold in the Offer, none of our Promoters, Directors, KMPs, Promoter Group or Group Companies will receive any portion of the Offer Proceeds.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. Bidders should also see "*Our Business*", "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Restated Financial Statements*" on pages 122, 20, 255 and 172, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Our track record of strategic process innovation through consistent R&D initiatives;
- Being among the largest producers globally of functionally critical specialty chemicals used across various industries and geographies resulting in a de-risked business model;
- Experienced Promoters and senior management with extensive domain knowledge;
- Strong and long-standing relationships with key customers;
- Automated manufacturing facilities with proven design and commercialization capabilities and strong focus on EHS; and
- Strong and consistent financial performance in the last three Fiscals.

For details, see "*Our Business – Strengths*" on page 124.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Statements. For details, see "*Restated Financial Statements*" on page 172.

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

A. Basic and Diluted Earnings Per Share ("EPS") at face value of ₹1, as adjusted for change in capital:

Financial Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2019	9.19	9.19	1
March 31, 2020	13.15	13.15	2
March 31, 2021	18.68	18.68	3
Weighted Average	**15.26**	**15.26**	

* *Not annualised*

Notes:

(1) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*

(2) *The details of 'Earnings per Share' disclosed above are based on the Restated Financial Statements of our Company, as adjusted for the bonus issue dated February 6, 2021and sub-division of the face value of equity shares of our Company from ₹ 10 per equity share to ₹1 per equity share on February 25, 2021.*

(3) *The face value of each Equity Share is ₹1 each.*

(4) *Earnings per Share (₹) = Profit attributable to equity shareholders for the year/Weighted Average No. of equity shares at the end of the period/year*

(5) *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*

(6) *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in "Restated Financial Statements" beginning on page 172.*

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

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic EPS for year ended March 31, 2021	**[●]**	**[●]**
Based on diluted EPS for year ended March 31, 2021	**[●]**	**[●]**

Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	75.93
Lowest	34.37
Average	55.38

Notes:

1. *The industry high and low has been considered from the industry peer set provided later in this section.*
2. *For Industry P/E, P/E figures for the peer is computed based on closing market price as on June 11, 2021, divided by Diluted EPS (on consolidated basis unless otherwise available only on standalone basis) based on annual report/annual results of the company for the year ended March 31, 2021 submitted to stock exchanges.*

C. Return on Net Worth ("RoNW")

Derived from the Restated Financial Statements:

Financial Year ended	RoNW (%)	Weight
March 31, 2019	35.90	1
March 31, 2020	40.82	2
March 31, 2021	36.76	3
Weighted Average	**37.97**	

* *Not annualised*

Notes:

(1) *Return on Net Worth ratio: Profit/ (loss) for the period attributable to equity shareholders of the company divided by the Total Equity of the Company at the end of the year/period.*

As the Offer consists only of an offer for sale by the Selling Shareholders, there will be no change in the Net Worth post completion of the Offer.

D. Net Asset Value ("NAV") per Equity Share

Financial Year ended/ Period ended	Restated consolidated financial information (₹)
As on March 31, 2021	50.81
Offer Price	[●]

Notes:

(1) *Net Asset Value per equity share represents total equity as at the end of the fiscal year, as restated, divided by the number of Equity Shares outstanding as on March 31, 2021.*

As the Offer consists only of an offer for sale by the Selling Shareholders, there will be no change in the NAV post completion of the Offer.

E. Comparison with Listed Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses;

Name of the company	Total Income (₹ in million)	Face Value per Equity Share (₹)	Closing price on June 11, 2021 (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share (₹)
Clean Science and Technology Limited	5,380.71	1	[●]	[●]	18.68	18.68	36.76%	50.81
Listed Peers								
Vinati Organics Limited	9,801.02	1.00	1,792.90	68.43	26.20	26.20	17.45%	150.16
Fine Organic Industries Limited	11,503.16	5.00	2,980.25	75.93	39.25	39.25	16.45%	238.57
Atul Limited	38,344.50	10.00	8,850.00	40.01	221.17	221.17	17.11%	1,303.66
Camlin Fine Sciences Limited	11,920.87	1.00	175.35	47.65	4.13	3.68	9.16%	55.93
SRF Limited	84,545.30	10.00	7,065.10	34.37	205.54	205.54	17.47%	1,157.30
Navin Flourine International Limited	12,584.37	2.00	3,347.70	64.43	52.03	51.96	15.76%	330.06
PI Industries Limited	47,019.00	1.00	2,835.35	56.83	49.92	49.89	13.82%	352.13

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 annual reports/annual results as available of the respective company for the year ended March 31, 2021 submitted to stock exchanges.

Financial information for Clean Science and Technology Limited is derived from the restated financial information for the year ended March 31, 2021

Notes:

(1) *P/E Ratio has been computed based on the closing market price of equity shares on NSE on June 11, 2021, divided by the Diluted EPS.*

(2) *Return on Net Worth (%) = Net Profit after Tax divided by Net worth for the year/period. Net worth represents the equity share capital, other equity and non-controlling interest (if any).*

(3) *NAV is computed as the net worth divided by the outstanding number of equity shares*

F. The Offer Price is [●] times of the face value of the Equity Shares

The Offer Price of ₹[●] has been determined by our Company in consultation with the BRLMs, 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.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Financial Statements*" on pages 20, 122, 255 and 172, 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*" on page 20 and you may lose all or part of your investment.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

The Board of Directors

Clean Science and Technology Limited

Office No. 503, Pentagon Tower P-4, Magarpatta City,
Hadapsar, Pune 411 013

Date: 21 June 2021

Dear Sirs,

Subject: Statement of possible special tax benefits ("the Statement") available to Clean Science and Technology Limited ("the Company"), and its Shareholders in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 1 February 2021 and addendum to engagement letter dated 1 February 2021.

We hereby report that the enclosed Annexure II prepared by the Company and digitally signed by us for identification purpose only, states the possible special tax benefits available to the Company and to its shareholders under direct and indirect tax laws (together "the Tax Laws"), presently in force in India as on the signing date, which are defined in Annexure I. The Company does not have any material subsidiary in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended i.e. the Company does not have a subsidiary whose income or net worth in the immediately preceding financial year (i.e. financial year ended 31 March 2021) exceeds 10% of the consolidated income or consolidated net worth respectively, of the Company and its subsidiaries. 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 II cover the possible special tax benefits available to the Company and its shareholders, and are not exhaustive and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company. 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 offer for sale of equity shares by certain existing shareholders (the "Proposed Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. 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)" ("**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 Charted 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 its shareholders, 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 law 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 any other person in respect of this Statement, except as per applicable law.

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

For **B S R & Co. LLP**

Chartered Accountants

ICAI firm registration number: 101248W /W-100022

Swapnil Dakshindas

Partner

Membership No.: 113896

ICAI UDIN: 21113896AAAADQ7726

Place: Pune

Date: 21 June 2021

ANNEXURE I

LIST OF DIRECT AND INDIRECT TAX LAWS (‘TAX LAWS’)

Sr. No.	Details of tax laws
1	Income-tax Act, 1961 and Income-tax Rules, 1962
2	Central Goods and Services Tax Act, 2017
3	Integrated Goods and Services Tax Act, 2017
4	Goods and Services Tax legislations as promulgated by various states
5	Customs Act, 1962
6	Customs Tariff Act, 1975

ANNEXURE II

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS ("TAX LAWS") IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Tax Laws in force in India (*i.e.* applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23 till the signing date of this annexure). These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company or its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

A. Special tax benefits available to the Company

The Company is neither eligible nor is availing any special corporate tax benefits under the Tax Laws identified in Annexure I above.

B. Special tax benefits available to Shareholders

The shareholders of the Company are not eligible to any special tax benefits under the Tax Laws identified in Annexure I above.

NOTES:

1. We have not considered general tax benefits available to the Company or shareholders of the Company.

2. The above is as per the current Tax Laws in force in India (i.e. applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23 till the signing date of this annexure).

3. This above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

4. This Statement does not discuss any tax consequences in any country outside India of an investment in the shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For **Clean Science and Technology Limited**

Ashok Boob
Managing Director

Place: Pune
Date: June 21, 2021

SECTION IV: ABOUT OUR COMPANY

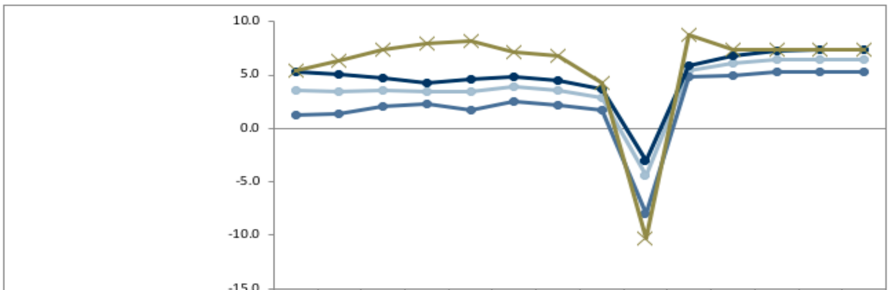
INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is obtained or extracted from the independent report titled "Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated March 2021, supplemented by report titled "Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated June 2021 further supplemented by report titled "Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated June, 2021 (collectively, the "**F&S Reports**"), prepared and released by Frost & Sullivan and exclusively commissioned and paid for by our Company in connection with the Offer. Neither we nor any other person connected with the issue have independently verified this information. The data included herein includes excerpts from the F&S Reports 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 issue), that has been left out or changed in any manner. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, 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.*

MACROECONOMIC OVERVIEW

The global economy is projected to grow 6.0% in 2021 and 4.4% in 2022. The revision of growth rate on upward trajectory is due to rapid vaccine rollout in a few large economies led by the U.S. and China and an increase in global trade in merchandise and manufactured goods that has already reached its pre-pandemic level. The improvement in growth forecast is reflecting expectations of a vaccine-powered strengthening of activity in 2021-2022 and additional policy support in a few large economies. The strength of the recovery is projected to vary significantly across countries, depending on access to medical interventions, effectiveness of policy support, exposure to cross-country spillovers, and structural characteristics entering the crisis. Amid rapid vaccinations and continued fiscal and monetary support measures, China and the United States - the two largest economies -- are on the path to recovery. In contrast, the growth outlook in several countries in South Asia, sub-Saharan Africa, Latin America and the Caribbean remains fragile and uncertain. Vaccine inequity between countries and regions is posing a significant risk to an already uneven and fragile global recovery.

Real GDP Growth (%) 2012- 2025 Forecast



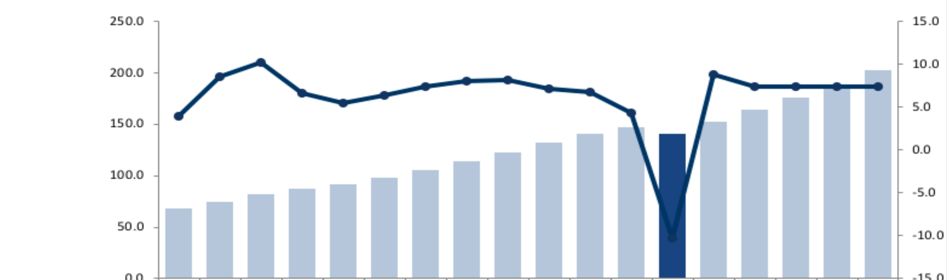
	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021F	2022F	2023F	2024F	2025F
World	3.5	3.5	3.6	3.5	3.4	3.9	3.6	2.9	-4.4	5.4	6.1	6.4	6.5	6.5
Advanced Economies	1.2	1.4	2.1	2.3	1.7	2.5	2.2	1.7	-8.0	4.8	5.0	5.3	5.3	5.3
Emerging markets & developing economies	5.3	5.1	4.7	4.3	4.6	4.8	4.5	3.7	-3.0	5.9	6.8	7.3	7.4	7.4
India	5.5	6.4	7.4	8.0	8.2	7.2	6.8	4.3	-10.3	8.8	7.4	7.4	7.4	7.4

Source: World Economic Outlook, International Monetary Fund Estimate-June 2020, Moody's Outlook, Frost & Sullivan

Macroeconomic Overview of India

India's growth forecast has been revised to 12.5% for calendar year 2021, but the country's outlook for the year remains highly fragile. The surging COVID-19 infections and inadequate vaccination progress threaten a broad-based recovery of the economy. India has been particularly affected by a brutal second wave which is overwhelming the public health system in large parts of the country. India's economy rebounded quickly from a steep contraction in 2020, but a severe second wave of the coronavirus has increased risks to the outlook with potential longer-term credit implications. Although recent vaccine approvals have raised hopes of a turnaround in the pandemic in 2021, renewed waves and new variants of the virus pose concerns for the outlook.

Real GDP Value, Constant price (₹ 000'billion) and Growth %, India, 2008 -2025 Forecast



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021F	2022F	2023F	2024F	2025F
GDP	68.5	74.3	81.9	87.4	92.1	98.0	105.3	113.7	123.0	131.8	140.8	146.8	140.2	152.6	163.9	176.1	189.0	202.9
GDP Growth (%)	3.9	8.5	10.3	6.6	5.5	6.4	7.4	8.0	8.2	7.2	6.8	4.3	-10.3	8.8	7.4	7.4	7.3	7.3

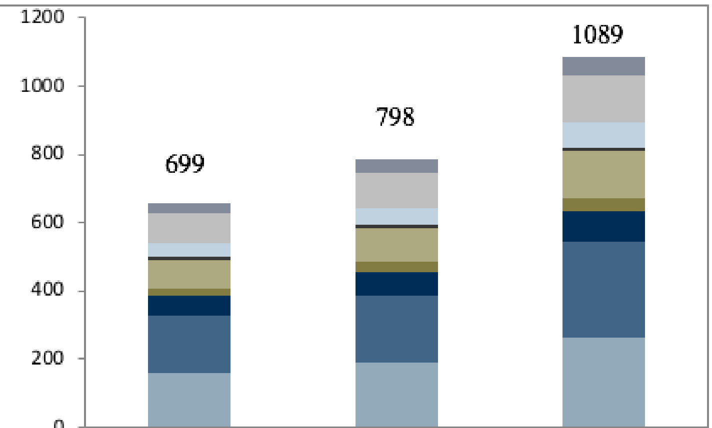
Source: Moody's Outlook (Nov 2019) Moody's press release 2020, International Monetary Fund Estimate-June 2020, Dun and Bradstreet, Frost & Sullivan

GLOBAL SPECIALTY CHEMICALS MARKET

Specialty chemicals are low-volume and high-value products which are sold on the basis of their quality or utility, rather than composition. Thus, they may be used primarily as additives or to provide a specific attribute to the end product. Specialty chemicals are more likely to be prepared and processed in batches. The focus is on value addition to the end-product and the properties or technical specifications of the chemical.

Global Specialty Chemicals Market, Industries & Applications, 2015 – 2025 Forecast, Value

Set forth below is an illustration of the value of the market of global speciality chemicals, categorized based on the industries and applications for such chemicals (in USD billion):



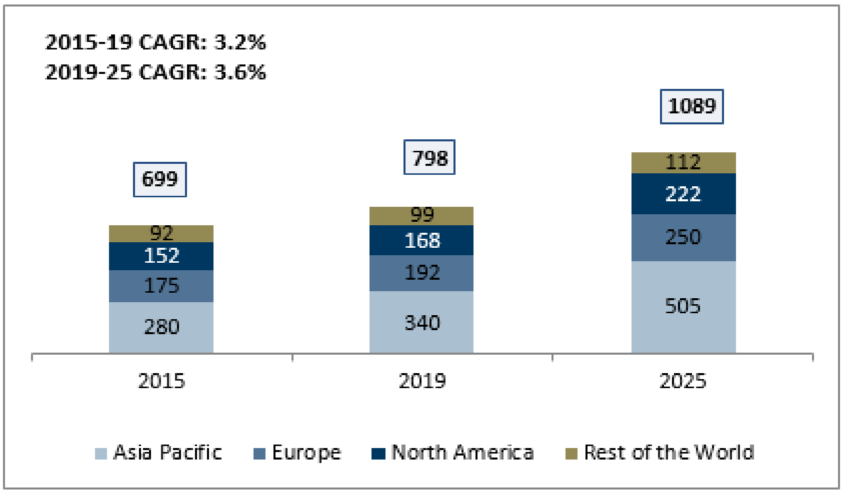
	2015	2019	2025F
Flavours & Fragrances Ingredients	33	40	54
Construction Chemicals	86	103	139
Water Treatment Chemicals	42	51	70
Textile Chemicals	9	10	13
Home & Personal Care	81	99	138
Paints & Coatings Additives	23	28	38
Dyes and Pigments	58	68	90
Pharma API	166	199	281
Agrochemicals & Fertilizers	161	189	263

Source: Frost & Sullivan

	Agro	Pharma	Dyes & Pigments	Paints & Coatings	HPC	Textile	Water Treatment	Construction	F&F
2015-19	4.1%	4.6%	4.1%	4.7%	5.1%	3.6%	4.9%	4.6%	4.7%
2019-25F	5.8%	6.1%	4.7%	5.1%	5.8%	3.9%	5.4%	5.1%	5.2%

Global Specialty Chemicals Market by Geography, 2015, 2019 and 2025 – Value

Set forth below is an illustration of the value of the market of global speciality chemicals, categorized based on geography (in USD billion):



Source: Frost & Sullivan

The Growing Consumption of Green Chemicals

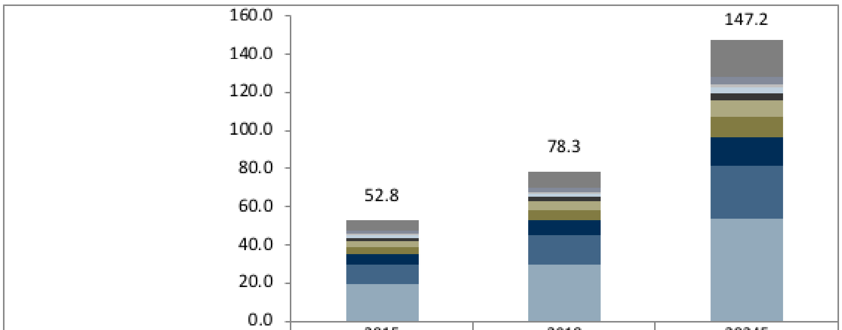
With an increase in awareness of the ill-effects of certain chemicals on humans and the environment, there is a growing trend in the chemicals industry to shift towards what is known as "green chemicals" or more accurately "sustainable chemistry" (environmentally friendly products). These are products which are bio-degradable and which show a significant reduction in environmental impact when applied. Not necessarily all green chemicals would be bio-degradable; there are green products in market which are produced with least effluents, or natural extracts. Such products can be either through reducing energy and water consumption in the process or reducing the chemical and biochemical oxygen demand of the waste generated which reduces treatment costs and is kinder to the environment.

The evolution of green chemistry in the chemical industry will be a critical trend fuelling the growth of the green chemicals market. The global green chemicals market is expected to grow by USD 45 billion by 2025 at a CAGR of 10.5% between 2019 and 2025.

Evolution of Green Chemistry

Green chemistry is an emerging focus among manufacturing industries that minimizes pollution at a molecular level. The idea is that companies can adopt new scientific processes to minimize the toll their products take on the environment. Green chemistry is the design of chemical products and processes that reduce or eliminate the use or generation of hazardous substances. Green chemistry applies across the life cycle of a chemical product, including its design, manufacture, use, and ultimate disposal. Companies are actively designing novel concept to reduce emission of hazardous substances. The changes can be as large as changing the entire chemistry or even as small as changing certain catalyst to reduce carbon footprints. Companies are actively switching their production process to green chemistry

Indian Specialty Chemicals Market, Value (USD billion), 2015, 2019 and 2025 Forecast



	2015	2019	2024F
Others	5.7	8.6	19.2
Flavours & Fragrances Ingredients	1.2	1.8	3.7
Construction Chemicals	0.7	1.0	1.9
Water Treatment Chemicals	1.4	1.9	3.1
Textile Chemicals	1.5	2.0	3.3
Home & Personal Care	3.1	4.6	8.7
Paints & Coatings Additives	4.1	5.8	10.7
Dyes and Pigments	5.7	7.8	14.9
Pharma API	9.6	14.9	28.5
Agrochemicals & Fertilizers	19.8	29.9	53.3
Total	52.8	78.3	147.2

Others includes: Sealants and Adhesives, Polymer Additives etc.

Note: Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharma API outside of Specialty chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories to maintain consistency with the Global section. Agrochemical & Fertilizer and Pharma API contribute to more than 55% of the specialty chemical space in India.

	Dyes and Pigments	Agrochemicals	Textile Chemicals	Water Treatment Chemicals	Home & Personal Care	Pharma API	Flavours and Fragrances	Construction Chemicals	Paints & Coatings Additives
2015-19	8.2%	10.9%	6.6%	7.9%	10.0%	11.8%	10.4%	10.4%	8.7%
2019-25F	11.4%	10.1%	8.9%	8.6%	11.2%	11.3%	12.8%	10.5%	10.8%

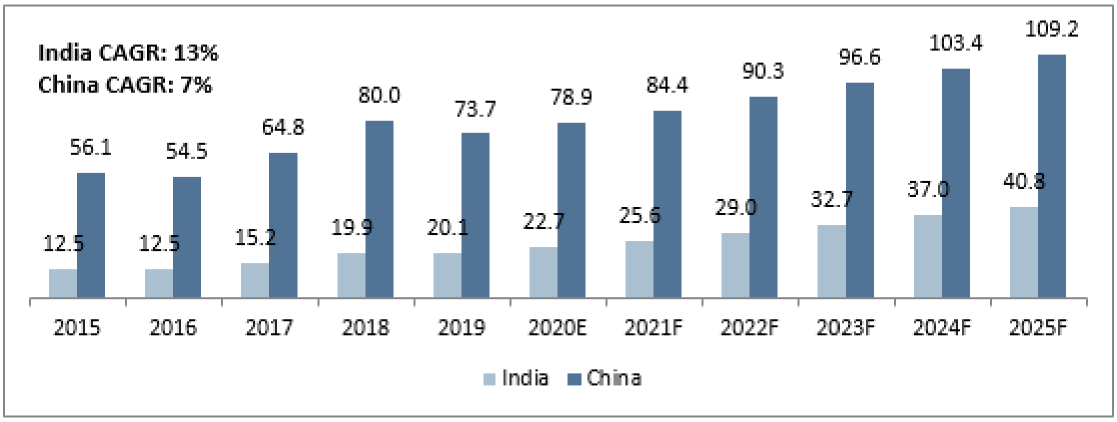
India – Racing Ahead of China

Exports are on the rise as India is becoming a central manufacturing hub for such chemicals. Tightening of environmental norms (e.g. REACH registration, evaluation, authorisation and restriction of chemicals regulations) in developed countries and the slowdown of China are contributing to the growth of exports. China's specialty chemicals market has seen a downturn in recent years due to various factors, the most prominent being the introduction of stringent environmental norms. Tightening environmental protection has resulted in new business operating costs and factory closures in high-polluting sectors, which in turn has weighed on industrial production. In 2018, an estimated 40% of the chemical manufacturing capacity in China was temporarily shut down for safety inspections, with over 80,000 manufacturing units charged and fined for breaching emission limits.

The labour cost in China was lower than that of India till 2007. However, over 2005-2015, the average labour cost in China increased at a CAGR of almost 19% to 20%, against 4% to 5% in India. Over the last five years, this cost has more than doubled compared to India, rendering Chinese manufacturers' uncompetitive vis-à-vis India in terms of labour cost. All these factors are pushing the capex and opex costs upwards, making Chinese chemical companies less competitive in the export market. Specialty chemical companies are expected to succeed in India because of its chemistry, R&D skillset and economies of scales achieved by the country.

Major indicators for positive impacts on the specialty chemicals segment in India include the success of 'Make in India' and governments' permit for 100% foreign direct investment ("FDI"), in terms of competitive manufacturing costs, higher investments in R&D, cheaper raw material availability/transport, strong demand from end-use segments, overall supportive ecosystem, etc. Within the specialty chemicals, manufacturing of fine chemicals (pesticide ingredients as well active pharmaceutical ingredients), flavour ingredients, fragrance ingredients, surfactants and colorants will be the most attractive segments in the next half decade. This is predominantly due to their strong growth potential, highly differentiated products folio and high penetration levels. Moreover, India's specialty chemical companies are gaining favour with global multinational corporations because of the geopolitical shift after the COVID-19 outbreak as the world looks to reduce its dependence on China.

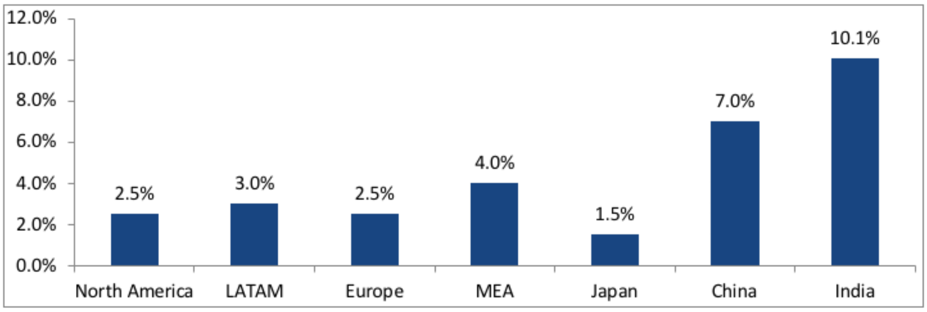
Chemicals Exports Trend – India v. China (2015 – 2019 Actuals, 2020 – 2025 Forecast), USD billion



Source: World Bank, Frost & Sullivan

Note: The forecasted data is not published by World Bank; it has been calculated considering the same CAGRs for both the countries. The actual CAGR for India and China respectively for the period 2015-2019 stood at around 13% and 7%; as World Bank does not forecast the export trends, the same CAGR (13% for India and 7% for China) has been considered for the forecast period 2020-2024.

Region-wise Speciality Chemicals Growth, 2019-2025

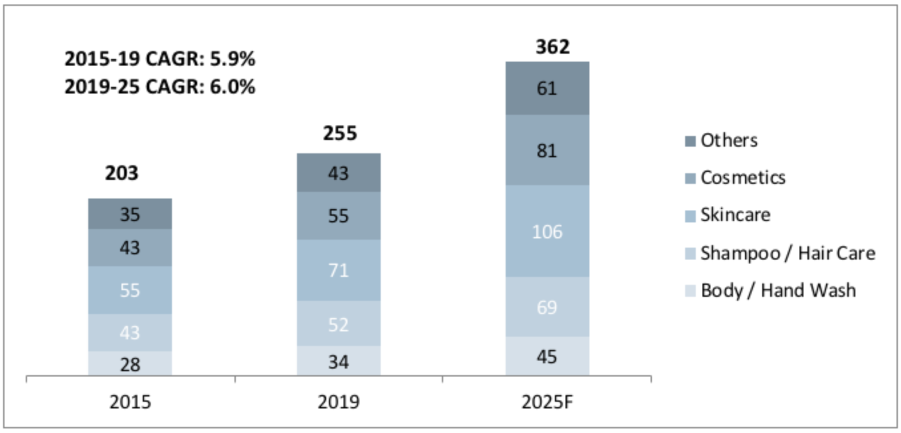


Source: Frost & Sullivan

GLOBAL PERSONAL CARE MARKET

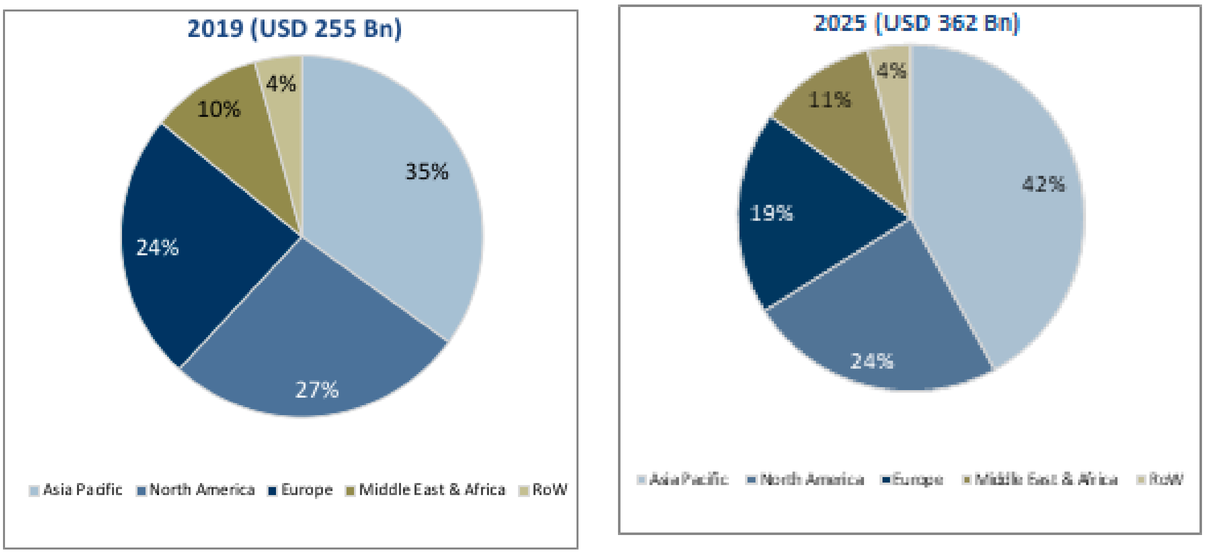
The Global Personal Care market has shown steady growth of 5.8% till Fiscal 2019 and is expected to grow at 6% between 2019 and 2025. The main drivers are increasing disposable income, a growing middle class population and other trends such as men's grooming and increased hygiene awareness. With increasing internet penetration and social media, cosmetics and skin care products are expected to drive the market of personal care products across the globe.

Global Personal Care Market Forecast, Value (USD billion), 2015, 2019 and 2025 Forecast



CAGR	Body Wash	Hair Care	Skin Care	Cosmetics	Others	Global
2015-19	4.8%	5.0%	6.6%	6.5%	5.8%	5.9%
2019-25F	4.5%	4.8%	6.9%	6.7%	5.9%	6.0%

Global Personal Care Market – By geography, 2019 and 2025



	APAC	North America	Europe	MEA	RoW	World
2015-19	8.9%	4.0%	2.8%	8.7%	5.5%	5.9%
2019-25F	9.3%	4.0%	2.0%	7.7%	5.2%	6.0%

Sustainable and clean products

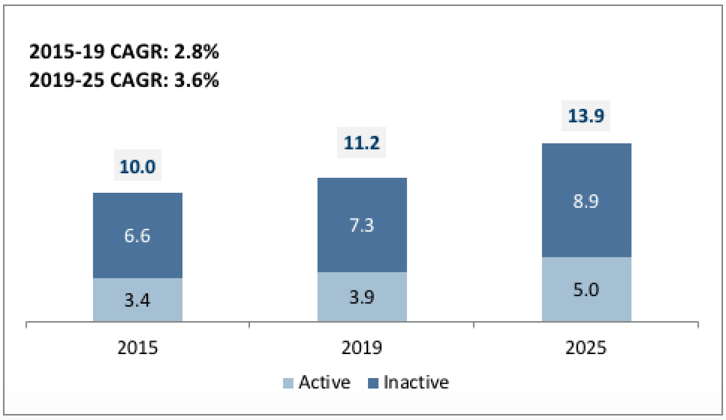
The global demand for natural and organic products is estimated to grow from USD 14.5 billion in 2019 to nearly USD 26 billion by 2025 registering a CAGR of over 10% in the coming years. Majority of these products are composed of plant-derived ingredients such as roots, essential oils, herbs and flowers and a few are composed of the animal-derived ingredients such as minerals and beeswax.

From a customer buying behaviour perspective, research proves that an increasing number of consumers read beauty and personal care labels. This has resulted in customers opting for natural and organic products in place of synthetic chemicals, with an aim to reduce probable damage to their skin.

Global Personal Care Ingredients Market

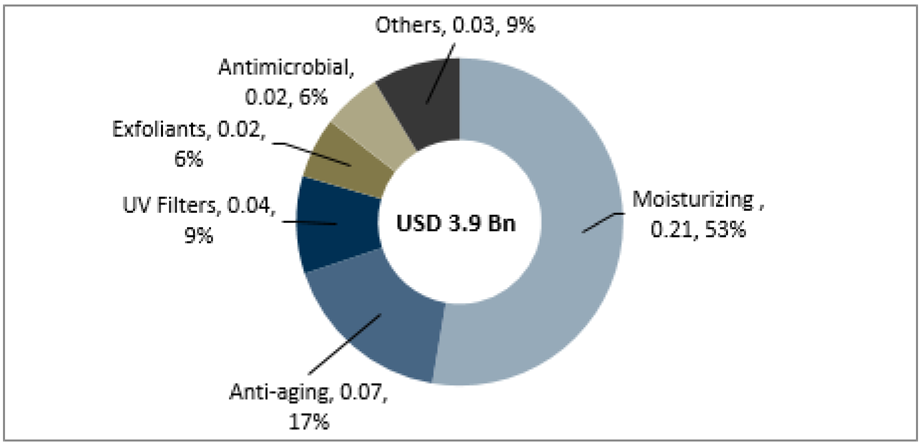
Personal care active ingredients are ingredients added in personal care and cosmetic products to enhance their functional properties. Personal care inactive ingredients refer to those ingredients that provide physical and processable properties to a formulation as opposed to active properties.

Global Personal Care Ingredients Market, Value (USD billion), 2015, 2019 and 2025 Forecast



	Active PCI	Inactive PCI	Total
2015-19	**3.6%**	**2.4%**	**2.8%**
2019-25F	**4.2%**	**3.3%**	**3.6%**

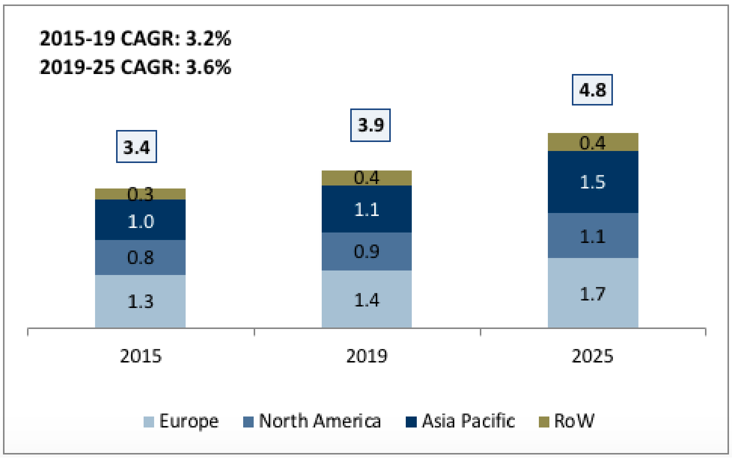
Global Active Personal Care Ingredients Market by Product Type, Value (USD billion), 2019



5 year growth forecast split by key industries highlighting key factors driving growth

Segments	Key Growth Drivers	(2019-2025 CAGR)
Moisturizing Agents	Skincare products such as hand creams and moisturizers have witnessed growth in demand due to frequent hand washing. This has resulted in higher demand for moisturizing agents.	3 – 4%
Anti-aging	Increase in consumer awareness about health and personal care coupled with wide advertisements and distribution channels	6 – 7%
UV Filters	Consumers are increasingly aware of the effects of UV radiation on skin health and appearance all year around and this is driving demand for sunscreen ingredients worldwide.	3 – 4%
Exfoliants	Increase in awareness about personal hygiene and cleansing products, strong desire among consumers to look presentable, rise in disposable income of people, growth in number of working women, and celebrity advertisements are driving the growth of the exfoliating cleanser and thereby demand for exfoliants.	4 – 5%
Antimicrobial	In extending the shelf life of cosmetic products is a key factor driving the growth and adoption of these products. Antimicrobial ingredients play a key role in providing safety in the cosmetics industry.	4 – 5%

Global Personal Care Active Ingredients Market, Value (USD billion), 2015, 2019 and 2025 Forecast

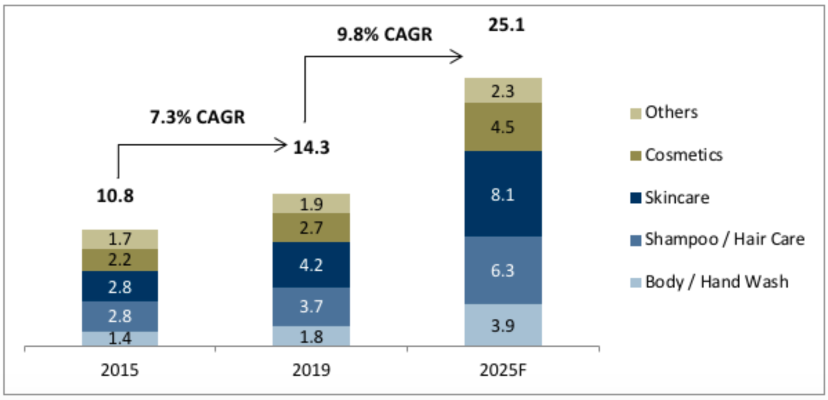


	Europe	North America	APAC	RoW	Total
2015-19	2.0%	2.5%	3.9%	3.5%	3.2%
2019-25F	2.9%	3.5%	4.5%	3.4%	3.6%

India Personal Care Market

The personal care industry in India is pegged at USD 14.3 billion, and expected to grow at a CAGR of 9.8% to reach USD 25 billion by 2025. Increasing disposable income and a young rising middle class are significant factors driving the market in the country.

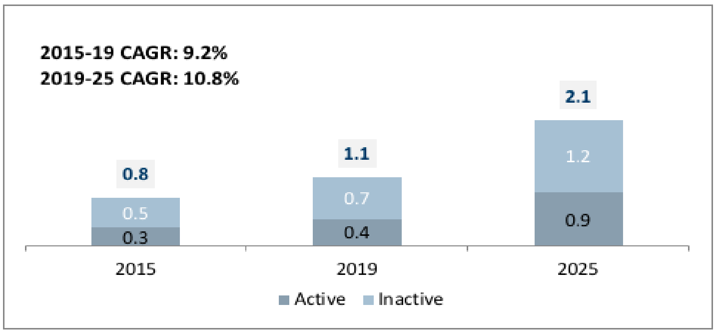
Indian Personal Care Market Forecast, Value (USD billion), 2015, 2019 and 2025 Forecast



Source: Frost & Sullivan

CAGR	Body / Hand Wash	Hair Care	Skin Care	Cosmetics	Others	Total
2015-19	7.4%	7.2%	10.6%	5.6%	2.0%	7.3%
2019-25F	13.8%	9.3%	11.6%	8.9%	3.6%	9.8%

Indian Personal Care Ingredients Market, Value (USD billion), 2015, 2019 and 2025 Forecast

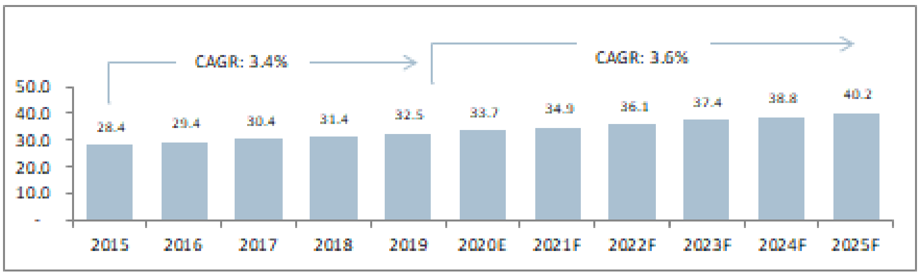


	Active PCI	Inactive PCI	Total
2015-19	10.3%	8.5%	9.2%
2019-25F	12.5%	9.6%	10.8%

<u>4-MAP</u>

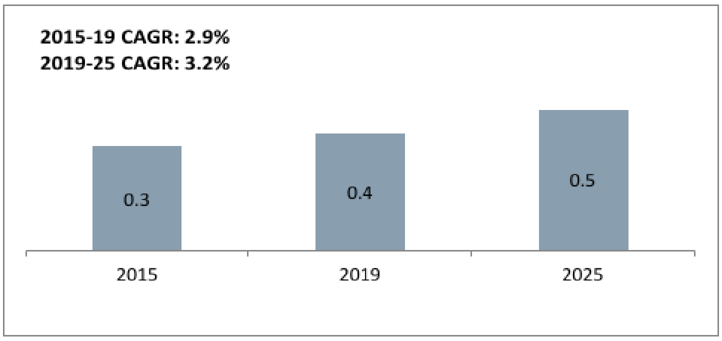
4-Methoxy-Acetophenone is an important spice, medicine, and makeup intermediate. 4-MAP is an aromatic chemical compound with an aroma described as sweet, fruity, nutty, and similar to vanilla. 4-MAP occasionally also has the aroma of butter or caramel.

Global 4-Methoxy Acetophenone (4-MAP) Market: Current and Future (USD million) 2015-2025



It is used as a cigarette additive, a fragrance, ingredient to manufacture UV Filter, and in food flavouring. It is also used as a chemical intermediate in manufacturing cosmetic additives like Avobenzone. It is one of the most common UVA-filters in sunscreens and is able to absorb the full spectrum of UVA rays. UV Filters account for 9% of the Global Active Ingredients market. 4-MAP falls under the UV Filter product segment of Personal Care Active Ingredient. The UV Filter market was valued at USD 373 million in 2019.

Global UV Filter Active Ingredients Market Forecast, Value (USD billion), 2015, 2019 and 2025 Forecast



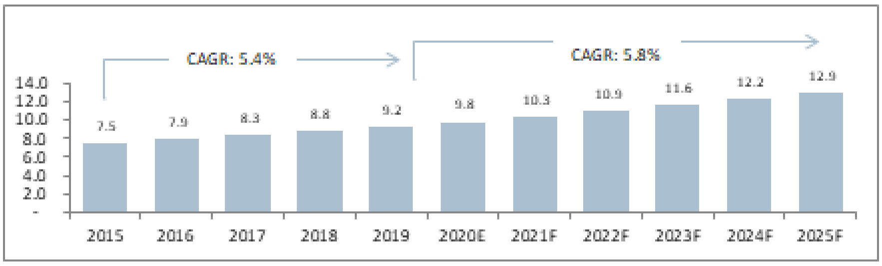
The UV Filter market is expected to grow at 3.2% indicating a similar growth trend for 4-MAP. The global 4-MAP market is dominated by the Asia-Pacific region in terms of global consumption of 4-MAP. The emerging economies such as China and India witness an increased demand for high end and luxury products as a result of increase in disposable income and living standard.

The Company is the largest producer of 4-MAP in the world. Other manufacturers of 4-MAP include Haining Sino Fine Chemical Company Limited (China) and Cosmos Nanjing (China)

Ascorbyl Palmitate

Ascorbyl Palmitate is produced from ascorbic acid, or vitamin C. Ascorbyl Palmitate has vitamin C activity approximately equal to that of Ascorbic Acid (L-form). Ascorbic acid in form of Sodium Ascorbate or Ascorbyl Palmitate is extensively used as an ingredient in anti-aging cosmetic products. AP is part of Vitamin C derivatives of Anti-aging Active Ingredients.

Global Ascorbyl Palmitate Market: Current and Future (USD million) 2015-2025

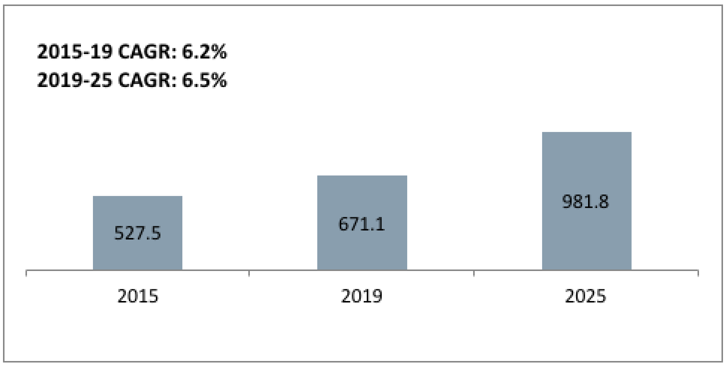


Ascorbyl Palmitate ("AP") and Butylated hydroxyl anisole ("BHA") have applications as antioxidants in the Personal Care Industry. In cosmetic preparations, antioxidants have two functions, that is, as the active ingredients and as protectors of other ingredients against oxidation. Currently, the application of antioxidants in cosmetics is increasing.

Anti-oxidants are used in anti-aging products. Anti-aging products account for 17% of the total active personal care ingredients market. AP and BHA form part of anti-aging segment. There are multiple variants of anti-oxidants used in anti-aging products. There are three antioxidants that have been widely proven to decrease the effect of the sun on skin and actually prevent further damage. These are selenium, vitamin E, and vitamin C.

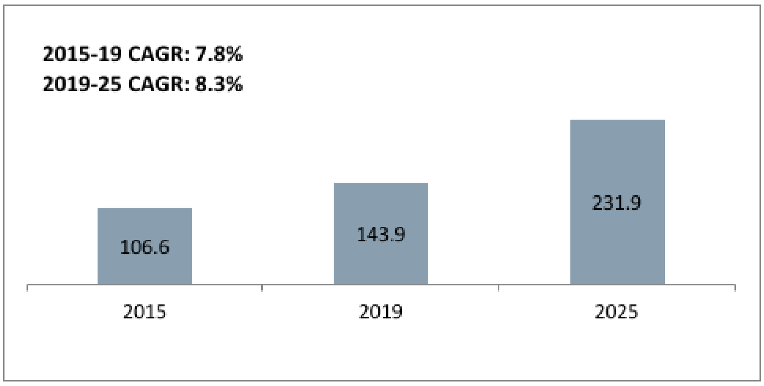
Ascorbyl Palmitate is produced from ascorbic acid or vitamin C and has vitamin C activity approximately equal to that of Ascorbic Acid (L-form). Ascorbic acid in the form of Sodium Ascorbate or Ascorbyl Palmitate is extensively used as an ingredient in anti-aging cosmetic products.

Global Anti-Aging Active Ingredients Market Forecast, Value (USD million), 2015, 2019 and 2025



The global anti-aging ingredients market is expected to record a CAGR of 6.5% indicating a similar growth trajectory for AP and BHA. Among both the elements AP is a Vitamin C derivative. The market for Vitamin C derivatives is expected to record a CAGR of 8.3% for the same period indicating higher growth rate for AP. BHA is expected to register a growth rate of 7-8%.

Global Vitamin C Derivative Anti-Aging Active Ingredients Market Forecast, Value (USD million), 2015, 2019 and 2025 Forecast



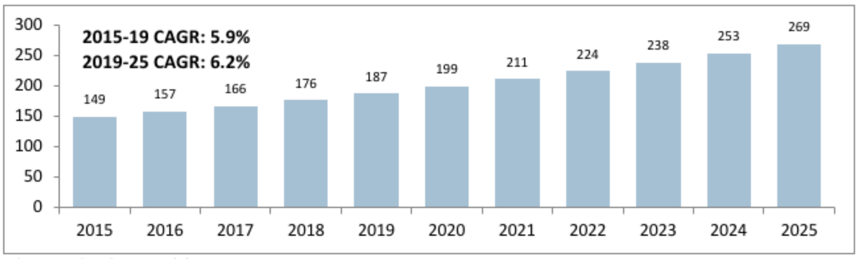
The Company is the second largest manufacturer of Ascorbyl Palmitate (AP) in India (in terms of manufacturing capacities). Other manufacturers include Shandong Huihai Pharma (China) and Hongrui Fine Chemicals (China), Tianxin Pharmaceutical Company Limited (China), Yasho Industries Private Limited (India), DSM Nutrition Products, Camlin Fine Sciences (India)Some of the other small Indian players in the AP market include Archana Industries, Kawya Lab, S. R. Bio Chem Private Limited, Medicare Industries, Kiama Organics. All these companies produce AP in small to medium quantities.

The Company is the largest producer in the world of BHA (in terms of manufacturing capacities), and other competitor companies include Solvay (Belgium) and Camlin Fine Sciences (India).

GLOBAL PHARMACEUTICAL MARKET

The Global Pharmaceutical market was valued at USD approximately 1.3 trillion in 2019 with a steady growth rate in past of CAGR 4% since 2015. Going forward, it is expected to grow at 4.5% from 2019 till 2025. The global active pharmaceutical ingredient (APIs) market has shown steady growth of 5.8% since 2015 and is expected to further grow at 6.2% due to an increased focus on developing geographies.

Global KSM & API, Industry size (USD billion), 2015-2025 Forecast



KSM: Key Starting Material
API: Active Pharmaceutical Ingredient

Growth in the Active Pharmaceutical Ingredients ("API") market will be primarily driven by government initiatives, regional penetration, increasing aged population and patent expiration of prominent drugs.

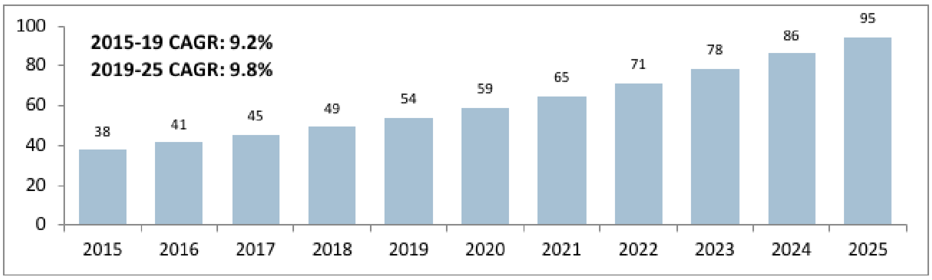
The pharmaceutical industry was among the first to embrace Green Chemistry ("GC") for its significant potential to reduce costs and risks. Green pharmaceuticals as a segment are projected to grow to USD 96.2 billion in 2026. The industry has taken effort to implement key metrics to keep track of GC which includes E-factor, Process Mass Intensity ("PMI"), atom economy, number of steps, and carbon foot- print, among others. While E-factor was the first metric used by the industry, recent studies show PMI as the most preferred metric among "big pharma". PMI measures the ratio between the mass of all materials used to make a product and the mass of the product.

Indian government bodies such as the Department of Science and Technology, the Ministry of Chemicals and Fertilizers, and the Department of Pharmaceuticals, are beginning to organize various GC initiatives including partnering with SMEs to partially fund investments in green technology. Generic drug pharma and Active Pharmaceutical Ingredients ("API") manufacturers in India exhibit significant interest and some advances in using GC principles. At the same time, 65% of Indian companies rely on treatment and disposal of wastewater instead of source reduction and one in five (20%) do not use any GC metrics. The study found that generic pharma is more advanced in adopting GC principles than API manufacturers. Regulatory risk and time pressures to deliver drugs were reported as the two most significant barriers for greater adoption of GC in India, while cost savings and environmental regulations were cited as the top two drivers.

Indian Pharmaceutical Market

The Indian Pharmaceuticals market was valued at USD 54 billion in 2019, contributing to around 4% of the global market. The Indian market is expected to grow at around CAGR of 10% between 2019 and 2025, fuelled by a substantial increase in Indian API domestic consumption. In addition, the government is also taking various initiatives to boost the industry, such as allocating land in different states to develop API Mega Parks, increasing investment in R&D, etc.

Indian KSM & API Industry size (USD billion), 2015-2025 Forecast



Domestic Consumption vs. Exports

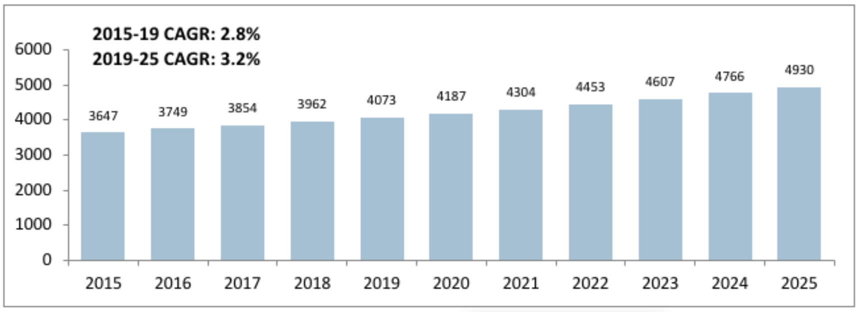
Of the total domestic API demand, about 32–35% was imported in 2019. Of the overall imports, 57-60% of the imported APIs originate from China alone. Countries such as Italy, Germany, Malaysia and others are the other countries of origin. These facts suggest that the domestic API market has enough potential to expand if manufacturers are willing to self-produce the required quantity of APIs instead of importing them.

The Government of India announced a ₹ 99.40 billion package to boost the domestic API manufacturing industry. The package is divided into two parts; (i) ₹ 69.40 billion has been allocated for the PLI Scheme and (ii) ₹ 30.00 billion will be spent on setting up three bulk drug parks. Out of the total allocation of ₹ 69.40 billion for the PLI Scheme, ₹ 46.00 billion will be earmarked for fermentation-based products and ₹ 23.40 billion for chemical synthesis products. The PLI scheme is applicable to 41 critical KSMs/APIs and aims to address the supply issue of 53 identified critical APIs. The list has been classified into two broad categories; (i) chemical synthesis products comprising of 27 KSM/APIs and (ii) fermentation-based products comprising of 14 KSM/APIs. Under the fermentation-based category, two companies per product will benefit from the incentives, while four companies per product will benefit under the chemical synthesis category. These initiatives and government support will help India attain self-sufficiency in the drug supply chain.

Market for cough syrups global (USD million), 2015-2025 Forecast

The global cough syrup market was valued at USD 4.1 billion in 2019 and is expected to grow at a CAGR of approximately 3.5 % to reach USD 4.9 billion by 2025. The increasing incidences of respiratory disorders along with the rising air pollution are some of the key factors contributing to the growth of the cough syrup market.

Market for cough syrups global size (USD million), 2015-2025 Forecast



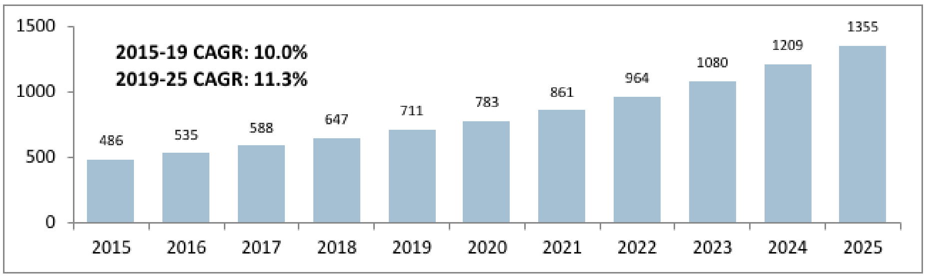
Asia-Pacific is estimated to be the fastest-growing market due to continuous development in countries such as India and China. High prevalence of respiratory disorders due to tobacco smoke, exposure to air pollutants at home and the workplace, vehicular pollution, and indoor air pollution are resulting in increased cough-related health issues.

In the Middle East & African regions, developed countries such as the UAE and Saudi Arabia, hold the higher share of the cough syrup market. The advancing healthcare infrastructure, increasing healthcare expenditure, and increasing per capita disposable incomes are the major factors driving growth.

Market for cough syrup in India (USD million), 2015-2025 Forecast

The Indian cough syrup market was valued at USD 711 million in 2019 accounting for 17% of global demand. The Indian market is expected to grow at a CAGR of 11.2% to reach USD 1.4 billion by 2025. Cough, cold and flu formulations have a large share of the pharmaceutical market in India, mainly because of self-medication.

Market for cough syrups India (USD million), 2015-2025 Forecast

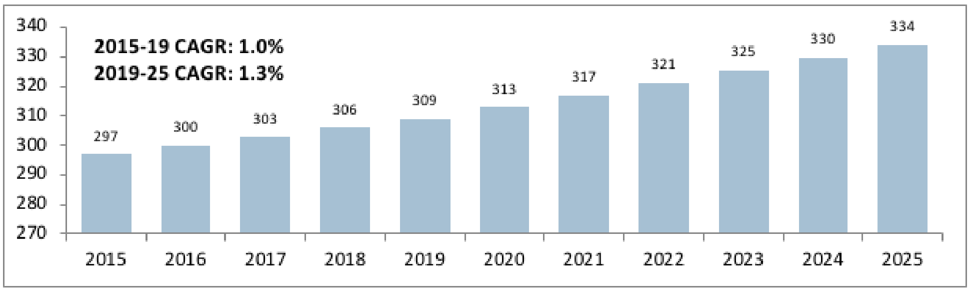


India is the fifth most polluted country (2019), by IQAir (a company that primarily works on air filtration). Air pollution is leading to chest congestion which is one of the most important public health issues in the country. With a growing number of chronic cough cases coupled with rapidly growing elderly population and rising vehicle pollution, the demand for cough remedy products is expected to increase.

Guaiacol

The global Guaiacol market is currently pegged at USD 309 million and is expected to grow at a CAGR of 1.3% from 2019 to 2025. Guaiacol is a naturally occurring organic compound with the formula $C_7H_8O_2$. It is used as a precursor in the manufacture of vanillin and is also used in the synthesis of pharmaceuticals. Guaiacol is majorly used as a reducing co-substrate for COX reactions. It is mainly used as expectorant and antiseptic.

Market for global Guaiacol Market (USD million), 2015-2025 Forecast



Guaiacol is a chemical intermediate used for manufacturing of Active Pharmaceutical Intermediate ("APIs"). It is also used in synthesis for food materials and perfumery products. The unique aromatic odour of guaiacol makes it suitable for acting as perfumery as well as flavouring agents. Guaiacol also finds applications in the agriculture sector as it protects the crop from damage and improves the crop yield. Guaiacol serves as a reducing agent for bio catalytic reactions also.

The key raw materials used to manufacture Vanillin Products are Guaiacol and Guethol. Synthetic Vanillin has been further segmented into Lignin Vanillin, Guaiacol Vanillin and Ethyl Vanillin. Guaiacol Vanillin currently represents the biggest segment. Given the favourable growth of Global Vanillin market in coming years, the Guaiacol market is expected to witness a consistent demand in future.

Guaiacol is used as a key starting material to produce APIs like Guaifenesin, Carvedilol, Ranolazine and Methocarbamol.

API	Drug Class	Application	2019 Sales (USD million)	2019 Sales (MT)	Value Growth (CAGR) (%)
Guaifenesin	Expectorant	Guaifenesin is used to reduce chest congestion caused by the common cold, infections, or allergies.	1,713	22,58	3.8%
Carvedilol	Beta-blocker	Carvedilol is a medication used to treat high blood pressure, hypertension, congestive heart failure, and left ventricular dysfunction in people who are otherwise stable.	638	96	-11.2%
Ranolazine	Anti-anginal	Ranolazine is used to treat chronic angina (chest pain). This medicine is usually used together with other medicines, such as ACE inhibitors, angiotensin receptor blockers, calcium channel blockers, beta-blockers, or nitrates.	3,276	280	9.6%
Methocarbamol	Muscle Relaxants	Methocarbamol is used with rest, physical therapy, and other measures to relax muscles and relieve pain and discomfort caused by strains, sprains, and other muscle injuries.	110	851	-8.4%
Codeine	Cough suppressant	Codeine is one of a group of medicines called anti-tussives (help to prevent coughing).	320	52	-22.1%

Competition Landscape of Guaiacol Market

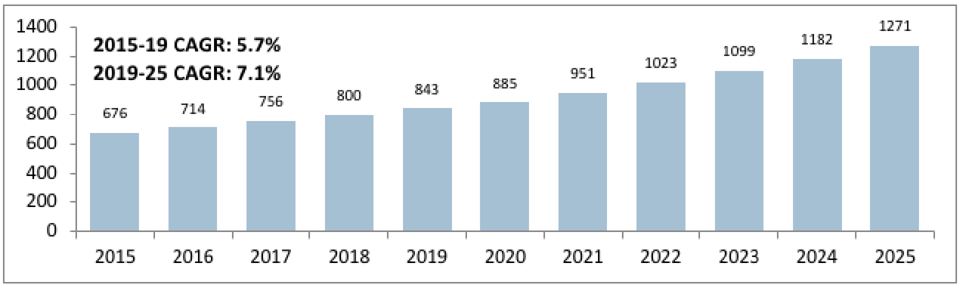
The Guaiacol market is estimated to be around 60,000 MT per annum. Solvay is the largest producer of Guaiacol globally, and the Company is the third largest producer of Guaiacol in the world and the second largest producer in India (in terms of manufacturing capacities). Camlin Fine Sciences is the largest producer of Guaiacol in India.

Global Vanillin Market (USD million), 2015-2025 Forecast

As it is uneconomical to grow vanilla on a large scale, it is prepared synthetically to meet the demands of diverse end-industries. Vanillin is used in perfumes, cleaning products, candles, in the food industry to flavour chocolate, baked goods, and ice cream, and in medicines to mask unpleasant flavours. Vanillin is also used as a chemical intermediate in the manufacture of several important drugs and other products.

Only 1–2% of the total world market for vanillin is met by the extraction of vanilla beans, while the remaining share comes from precursors like Guaiacol, lignin wastes, eugenol, ferulic acid, etc.

Global Vanillin Market (USD million), 2015-2025 Forecast



Application of Vanillin

Vanillin is used across multiple sectors. It's consumption in foods and beverages has been estimated to be 60% while in flavours, fragrances, and pharmaceutical intermediates, it is limited to 30%. Other industrial applications account for the remaining 10%.

Pharmaceutical Application:

Formulation	API	Application	2019 Sales (USD million)	2019 Sales (MT)	Value Growth (CAGR) (%)
Aldomet and similar	Methyldopa	Aldomet is a prescription medicine used to treat the symptoms of high blood pressure (Hypertension), Renal Impairment and Hypertensive Crisis. The active ingredient in Aldomet is **methyldopa.**	9	30	-13.0%
L-dopa, L-methyldopa and similar	Dopamine	Levodopa (L-Dopa) is an amino acid precursor of **dopamine** and is the most effective and commonly used drug in the treatment of Parkinson disease.	19	1	-11.8%
Trimethoprim and similar	Trimethoprim	**Trimethoprim** is an antibiotic used to treat bacterial infections. It works by stopping the growth of bacteria. Trimethoprim eliminates bacteria that causes urinary tract infections.	174	201	-18.5%
---	Berberine	**Berberine** is most commonly taken for diabetes, high levels of cholesterol or other fats (lipids) in the blood (hyperlipidemia), and high blood pressure. Ortho vanillin [o-vanillin] is a kind of isomers of vanillin that can be used in synthesis of Berberine.	-	-	-
Injectable and Oral doses	Papaverine	**Papaverine** is an opium alkaloid antispasmodic drug, used primarily in the treatment of visceral spasm and vasospasm (especially those involving the intestines, heart, or brain), and occasionally in the treatment of erectile dysfunction.	46	0.2	32.7%

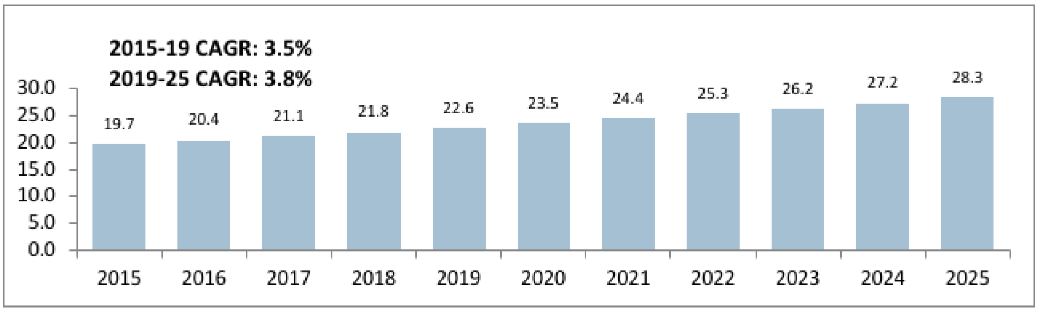
Key Players in Vanillin

Globally, Solvay (Belgium), Jiaxing Zhonghua (China), Camlin Fine Sciences (India), Borregard (Norway) and Thrive Fine Chemical Company Limited Chongqing (China) are the top manufacturers of Vanillin.

Global Anti-Retroviral (ARV) Market Overview

The drugs used to treat HIV are called antiretroviral drugs (“ARVs”). The global ARV market was valued at about USD 22.6 billion in 2019 and is expected to grow at 3.8%.

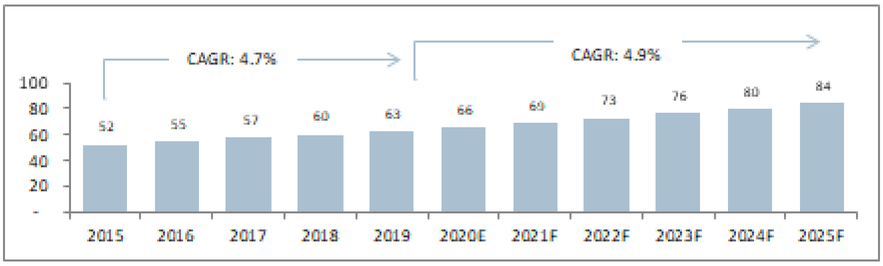
Market for global ARV (USD billion), 2015-2025 Forecast



<u>N,N'-Dicyclohexylcarbodiimide (DCC)</u>

DCC is a powerful dehydrating agent commonly used for the preparation of amides, esters, and anhydrides. It is also used in peptide and nucleic synthesis. It is also used as a reagent in anti-retroviral drugs.DCC is used as a key starting material to produce APIs like Valaciclovir, Amikacin, Glutathione, among others.

Global DCC Market: Current & Future (USD million), 2015 – 2025



Set out below is information on the market size for DCC

API	2019 Sales (USD Million)	2019 Sales (MT)	Value Growth – CAGR (%) – 2019-25	DCC concentration in API	DCC Latent demand for API
Amikacin	28	2.0	-9.23%	1.2x	2.4 MT
Glutathione	22	1.3	-17.4%		1.6 MT
Valacyclovir	642	820	-4.0%		985 MT

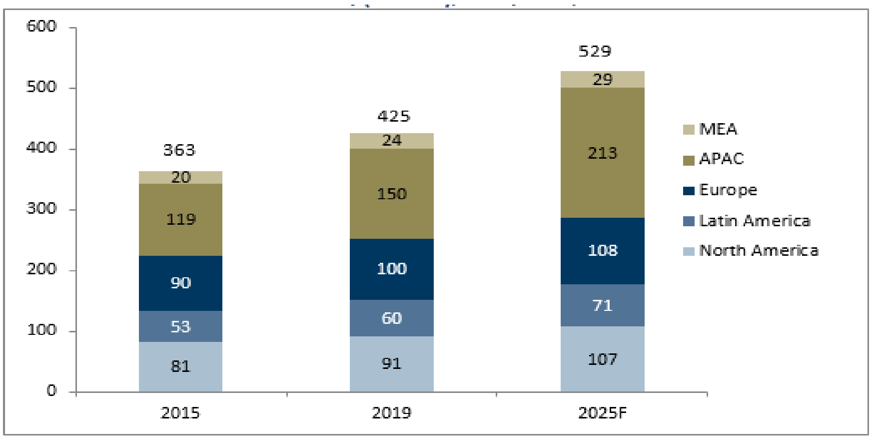
DCC is also widely used in anti-retroviral drugs as well

The Company is the largest producer of DCC globally (in terms of manufacturing capacities). Other leading players include Shandong Huihai Pharma (China), Hongrui Fine Chemicals (China), among others. Atul Limited also has some presence in N,N'-Dicyclohexylcarbodiimide market supplying to pharmaceuticals companies on make to order basis.

GLOBAL ANIMAL FEED MARKET

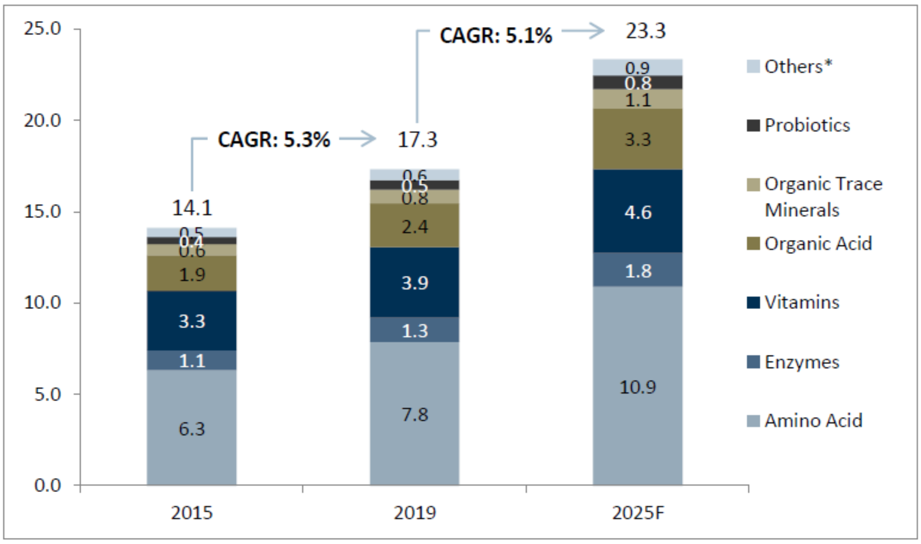
Increase in cattle farming is likely to result in an increased animal feed demand. Increasing consumer awareness of the benefits associated with the use of feed additives has supported the need of the market. On the other hand, the increasing popularity of meat and meat related products and rising health problems in animals will promote new opportunities for animal feed.

Global Animal Feed Market, (USD billion), 2015, 2019 and 2025



Source: Frost & Sullivan

Global Animal Feed Ingredient Market – By Product Type (USD billion), 2015, 2019 and 2025 Forecast



**Others include prebiotics, omega-3 fatty acids and Antioxidants*

CAGR	Amino Acids	Enzymes	Vitamins	Organic Acid	Trace Minerals	Probiotics	Others
2015-19	5.6%	5.3%	4.4%	5.3%	5.6%	5.9%	5.9%
2019-25F	5.6%	5.6%	3.0%	5.5%	5.8%	6.6%	6.3%

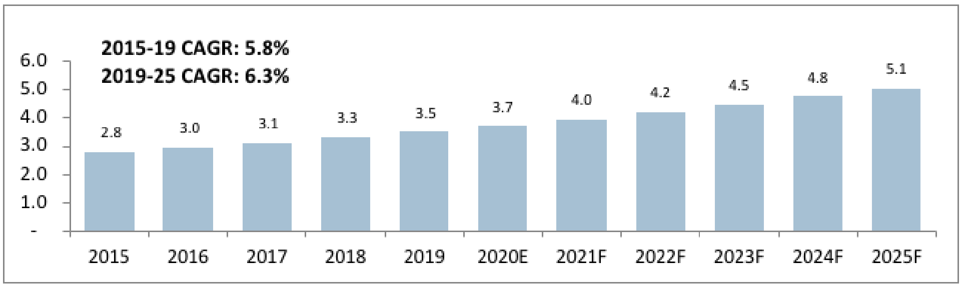
Source: Frost & Sullivan

Antioxidants (part of others) are mainly used in animal feed industry for providing protection of essential nutrients such as vitamins, fats, and pigments from deterioration. Furthermore, these ingredients are capable of extending the storage period as well as the durability of animal feed. BHA is widely used in animal feed industry as it can stabilize a free radical by sequestering it, thus avoiding subsequent free radical reactions. BHT is used in conjunction with BHA for greater efficiency since it is not as thermally stable as the BHA.

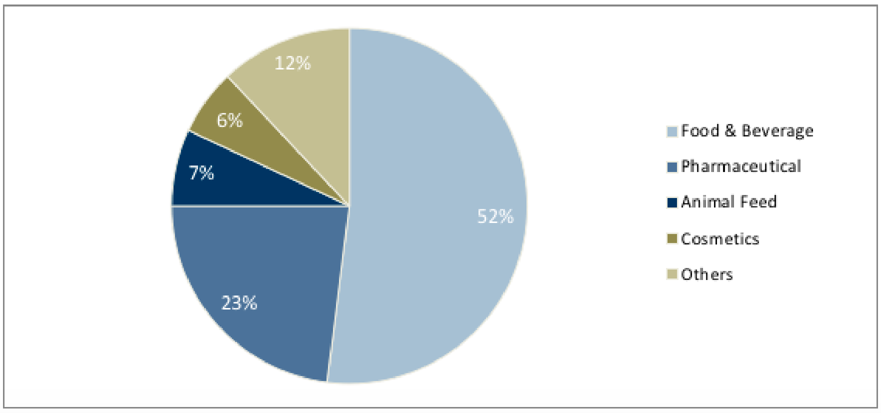
Global Antioxidant Market

Antioxidants are molecules that inhibit oxidation of other molecules. The various types of antioxidant include vitamin E, vitamin C, BHT, BHA, propyl gallate, etc. The Global Antioxidants market was valued at USD 3.5 billion in 2019 and is expected to reach USD 5.1 billion by 2025, growing at a CAGR of 6.3%.

Global Antioxidant Market: Current & Future (USD billion), 2015- 2025 Forecast

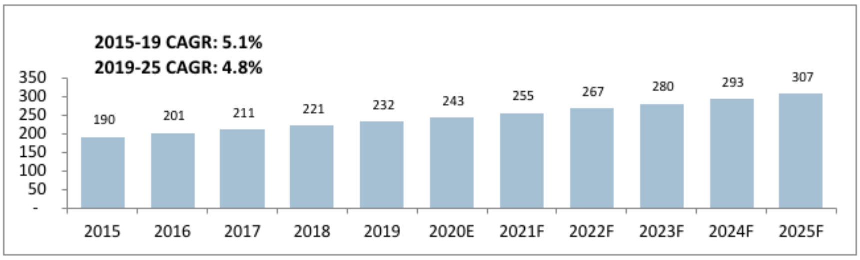


Global Antioxidants Market, Application Analysis, 2019, Value (USD 3.5 billion)



Growth of the natural antioxidants market in the Asia-Pacific region can be attributed to an increasing demand for nutraceuticals and dietary supplements, and growing awareness about the health benefits of natural antioxidants, particularly in China and India.

Global Animal Feed Antioxidant Market: Current & Future (USD million), 2015-2025 Forecast



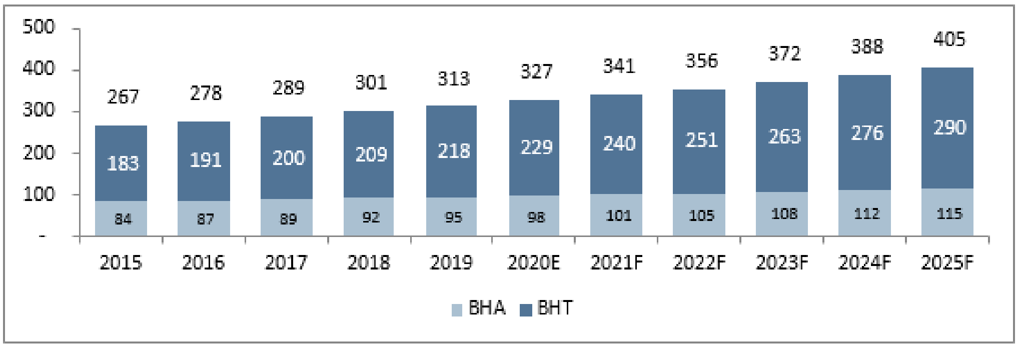
Antioxidants are used as animal feed additives for various purposes such as, to prevent damage to cells, to reduce the singlet oxygen, amongst others. In terms of products, synthetic antioxidants dominated the market contributing over 55% - 60% of the global market. These products are widely used for product stability and longer shelf life, which protect end products.

Global BHT and BHA Anti-Oxidants Market

BHA and butylated hydroxytoluene ("BHT") are two structurally related lipophilic compounds generally used as antioxidants. Antioxidants such as BHA or BHT have been widely used for many years to preserve freshness, flavour, and colour of foods and animal feeds as well as to improve the stability of pharmaceuticals and cosmetics. The third compound, EQ, is one of the best known feed antioxidants for domestic animal and fish. Its unquestionable advantage is its high antioxidant capacity and low production costs.

BHA is intended to be used as an antioxidant in feeding stuffs for all animal species and categories except dogs with a maximum content of 150 mg/kg (FEEDAP) complete feeding stuffs (alone or together with BHT (E 321) and/ or ethoxyquin (E 324)) and for dogs with a maximum content of 150 mg/kg complete feeding stuffs (alone or together with BHT (E 321)).

Global BHT and BHA Anti-Oxidants Market: Current & Future (USD million), 2019-2025 Forecast

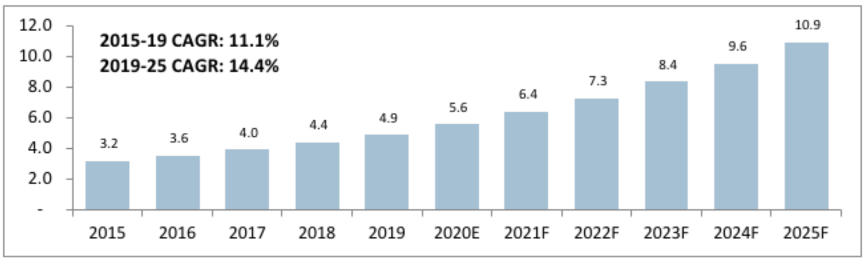


CAGR	BHA	BHT	Total
2015-19	3.1%	4.5%	4.1%
2019-25F	3.3%	4.9%	4.4%

Globally there are three large manufacturers involved in manufacturing of BHA viz., Solvay, Camlin Fine Sciences Limited (CFSL) and the Company. Some of the other manufacturers of BHA include Industrial Técnica Pecuaria, S.A. (ITPSA), VDH Chem Tech Private Limited, among others

Indian Animal Feed Market: Current & Future (USD billion), 2015-2025 Forecast

India is one of the largest and fastest growing feed markets in the world. The Indian animal feed market is poised to grow to USD 10.9 billion by 2025, progressing at a CAGR of almost 14.3% throughout the forecast period of 2019-25. Major factors which play major role in the animal feed market are increased demand for nutritious animal feed, growing livestock industrialization, among others.



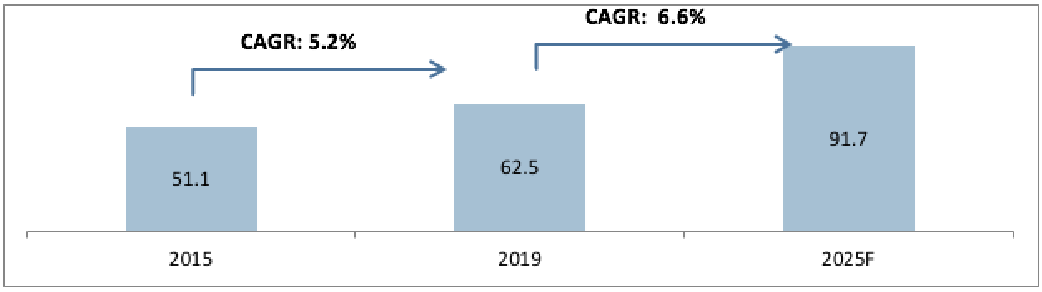
Source: Frost & Sullivan

GLOBAL AGROCHEMICALS MARKET

Note: Agrochemical section does not include commodity products such as fertilizers. It only covers crop protection products such as herbicides, insecticides, fungicides, etc.

The global agrochemicals market was valued at USD 62.5 billion in 2019 and is forecasted to reach USD 92 billion by 2025 growing at a compound annual growth rate (CAGR) of 6.6%. The rising population across the world, accompanied by rising affluence, is seeing a shift in consumption patterns.

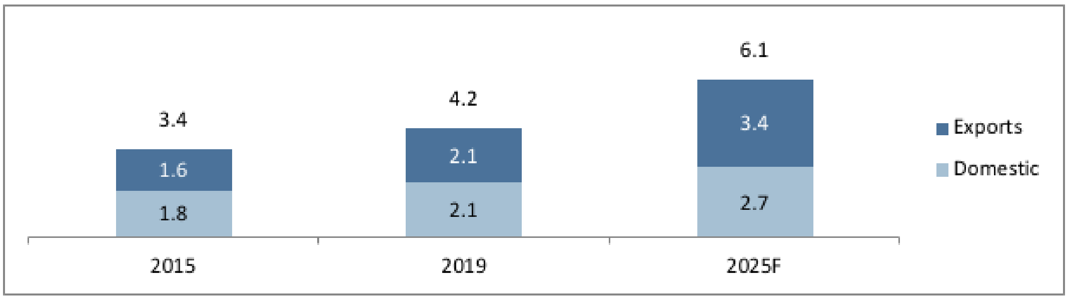
Global agrochemicals market (in USD billion), 2015, 2019 and 2025 Forecast



Source: Frost & Sullivan Research & Analysis

Indian crop protection chemicals market by exports and domestic consumption (USD billion)

India was world's third largest pesticide exporter by volume in 2018. China leads the exports of pesticides with 27% market share in the world exports followed by Germany (8.3%), India (8%), US, Belgium, France.



Source: Frost & Sullivan Research & Analysis

	Domestic	Exports	Total
2015-19	**3.9%**	**7.0%**	**5.4%**
2019-25F	**4.3%**	**8.4%**	**6.4%**

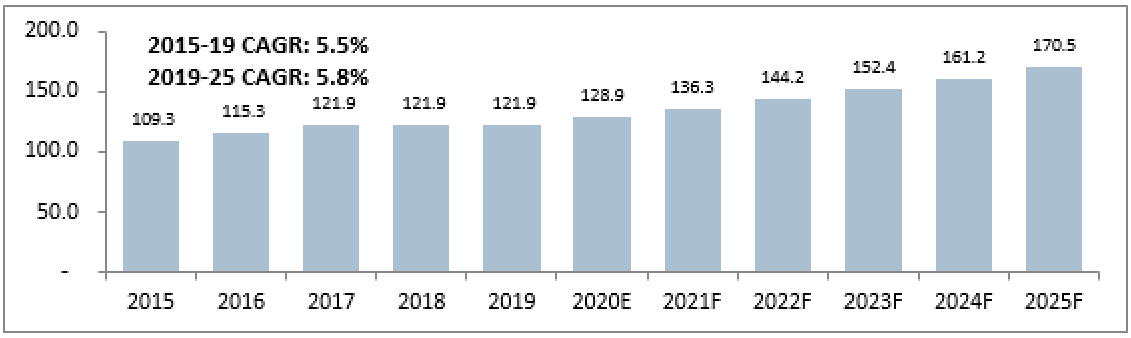
The agrochemical technical manufacturing in India is strongly driven by export led demand and contract manufacturing. India is looked upon for its sizeable skilled labour force, its R&D capabilities and its rapidly developing infrastructure.

Monomethyl ether of hydroquinone (MEHQ)

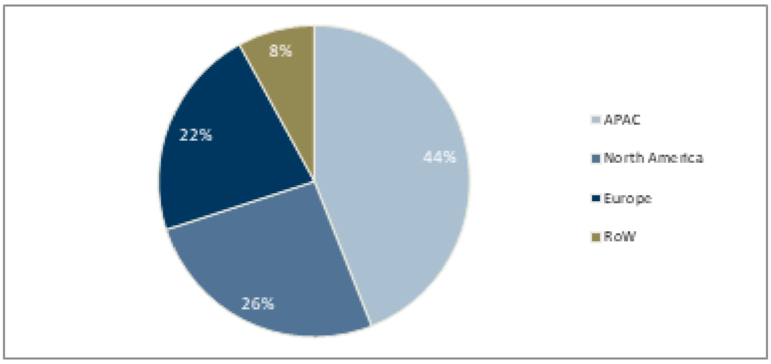
Mono methyl ether of hydroquinone ("MEHQ") is an organic compound and synthetic derivative of hydroquinone. MEHQ is commercially manufactured by the hydroxylation of anisole or by free radical reaction between p-benzoquinone and methanol.

The global MEHQ market was valued at USD 121.9 million in 2019 and expected to record a growth of 5.8% between 2019 and 2025. On a volume basis, the demand of MEHQ was around 12.5 KT growing at a CAGR of 5.2%.

Global MEHQ Market: Current & Future (USD million), 2015-2025 Forecast



Global MEHQ market by geography, 2019



Application of MEHQ

Dermatology: MEHQ is widely used in dermatology as the main ingredient in topical drugs which are used for skin depigmentation. The drug is generally prescribed by dermatologists for the treatment of solar liver spots, age spots, or solar lentigines.

Polymers & Monomers: MEHQ is also widely used as a polymerization inhibitor in the manufacturing of various monomers such as acrylics, methacrylics and other acrylates, vinyl acetate monomers, etc., along with unsaturated polyesters. MEHQ is also used as a stabilizer for cosmetics, liquid detergents, and cellulose materials. Polymers are finding new applications, due to which, their demand is increasing day by day.

Ink: MEHQ is also used in the ink industry as a polymerization inhibitor.

Agrochemicals: MEHQ is the building block for agrochemical and organic chemical manufacturing industries. Increasing consumption of agrochemicals and organic chemicals is boosting the MEHQ market. The agrochemical industry is showing good growth, which makes it a prominent market for MEHQ. It forms a part of active agrochemical ingredients.

Intermediate: MEHQ is used as an intermediate to manufacture BHA. There are certain regulations on the exposure limit for MEHQ. According to the National Institute for Occupational Safety and Health, the recommended exposure limit for MEHQ is 5mg/m3 for an 8-hour workday. There are many regulations pertaining to Hydroquinone as it is classified as a drug and is banned for the use in cosmetic products in Europe and in many countries such as Japan, Australia and several African states.

On a geographic basis, the Asia-Pacific region dominated the market in 2019 and is likely to grow at a rate of 6.2% in the forecast period. The market dominance of the Asia-Pacific region is due to the growing demand for MEHQ in countries such as China and India, due to the growth of the end-user industries including agrochemicals, polymers, and cosmetics industries, among others.

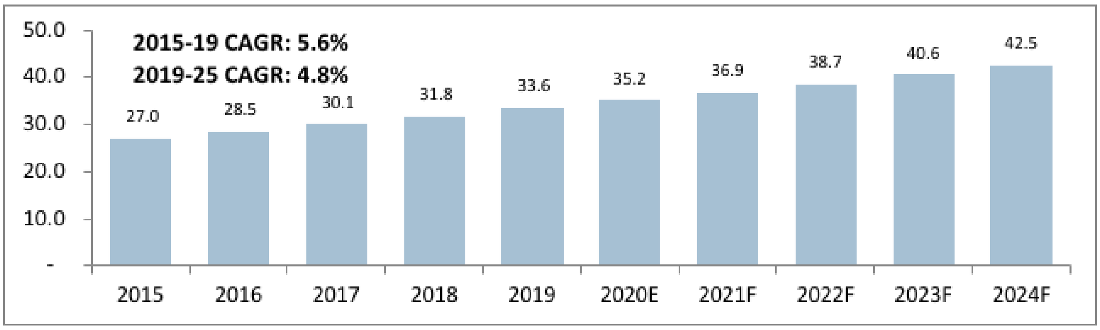
MEHQ market competition

The Company is the largest manufacturer of the world (in terms of manufacturing capacities) and accounted for 55% of the global capacity. Other competitors in the industry include Solvay and Camlin Fine Science.

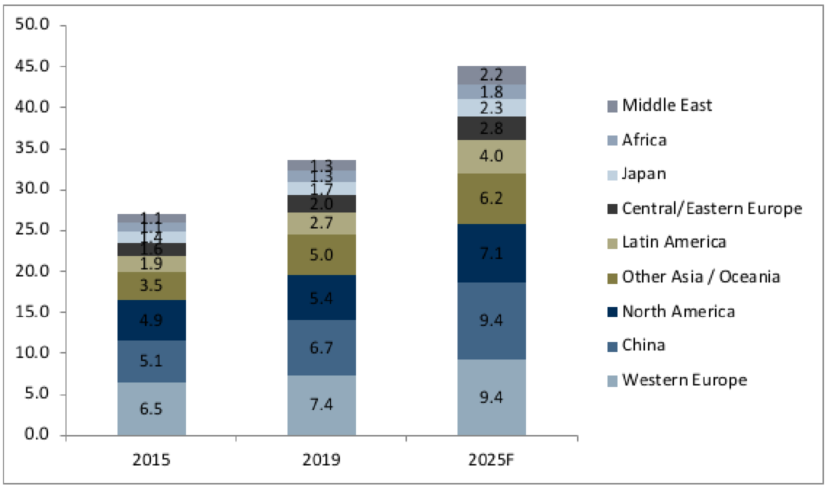
GLOBAL FLAVOURS & FRAGRANCES MARKET OVERVIEW

The flavour and fragrance industry is a USD 31 billion global market. The market is expected to grow at a CAGR of 4.8% between 2019 and 2025. Historically the market has grown at 5.6% from USD 25.6 billion in 2014 to USD 33.6 billion in 2019.

Global Flavours & Fragrances Market: Current & Future (USD billion), 2019-2025 Forecast



Global Flavours & Fragrances Market, Geography, 2019, Value, 2015, 2019 and 2025 Forecast



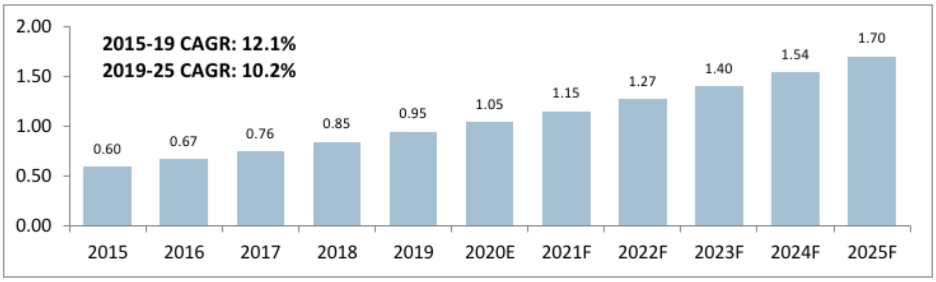
Source: UN Comtrade, Frost & Sullivan Research & Analysis

India Flavours & Fragrances Market (“F&F”) Overview

The Indian flavour and fragrance industry was valued at USD 0.95 billion in 2019. The market is expected to grow at a CAGR of 10.2% between 2019 and 2025.

Growth in population, rapid urbanisation, uptrend in lifestyle, double earning families and the increased need for convenience and personal control provides a big boost to the F&F industry as demand for packaged foods, beverages, home care, personal care, cosmetics, toiletries, pharmaceuticals and nutraceuticals increase. The increasing demand for convenience food products has propelled companies to introduce innovative flavours boosting the F&F market growth.

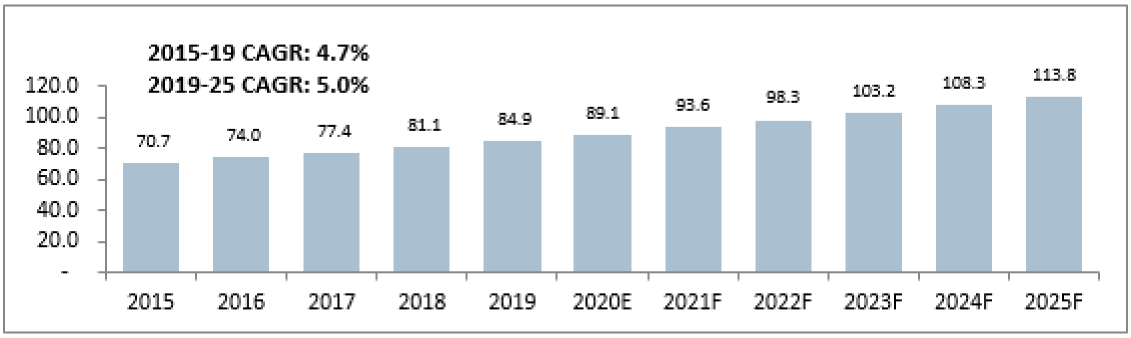
India Flavours & Fragrances Market: Current & Future (USD billion), 2015-2025 Forecast



Anisole

The global Anisole market was valued at USD 84.9 million in 2019 and expected to record a growth of 5.0% between 2019 and 2025. On a volume basis the demand of Anisole was around 34 KT growing at a CAGR of 4.5% – 4.8%.

Global Anisole Market: Current & Future (USD million), 2015-2025 Forecast

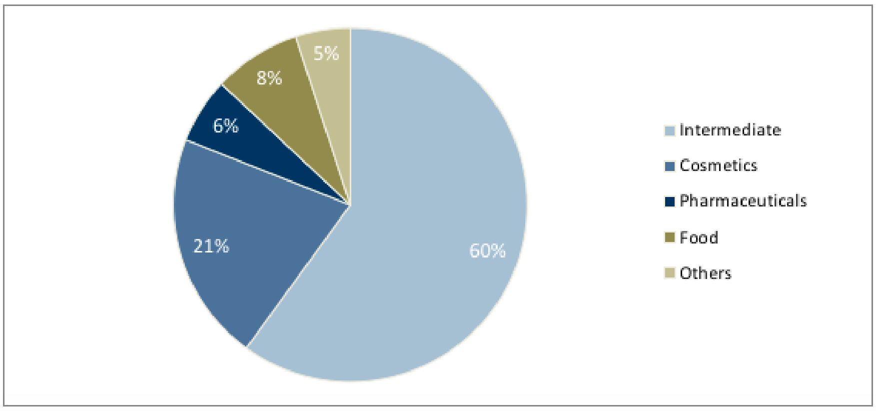


Raw material availability and price volatility are some of the largest challenges in the global anisole market. Further, stringent environmental regulations and less storage time of anisole are the key reasons which are restraining growth of the global anisole market.

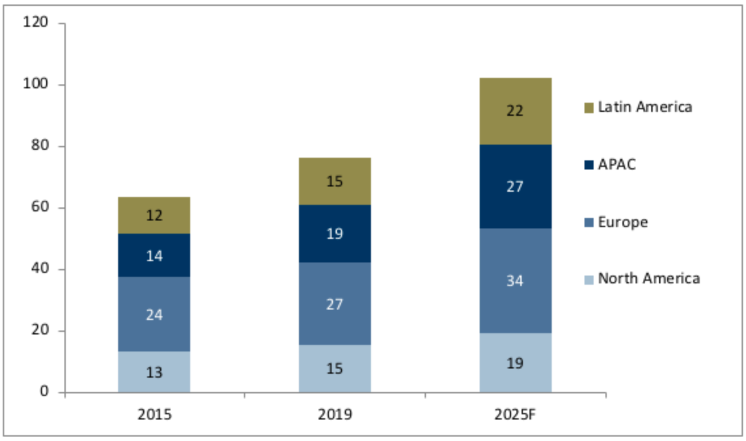
Application of Anisole

Anisole is a precursor to perfumes, insect pheromones, and pharmaceuticals. Synthetic anethole is formulated from anisole. The compound is mainly made synthetically and is a precursor to other synthetic compounds.

Global Anisole Market, Application Analysis, 2019, Value – USD 84.9 million



Global Anisole Market, Geography, Value, 2015, 2019 and 2025 Forecast



Source: Frost & Sullivan Research & Analysis

CAGR	Europe	North America	APAC	Latin America	Middle East
2015-19	3.1%	3.1%	7.2%	6.2%	4.7%
2019-25F	6.1%	5.9%	10.0%	9.1%	7.6%

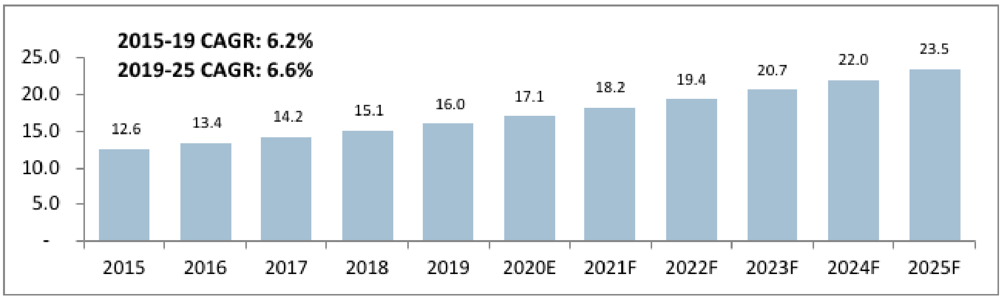
Anisole Market Competition

The Company is the largest manufacturer in the world (in terms of manufacturing capacities) accounting for 45% - 55% of the global capacity. Other key competitors in the industry include Solvay, Atul Limited, and Westman Chemicals Private Limited, (Mithila Rasayan Private Limited). The players in the global anisole market have been focusing on improving the manufacturing processes and technologies in order to increase their margins.

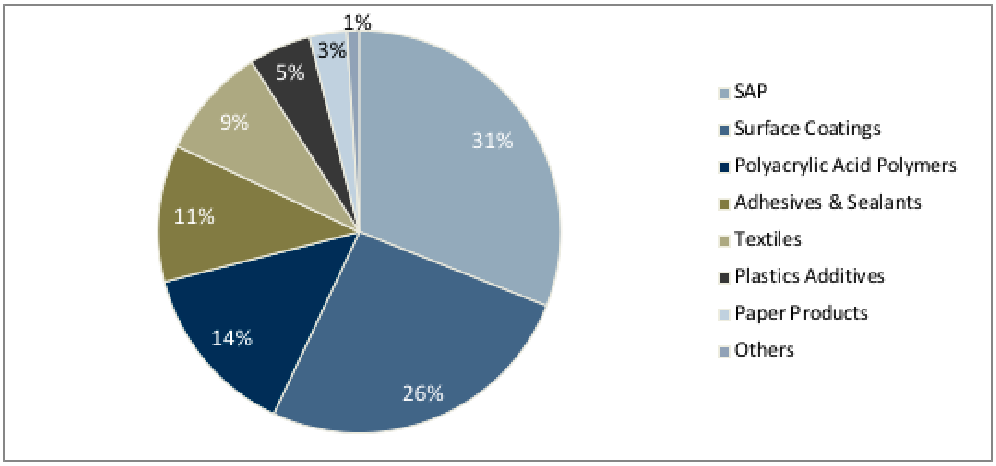
Global Acrylic Acid Market Overview

The demand for acrylic acid is expected to grow at a CAGR of 5.2% between 2019 and 2025. India, South East Asia and South America will be the key growth drivers. In terms of applications, SAP is expected to be the key growth driver, especially across developing economies.

Global Acrylic Acid Market: Historic, Current & Future (USD billion), 2015-2025 Forecast



Global Acrylic Acid Market, Application, 2019, Value – USD 16.0 billion



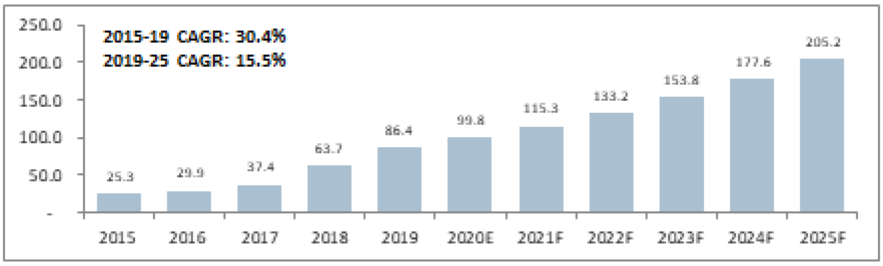
Demand drivers

Growing Population across various geographies: The regions that have an aging population will drive the demand for adult incontinence products while regions with higher birth-rates will drive the demand for baby diapers.

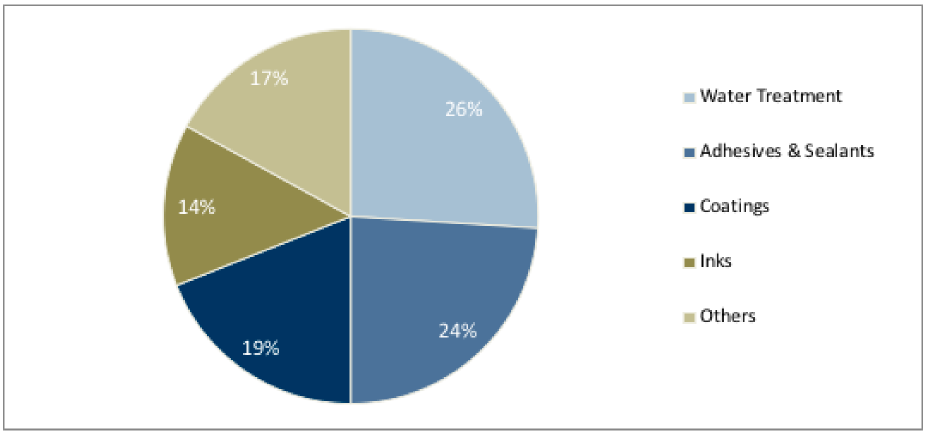
Need for high performance products in coatings and adhesives: With increasing changes in weather and other requirements, there is a need for high performance products including coatings and adhesives that will lead to the increased consumption of acrylic acid in these segments.

Growth of packaging in Asia: Changing lifestyle and urbanisation has driven the growth of packaged foods and hence the overall demand for packaging. This in turn is boosting the demand for adhesives, where acrylic acid is used in pressure-sensitive adhesives and self-adhesive tapes. Following this, the demand for acrylic acid is expected to increase.

India Acrylic Acid market



India Acrylic Acid Market, Application, 2019, Value – USD 86.4 million



Others include performance chemicals, herbicides, oilfield chemicals, textile chemicals, etc.

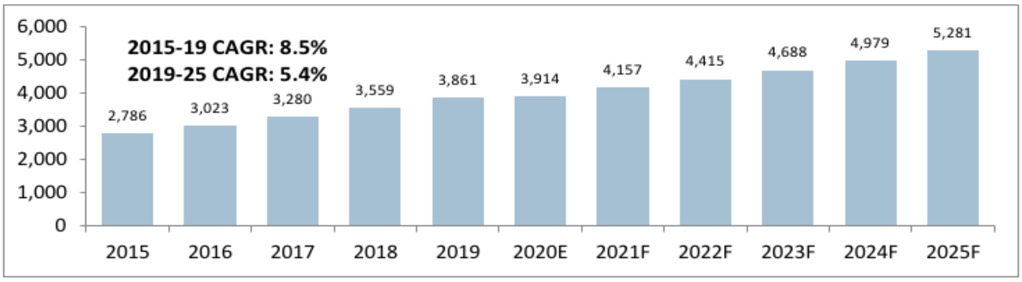
GLOBAL SAP MARKET OVERVIEW

Superabsorbent polymers (SAPs) represent a class of organic chemicals defined primarily by their functional capability rather than their chemical structure. The characteristic of SAP can be described as follows:

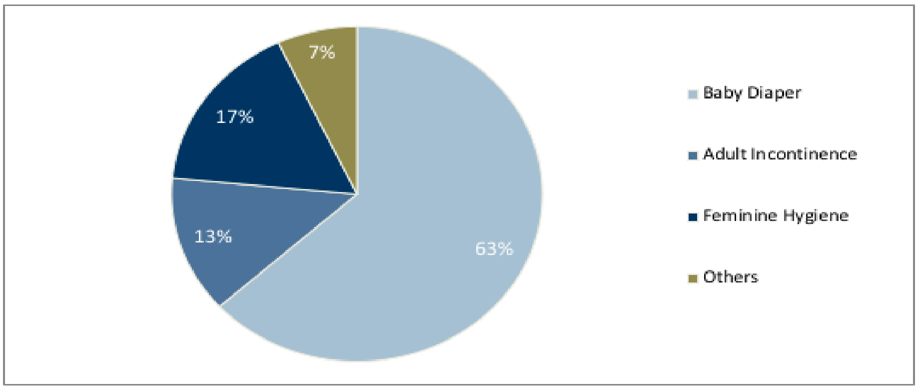
- High water absorption rate, strong water retention ability
- High water absorption speed, strong swelling force
- Strong thickening ability
- Strong anchoring ability and elasticity
- Water swellable, but not water soluble

The global demand for SAP in 2019 was about 3,861 KT and the demand is expected to grow at a CAGR of 6.2% between 2019 and 2025 on volume basis. Strong demand from the baby diaper segment is projected to stoke the overall growth. Also, surging demand for adult incontinence and female hygiene products owing to increasing awareness about hygiene is poised to further drive product demand.

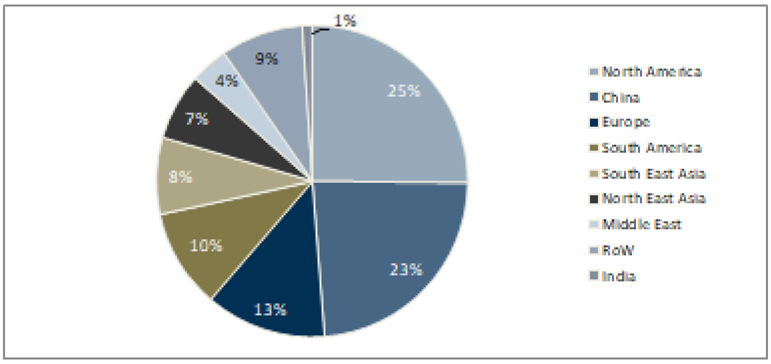
Global SAP Market: Historic, Current & Future ('000 MT), 2015-2025 Forecast



Global SAP Market, Application, 2019, Value – USD 7.9 billion



Global SAP market by geography, 2019



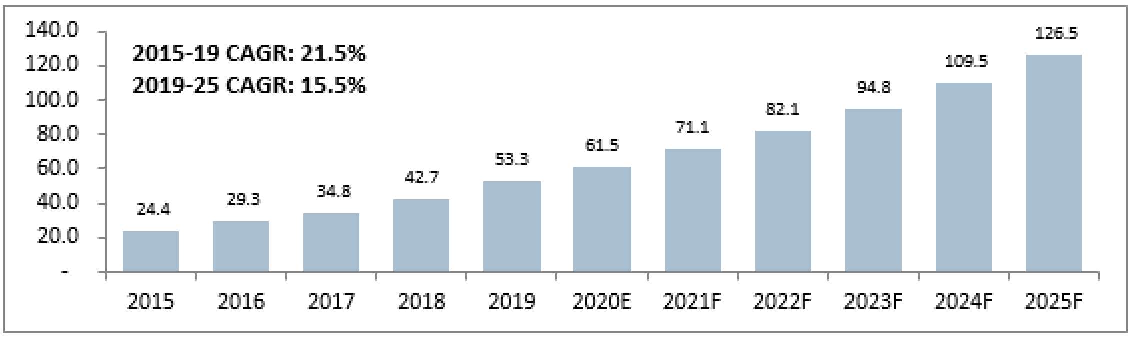
India SAP Market Overview

The current demand in India for SAP is about approximately 37 KT. 100% of the demand is met by imports due to absence of local producer. The demand for SAP in India is expected to grow at about 11 - 12% between 2019 and 2025.

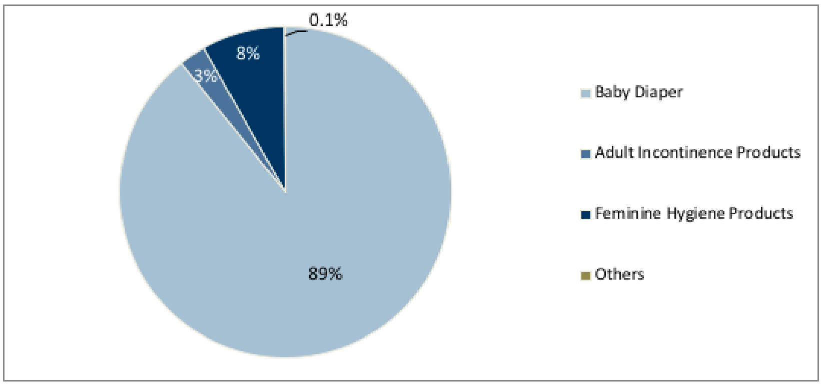
Super absorbent polymers are essential in the production of numerous hygiene products such as infant diapers, feminine product and adult incontinence products that require high absorbency along with material strength and are of lightweight. Additionally, SAPs are used in a variety of industrial applications for treatment of contaminated

water, for oil and fuel spill removal and soil stabilisation. Growth in demand for super absorbent polymers would be driven by the performance of the above thrust areas.

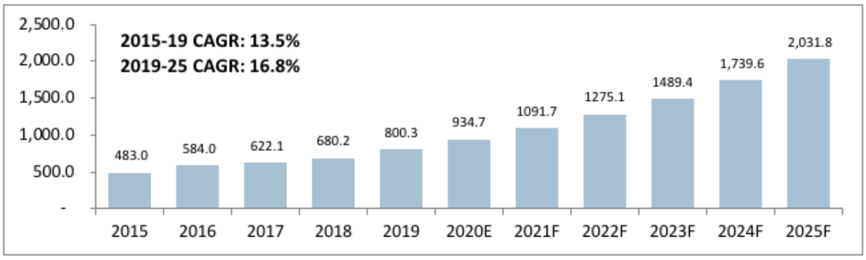
India SAP Market: Historic, Current & Future (USD million), 2015-2025 Forecast



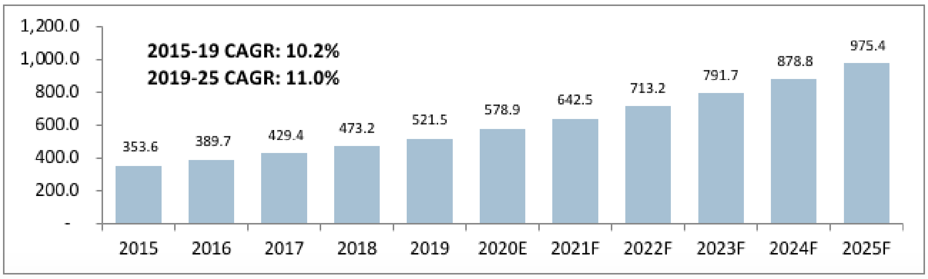
India SAP Market, Application, 2019, Value



India Baby Diapers Market: Historic, Current & Future (USD million), 2015-2025 Forecast



India Sanitary Napkin Market: Historic, Current & Future (USD million), 2015-2025 Forecast



Superabsorbent polymers are commonly made from the polymerization of acrylic acid blended with sodium hydroxide. MEHQ is used as a stabilizer for acrylic acid and its salts. The stabilizer is added between 10 and 1000 ppm, concentrations between 50 ppm and 200 ppm are common. Stabilization is particularly necessary if the acrylic acid has to be transported and/ or stored between manufacture and processing. Inhibitors such as MEHQ (monomethyl ether hydroquinone) and PTZ (phenothiazine) are added to acrylic acid in the shipping and storage process to prevent its spontaneous polymerization. Stabilizers/ inhibitors prevent the inadvertent polymerization of acrylic acid; they work as scavengers. In the production process of acrylic acid, MEHQ is required at high temperatures and in the presence of dissolved atmospheric oxygen for polymerization inhibition.

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 20, 172 and 255, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021 included herein is derived from the Restated Financial Statements, included in this Red Herring Prospectus. For further information, see "Restated Financial Statements" on page 172. Additionally, please refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section.

Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Clean Science and Technology Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Clean Science and Technology Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled "Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated March 2021, supplemented by report titled "Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated June 2021 further supplemented by report titled "Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated June, 2021 (collectively, the "**F&S Reports**"), prepared and released by Frost & Sullivan and exclusively commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Reports and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Industry information included in this Red Herring Prospectus has been derived from the F&S Reports prepared by Frost & Sullivan, and exclusively commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 44. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 17.*

Overview

We are among the few companies globally focused entirely on developing newer technologies using in-house catalytic processes, which are eco-friendly and cost competitive (*Source: F&S Reports*). This has enabled us to emerge as the largest manufacturer globally of certain specialty chemicals in terms of installed manufacturing capacities as of March 31, 2021 (*Source: F&S Reports*). Some of these technologies have been developed and commercialized for the first time globally (*Source: F&S Reports*). Our continued focus on product identification, process innovation, catalyst development, significant scale of operations as well as our measures towards strategic backward integration have all contributed to our success as one of the fastest growing and among the most profitable specialty chemical companies globally (*Source: F&S Reports*).

We manufacture functionally critical specialty chemicals such as Performance Chemicals (i.e. MEHQ, BHA and AP), Pharmaceutical Intermediates (i.e. Guaiacol and DCC), and FMCG Chemicals (i.e. 4-MAP and Anisole). Within 17 years of incorporation, we have grown to be the largest manufacturer globally of MEHQ, BHA, Anisole and 4-MAP, in terms of installed manufacturing capacities as of March 31, 2021 (*Source: F&S Reports*).

Our Company's name was changed to 'Clean Science and Technology Private Limited' in 2006, to reflect our vision of focusing on sustainable chemistry led by innovative technology and lower effluents. We continue to exemplify our name by designing and implementing 'clean' chemistries based on catalytic technology developed in-house. As a result, most of our current production processes are either zero liquid discharge or release only water as discharge. Our focus on sustainable practices has been conceived, developed and implemented by our Promoters over the years. Our Promoters Ashok Ramnarayan Boob, Siddhartha Ashok Sikchi, both alumni of the Institute of Chemical Technology, Krishnakumar Ramnarayan Boob, and Parth Ashok Maheshwari, are all career-technocrats with a combined experience of over 60 years in the chemicals industry, and we benefit from their collective vision, experience and technical understanding.

Our specialty chemicals have a wide range of applications that cater to a diverse base of customers across industries. Our customers include manufacturers and distributors in India as well as other regulated international markets including China, Europe, the United States of America, Taiwan, Korea, and Japan. In Fiscal 2021, revenue from operations for sales outside India represented 67.86% of our total revenue from operations, respectively. The table below sets forth certain information on our key products, their applications, and the industries such products are used in:

Product	Application	Industry	Category as per F&S Reports
MEHQ	Polymerization inhibitor in the manufacturing of various monomers such as acrylics, methacrylics and other acrylates, vinyl acetate monomers, along with unsaturated polyesters. Also used as a stabilizer for cosmetics, liquid detergents, and cellulose materials.	Acrylic fibers, inks, agro-chemicals, cosmetics, topical drugs.	Agrochemicals and fertilizers, home and personal care, paints and coatings additives, and textile chemicals
Guaiacol	Pre-curser for vanillin production, and in the synthesis of pharmaceuticals. Majorly used as a reducing co-substance for COX reactions, as an expectorant and antiseptic.	Pharmaceuticals, flavours and fragrances, and agriculture.	Pharma API, flavours and fragrances ingredients
BHA	Used as a synthetic antioxidant	Food packaging, animal feed, rubber, cosmetics and petroleum products.	Home and personal care, others
4-MAP	Spice, medicine and make-up intermediate, ingredient for UV filters, cigarette additive and flavouring in food	Personal care (cosmetics), flavors and fragrance industry	Home and personal care, flavours and fragrances ingredients
DCC	Powerful dehydrating agent commonly used for the preparation of amides, esters, and anhydrides. Also used as a reagent in anti-retroviral drugs	Pharmaceuticals	Pharma API
Ascorbyl Palmitate	Anti-oxidant properties for anti-aging products	Personal care, topical drugs in dermatology to prevent hyperpigmentation and photo-aging	Home and personal care, pharma API
Anisole	Precursor to perfumes, insect pheromones, and pharmaceuticals.	Cosmetics, pharmaceutical and agrochemicals	Home and personal care, agrochemicals and fertilizers, pharma API

(*Source: F&S Reports*)

Our products are used as key starting level materials, as inhibitors, or as additives, by customers, for products sold in regulated markets. Key customers include Bayer AG, SRF Limited, Gennex Laboratories Limited, Nutriad International NV and Vinati Organics Limited. Our customer relationships have been strengthened over a long period, based on our ability to consistently deliver quality products at competitive prices. Some of our customers have also been associated with us for over 10 years as of May 31, 2021.

We have two certified production facilities in India strategically located at Kurkumbh (Maharashtra), in close proximity to the JNPT port from where we export majority of our products. Each facility has an on-site R&D unit, quality control department, warehouse, and effluent treatment system that treats effluent, to make our facilities zero liquid discharge facilities. Our facilities have dedicated production lines for our products, with a combined installed capacity of 29,900 MTPA as of March 31, 2021, and capacity utilization rates of 71.94% for Fiscal 2021. We have also recently set-up a unit at the third facility adjacent to our existing facilities at Kurkumbh (Maharashtra), and have recently been allotted land for the construction of a fourth facility at Kurkumbh (Maharashtra). For further information, see "- *Strategies – Expand manufacturing capacities of existing products and set-up additional capacities for new products*" on page 127.

Our Company has grown organically, and its revenues and profitability have consistently increased, to emerge as one of the most profitable specialty chemical companies globally (*Source: F&S Reports*). Our total revenue from operations have grown at a CAGR of 14.15% between Fiscal 2019 and Fiscal 2021. In Fiscals 2019, 2020 and 2021, our PAT Margin was 24.83%, 33.30% and 38.71%, respectively, EBITDA Margin was 37.53%, 46.78% and 55.54% respectively, and Adjusted EBITDA Margin was 34.66%, 44.19% and 50.53%, respectively. As of March 31, 2019, 2020 and 2021, our ROCE was 50.75%, 58.48% and 73.89%, respectively, and ROE was 35.90%, 40.82% and 36.76%, respectively. Net cash from operating activities was ₹ 847.38 million, ₹ 1,601.03 million and ₹ 1,928.45 million, respectively, in Fiscals 2019, 2020 and 2021.

Due to the ongoing COVID-19 global pandemic, and as a result of the nationwide lockdown imposed in India to control the spread of the virus, we were required to cease our operations for two weeks in 2020. While our operations were subject to limited availability of labour, logistics and supply chain constraints, our revenue from operations Fiscal 2021 was ₹ 5,124.28 million, compared to ₹ 4,193.00 million in Fiscal 2020. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in "*Risk Factors – Internal Risk Factors – The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance*" on page 36 and "*Risk Factors – External Risk Factors – Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business*" on page 47.

Strengths

Track record of strategic process innovation through consistent R&D initiatives

We are among the leading companies in India to have commercialized use of environment-friendly processes to manufacture certain specialty chemicals, at global capacities (*Source: F&S Reports*). We have achieved this position by optimizing use of conventional raw materials, improving atom economy, enhancing yields, reducing effluent discharge, and consequently increasing cost competitiveness. Based on the technical expertise we have developed over the years, we are able to carry out these processes at global scale capacities, which we believe is difficult to replicate, and create significant barriers for new entrants.

We have developed these technologies through process innovation and consistent R&D. Various catalysts have been developed in-house through R&D, which are used across process developments, and have helped improve productivity, yields, atom economy and cost efficiencies. By employing "clean-technologies", we distinguish our processes from conventional processes and optimize use of non-toxic raw materials, resulting in lower effluent generation, and products that are not as harmful to the end-consumer as conventionally produced chemicals. For instance, we manufacture sulphur-free BHA and sulphur-free DCC.

Being a technologically advanced company, we have pioneered the commercialization of catalytic-reactions in production processes. For instance, we are the only company globally to deploy vapour-phase technology for manufacturing Anisole from phenol with better atom economy and only water as effluent compared to liquid phase manufacturing process (*Source: F&S Reports*). We have similarly developed unconventional processes to manufacture certain of our other specialty chemicals. With phenol being widely available and Anisole being produced for captive consumption, we are integrated to the commodity level, which also helps us reduce costs and increase our profit margins. We believe this has led to our distinguished position as the most cost-competitive producer of these critical products, demonstrated by our significant exports to China, and giving us the highest margins in the industry in India for Fiscal 2020 (*Source: F&S Reports*).

Among the largest producers globally of functionally critical specialty chemicals used across various industries and geographies resulting in a de-risked business model

We are among the largest producers globally of certain specialty chemicals in terms of manufacturing capacities as of March 31, 2021, as below:

Product	Global Market Size (Volume)	Company Global Position	Company India Position
MEHQ	12,500 MT	Largest in World	Largest in India
BHA	9,000 MT	Largest in World	Largest in India
Guaiacol	60,000 MT	Third Largest in World	Second Largest in India
Anisole	34,000 MT	Largest in World	Largest in India
4-MAP	7,200 MT	Largest in World	Largest in India
DCC	7,000 MT	Amongst Largest in World	Largest in India
L-Ascorbyl Palmitate	450 MT	Second Largest in World	Second Largest in India

(*Source: F&S Reports*)

Our specialty chemicals have a wide range of applications and our key raw materials are abundantly available resulting in a significantly de-risked business model.

Our products are used as polymerization inhibitors, intermediates for agrochemicals and pharmaceuticals, anti-oxidants, UV blockers, and anti-retroviral reagents, which are functionally critical in a wide range of industries, including in the manufacture of paints and inks, agro-chemicals, pharmaceuticals, flavours and fragrance, food and animal nutrition (feed), and personal care (cosmetics) products. The global personal care, pharmaceutical, animal feed, and agrochemical markets are valued at US$ 255 billion, US$ 1.3 trillion, US$ 425 billion, and US$ 62.5 billion, in Fiscal 2019, respectively, and are expected to grow at a CAGR of 6.00%, 4.5%, 3.7% and 6.6%, between Fiscal 2019 and Fiscal 2025, respectively (*Source: F&S Reports*). In Fiscals 2019, 2020 and 2021, revenue generated from our top 10 customers represented 50.53%, 44.77% and 47.90%, of our revenue from operations, respectively. Our products and customer base allow for limited dependence on any particular industry, relatively insulating us from any industry-specific slowdown.

Our customers comprise manufacturers in India and other regulated international markets including China, Canada, Europe, the United States of America, Taiwan, Korea, and Japan. In Fiscals 2019, 2020 and 2021, revenue generated from customers outside India represented 72.29%, 68.76% and 67.86%, of our revenue from operations, respectively, with a significant portion generated from China. We have been supplying to customers in such regulated markets, which sets us apart from other Indian companies and enables us to compete effectively in terms of cost and quality, with global players in our industry (*Source: F&S Reports*).

Due to catalytic processes and backward integration, our raw materials largely comprise of commodity chemicals. Our key raw materials comprise of major bulk chemicals including phenol, hydrogen peroxide, acetic anhydride, acetone, and tertiary butanol, which are widely available, unlike conventionally used diphenols such as hydroquinone and catechol that are susceptible to increased price volatility due to controlled supply (*Source: F&S Reports*). We engage with numerous suppliers for our raw materials that are available domestically and imported in large volumes in India, enabling us to have greater control over our costs.

Experienced Promoters and senior management with extensive domain knowledge

We are led by our Promoters comprising our Managing Director Ashok Ramnarayan Boob, our Whole-Time Directors Siddhartha Ashok Sikchi and Krishnakumar Ramnarayan Boob, and our Vice President Parth Ashok Maheshwari, who have a combined experience of over 60 years in the chemical industry. Each of our Promoters is a career-technocrat and is actively involved in the critical aspects of our business, including R&D and plant engineering.

Ashok Ramnarayan Boob is credited with our manufacturing capabilities and projects and has over 25 years of experience in the chemical industry. Siddhartha Ashok Sikchi is responsible for our R&D and marketing efforts and has over 10 years of experience in the specialty chemical industry. Both, Ashok Ramnarayan Boob and Siddhartha Ashok Sikchi, are alumni of the Institute of Chemical Technology (formerly University Department of Chemical Technology), Mumbai ("**ICT**"). Siddhartha Ashok Sikchi has also completed his Masters in Synthetic Organic Chemistry from University of Manitoba, Canada. Krishnakumar Ramnarayan Boob is responsible for our liaising and purchasing activities. He is an alumnus of University of Mumbai, and has over 25 years of experience in the chemical industry. Parth Ashok Maheshwari supports our overall business operations, with over five years of experience in the chemical industry. He is an alumnus of Savitribai Phule University, Pune University and Babson College. All the four Promoters are involved in the day-to-day management of the Company.

We additionally benefit from the industry and academic experience of Padmashri Professor Ganapati Dadasaheb Yadav, Non-Executive, Independent Director. Pradeep Ramwilas Rathi, Non-Executive, Chairman of our Board, brings over two decades of experience in the chemical industry. We are also supported by Sanjay Kothari, Non-Executive Director, who has been instrumental in instilling financial prudence to our operations. Padmashri Professor Ganapati Dadasaheb Yadav, Pradeep Ramwilas Rathi and Sanjay Kothari have been members of our Board for over a decade, reflecting our commitment towards long-term value creation for our business.

Strong and long-standing relationships with key customers

Our customers comprise direct end-use manufacturers as well as institutional distributors. A majority of our revenues is generated from direct sales to customers. Certain of our key customers include Bayer AG and SRF Limited for agro-chemical products, Gennex Laboratories for pharmaceutical intermediates, and Vinati Organics Limited for specialty monomer products, Nutriad International NV for animal nutrition. Some of our customers have also been associated with us for over 10 years as of May 31, 2021.

Our products are used as key starting level materials, as inhibitors, or additives by our customers for their finished products, for sale in regulated markets. Our customer engagements are therefore dependent on delivering quality products consistently, and it could take potential customers few years to approve us as suppliers, based on quality control systems and product approvals across jurisdictions by multiple regulators. Due to the resources involved in engaging with new suppliers, customers are less inclined to pursue alternate supply sources. This provides us with an advantage over new entrants that would need to make significant investments and endure a long gestation period with potential customers in order to effectively compete.

We believe our ability to meet the demand for, and quality of, our products, at competitive prices, has resulted in strong and long-standing relationships with various multinational corporations. Revenue generated from our top 10 customers as of March 31, 2021, represented 47.90% of our revenue from operations in Fiscal 2021. These enduring customer relationships have helped us expand our product offerings and geographic reach. Our long-term relationships and ongoing active engagements with customers also allow us to plan our capital expenditure, enhance our ability to benefit from increasing economies of scale with stronger purchasing power for raw materials and a lower cost base, thereby ensuring a competitive cost structure to achieve sustainable growth and profitability.

Automated manufacturing facilities with proven design and commercialization capabilities and strong focus on EHS

We have two manufacturing facilities in India with 11 production lines (including three lines for catalyst production and regeneration), which had a combined installed capacity of 29,900 MTPA as of March 31, 2021. We have recently set-up a unit at our third manufacturing facility. As majority of our sales are through exports, both facilities are strategically located at Kurkumbh (Maharashtra), which is in close proximity to the JNPT port.

With dedicated production lines for our key products, we aim to limit losses and capacity reductions that are typically incurred during transitioning between products. We also have multiple lines across separate units for our key products to limit contagion risk, and consistently meet the demand for these products. Each facility is equipped to function independently, with its own quality department, effluent treatment plant, warehouse, and R&D unit. Our facilities are automated to an extent which helps maintain consistent product quality and reduces overhead costs, thereby reducing our production costs, mitigating exposure to human error and industrial accidents involving labour force.

Our operations have received sustainability certifications from Ecovadis and Together for Sustainability, and are routinely audited and approved by certain of our customers. In addition, our facility for manufacturing BHA and Ascorbyl Palmitate is also registered with the US FDA as an approved food facility. For further information on our facilities certifications, see " – *Manufacturing Facilities*" on page 129.

Our captive solar plants meet part of our power requirements at our facilities, which improves cost efficiencies and results in better utilization of resources. As of March 31, 2021, the direct current capacity of our captive solar power plant was 5.42 MW. We have cumulatively consumed 6.34 million units of electricity from our captive solar power plants in Fiscal 2021. In addition, our eco-friendly production processes have led to limited effluent discharge, making our effluent generation among the lowest in the specialty chemicals industry. (*Source: F&S Reports*). As a result, we have not received any material observations from the pollution control board in India with respect to our manufacturing facilities.

We leverage our in-house process design expertise to carry out timely capacity expansions at our facilities to cater to the increased demand for our products. Our in-house capabilities also enable us to optimise capital expenditure for our facility expansion activities. As a result, our asset turns are among the highest in the chemical industry (*Source: F&S Reports*).

Strong and consistent financial performance in the last three Fiscals

We have organically grown our operations and are among the most profitable specialty chemical companies globally (*Source: F&S Reports*). The table below sets forth certain key financial information for the periods indicated:

	As of/ for the years ended March 31,			CAGR
	2019	2020	2021	2019 – 2021
	(₹ million, except percentages)			
Revenue from operations	3,932.70	4,193.00	5,124.28	14.15%
Profit for the period	976.58	1,396.31	1,983.80	42.53%
PAT Margin	24.83%	33.30%	38.71%	24.86%
EBITDA	1,476.02	1,961.51	2,845.97	38.86%
EBITDA Margin	37.53%	46.78%	55.54%	21.65%
Adjusted EBITDA	1,363.09	1,852.86	2,589.54	37.83%
Adjusted EBITDA Margin	34.66%	44.19%	50.53%	20.75%
ROCE	50.75%	58.48%	73.89%	20.66%
ROE	35.90%	40.82%	36.76%	1.19%
Net Cash from Operating Activities	847.38	1,601.03	1,928.45	50.86%

Our operations have grown over the years predominantly based on our internal accruals. We have been declaring and paying out dividend to shareholders consistently since Fiscal 2012.Our profitability is primarily attributable to our cost-efficiencies driven by optimization of raw material cost. Cost of material consumed represented 26.90% of our revenue from operations in the Fiscal 2021. Our asset turns are among the highest in the chemical industry (*Source: F&S Reports*), underscoring our commitment to operationalizing our manufacturing facilities in a timely and cost efficient manner.

Strategies

Leverage our leadership position in the specialty chemicals industry to capitalize on industry opportunities

The global chemicals market is valued at US$ 4,738 billion in 2019 with China accounting for 40% of the market share. The global chemicals market is expected to grow at a CAGR of 6.2% to US$ 6,785 billion from 2019 to 2025. The overall market for specialty chemicals was valued at US$ 800 billion in 2019, and is expected to record a growth rate of 5% to 6% over the next five years. The tightening of environmental norms in China and the recent trade dispute between China and the United States has reduced Chinese exports and resulted in shifting the source of key raw materials from China to India. This tightening of the environmental norms have resulted in increase in operating costs, closure and relocation of manufacturing facilities along with rising labour costs. While these may not be permanent trends, these will involve significant costs of production for Chinese companies, enabling India to significantly strengthen its position in the global supply chain and position itself as a viable alternative for global players seeking a de-risked supply chain while retaining sourcing costs. Pharmaceuticals and agrochemicals sectors are expected to benefit from this as Chinese manufacturers continue to operate at lower capacity levels, given increased monitoring of safety standards and compliance norms (*Source: F&S Reports*).

We believe we are well positioned to capitalize on these opportunities in the specialty chemicals segment due to our lower cost of production in India as compared to imports from China (*Source: F&S Reports*), and based on our established relationships with multinational corporations. In particular, we propose to introduce new products with varied applications across industries, and continue to design catalysts to improve process and cost efficiencies in our operations. We aim to achieve this by leveraging on our existing R&D capabilities, as well as by evaluating strategic acquisition opportunities. We also intend to capitalize on the growing demand for our products by expanding our manufacturing capacities and strengthening our distribution network in existing markets and gaining access to newer markets.

Leverage our R&D capabilities and understanding of catalysis to continue process re-engineering, further enhancing our product portfolio

We intend to continue to focus on speciality chemicals that find applications in high-growth industries and leverage our deep understanding of complex chemistries to create an alternate supply chain for our customers using cleaner technologies and cost effective processes.

To expand our product portfolio, we seek to identify products with high demand that only limited manufacturers produce within India and globally. We also intend to continue to explore high margin downstream product lines, which have low competition and multiple applications. For instance, we are in the process of developing a portfolio of stabilizer products to be used as additives/ stabilizers by manufacturers. We are similarly engaged in developing catalytic systems to make intermediates for application in high-growth industries including paints and coatings, adhesives and sealants, that are expected to be driven by growth in the infrastructure segment (*Source: F&S Reports*).

We aim to continue to refine our existing processes in terms of improving yields and efficiencies, and enhancing backward integration, by leveraging our expertise on complex chemistries such as halogenation, hydrogenation, oxidation, Grignard chemistry, and coupling reactions, that we have generated over time. We intend to develop eco-friendly, cost effective processes through biphasic or triphasic reactions, in the form of either vapour-phase reactions, liquid-solid reactions, or liquid-liquid-solid reactions.

We are also in the process of expanding our R&D infrastructure by setting-up an additional R&D unit at Facility III at Kurkumbh (Maharashtra), where we propose to install R&D equipment for synthesizing new products and certain catalysts under development.

Expand manufacturing capacities of existing products and set up additional capacities for new products

Our product portfolio is aligned to the changing global and Indian trend of environmentally friendly chemicals, and we intend to leverage on the aggressive growth rates of our products. For instance, the global market for MEHQ, Anisole and AP is expected to grow at approximately 5% to 6% over the next five years, and for BHA, 4-MAP and DCC is expected to grow by approximately 4% over the same period (*Source: F&S Reports*). For further information, see "*Industry Overview*" on page 94. To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to and are in the process of expanding the manufacturing capacities for few of our existing products. We also intend to add manufacturing capacities for certain new products that will form part of our stabilizer/ additive product portfolio, that we are in the process of developing, for application in paints and coatings, pharmaceutical, flavours and fragrance, and agriculture industries. The markets for paints and coatings, pharmaceutical chemicals, flavours and fragrance, and agrochemical industries are expected to grow at CAGRs of 5.1%, 6.1%, 5.2% and 5.8% from 2019 to 2025, respectively (*Source: F&S Reports*).

To achieve expanded capacities, we have recently set-up a unit at our third manufacturing facility that is being constructed adjacent to our existing facilities at Kurkumbh (Maharashtra), and have recently been allotted land for the construction of a fourth facility in Kurkumbh (Maharashtra).

Continue to strengthen our presence in India and expand our sales and distribution network in international markets

In order to serve our existing direct end-use customers and distributors, as well as to secure new direct end-use customers and distributors and expand the reach of our products to new markets, we intend to expand globally. We intend to achieve this by having dedicated teams whose primary focus will be on exports in international markets and in certain focus geographies, such as Europe, China and Americas. We intend to create a distribution network and channel partners across geographies and build capabilities to serve such jurisdictions.

Our focus will be to increase the number of stock points we have globally and strengthen our sales team in India to ensure that we are able to deliver products to our customers in a timely manner. Going forward, we intend to continue to leverage our existing sales and marketing network, diversified product portfolio and our industry standing to establish relationships with new multinational, regional and local customers and expand our customer base to grow our market share effectively.

PRODUCTS

As of May 31, 2021, our product portfolio comprised of a range of specialty chemicals, including polymerization inhibitor products such as MEHQ, pre-cursors for pharmaceutical products such as Guaiacol, food and feed grade antioxidants such as BHA and Ascorbyl Palmitate, products with UV blocker properties such as 4-MAP, and anti-retroviral reagents such as DCC. In addition, while we manufacture Anisole largely for captive consumption, we also supply Anisole as a key starting material for agrochemicals, flavors and fragrance products.

We broadly classify our products into the following segments: (i) Performance Chemicals, comprising MEHQ, BHA and Ascorbyl Palmitate; (ii) Pharmaceutical Intermediates, comprising Guaiacol and DCC; (iii) FMCG Chemicals, comprising 4-MAP and Anisole; and (iv) Other Products, comprising acetic acid, tertiary butyl toluene, ortho cresol and para cresol, that are generated as by-products of our manufacturing processes.

The following table sets forth the revenue from operations contributed by each of our product segments and the percentage of our total income they represent for Fiscals 2019, 2020 and 2021:

Products	Fiscal 2019		Fiscal 2020		Fiscal 2021	
	Revenue from Operations (₹ million)	As % of Total Income (%)	Revenue from Operations (₹ million)	As % of Total Income (%)	Revenue from Operations (₹ million)	As % of Total Income (%)
Performance Chemicals	2,490.35	63.32%	2,721.18	64.90%	3,547.65	69.23%
Pharmaceutical Intermediates	681.05	17.32%	643.76	15.35%	830.06	16.20%
FMCG Chemicals	612.27	15.57%	665.68	15.88%	632.23	12.34%
Other Products	64.68	1.64%	62.76	1.50%	59.47	1.16%
Other Operating Revenue	84.35	2.14%	99.62	2.38%	54.87	1.07%
Total	**3,932.70**	**100.00%**	**4,193.00**	**100.00%**	5,124.28	100.00%

Monomethyl ether of hydroquinone ("MEHQ")

We commenced manufacturing MEHQ in Fiscal 2008, and were the largest manufacturer of MEHQ globally, in terms of installed manufacturing capacities as of March 31, 2021. (*Source: F&S Reports*)

MEHQ is used as a polymerization inhibitor in acrylic acids, acrylic esters, and super absorbent polymers, and is therefore primarily used in the monomer industry, as well as a pre-cursor for the agrochemical industry.

Guaiacol

We commenced manufacturing Guaiacol in Fiscal 2008, and were the third largest manufacturer of Guaiacol globally in terms of installed manufacturing capacities as of March 31, 2021. (*Source: F&S Reports*)

Guaiacol is a pre-cursor to manufacture active pharmaceutical ingredients ("**APIs**"), and is primarily used in the pharmaceutical industry in the production of cough syrups. It is also used as a key raw material for Vanillin, a food and flavor enhancer.

Butylated Hydroxy Anisole ("BHA") and Ascorbyl Palmitate

We commenced manufacturing BHA in Fiscal 2015, and were the largest manufacturer of BHA globally, in terms of installed manufacturing capacities as of March 31, 2021. (*Source: F&S Reports*) BHA is used as an anti-oxidant in the food and feed industry, in animal feed and nutrition. We manufacturer of sulphur-free BHA in India, as compared to other manufacturers. (*Source: F&S Reports*)

We commenced manufacturing Ascorbyl Palmitate in Fiscal 2020, and were the second largest manufacturer of Ascorbyl Palmitate in India in terms of installed manufacturing capacities as of March 31, 2021 (*Source: F&S Reports*). Ascorbyl Palmitate is primarily used in infant food formulations, breakfast cereals and cosmetics.

4-Methoxy Acetophenone ("4-MAP")

We commenced manufacturing 4-MAP in Fiscal 2012, and were the largest manufacturer of 4-MAP globally, in terms of installed manufacturing capacities as of March 31, 2021. (*Source: F&S Reports*) Through our catalytic processes, we manufacture 4-MAP without using aluminium chloride, which is environmentally hazardous and effluent generating.

4-MAP is a specialty chemical with UV blocker properties, primarily used in the cosmetics industry.

Dicyclohexyl Carbodimide ("DCC")

We commenced manufacturing DCC in Fiscal 2020, and were the largest manufacturer of DCC in India and among the largest manufacturers of DCC globally, in terms of installed manufacturing capacities as of March 31, 2021. (*Source: F&S Reports*) We manufacture DCC without using conventionally used carbon di sulphide, which enables our DCC to be sulphur-free.

DCC acts as an anti-retroviral reagent, and is primarily used in the pharmaceutical industry.

Anisole

We commenced manufacturing Anisole in Fiscal 2018 using the liquid-phase technology. We subsequently also commercialized vapour-phase technology for manufacturing Anisole. We were the largest manufacturer of Anisole globally, in terms of installed manufacturing capacities as of March 31, 2021. (*Source: F&S Reports*)

Most of the Anisole we manufacture is consumed captively in the production of our key products, including MEHQ, Guaiacol, 4-MAP, and BHA. Anisole is primarily used in the fragrance industry.

MANUFACTURING

Manufacturing Facilities

Our Company has two manufacturing facilities, both of which are located at Kurkumbh (Maharashtra). We have also recently set-up a unit at our third manufacturing facility, adjacent to our existing facilities in Kurkumbh (Maharashtra).

Further, as our operations are primarily export oriented, our facilities are strategically located at close proximity to the JNPT Port. The power requirements for our facilities are partly met by the local state power grid and partly through the captive solar plants that we have set-up at the premises of our facilities. We procure water for use at our facilities from the Maharashtra Industrial Development Corporation.

Each of our manufacturing facilities has an effluent treatment plant equipped with aerobic as well as anaerobic systems. These effluent treatment plants treat our industrial waste water and recycle it for reuse, making both facilities zero liquid discharge facilities.

The table below sets forth certain information regarding the products manufactured at our manufacturing facilities as of March 31, 2021:

Manufacturing Facility	MEHQ	Guaiacol	BHA	4-MAP	DCC	AP	Anisole	Catalyst
Facility I	✓	✓	✓	✓	-	-	✓	✓
Facility II	✓	✓	-	-	✓	✓	✓	✓

Facility I

The manufacturing facility is located at Plot No. D-28, Kurkumbh Industrial Area, Kurkumbh, Daund, Pune, Maharashtra, India, and commenced operations in Fiscal 2008. As of May 31, 2021, our Facility I comprised seven units.

Facility II

The manufacturing facility is located at Plot No. D-26/3, Kurkumbh Industrial Area, Kurkumbh, Pune, Maharashtra, India, and commenced operations in Fiscal 2019. As of May 31, 2021, our Facility II comprised four units.

To maintain a steady flow of electrical power and to protect against power surges, our facilities are equipped with uninterruptible power supply devices. In the event of a power failure, all our existing manufacturing facilities are equipped with diesel generators that will automatically begin to run.

Capacity and Capacity Utilization

The following table sets forth certain information relating to our capacity utilization of our manufacturing facilities calculated on the basis of total installed production capacity and actual production as of/ for the periods indicated below:

Location	Installed Production Capacity and Capacity Utilization as at and for the year ended (in metric tonnes)[(1) (2) (3) (4)]								
	March 31, 2019			March 31, 2020			March 31, 2021		
	Installed Capacity[(1)]	Actual Production[(2)]	% Utilization[(3)]	Installed Capacity[(1)]	Actual Production[(2)]	% Utilization[(3)]	Installed Capacity[(1)]	Actual Production[(2)]	% Utilization[(3)]
Performance Chemicals	8,580	4,804	55.99%	8,680	5,363	61.79%	9,640	7,081	73.46%
Pharmaceutical Intermediates	3,060	2,143	70.04%	3,780	1,942	51.37%	4,060	2,602	64.08%
FMCG Chemicals	9,600	7,471	77.83%	15,600	10,360	66.41%	16,200	11,826	73.00%
Total	**21,240**	**14,418**	**67.88%**	**28,060**	**17,665**	**62.95%**	**29,900**	**21,509**	**71.94%**

#As certified by Kishor Sharad Deshpande, Chartered Engineer, by certificate dated June 21, 2021.

(1) *The information relating to the installed capacity as of the dates included above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of specialty chemicals industry after examining the calculations and explanations provided by the Company and the reactor capacities and other ancillary equipment installed at the facilities. The assumptions and estimates taken into account include the following: (i) Number of working days in a year - 365; (ii) Number days in a month - 30; (iii) Number of shifts in a day - 3; (iv) Number of hours - 8 and (v) Schedule preventive maintenance days - 8.*

(2) *The information relating to the actual production as of the dates included above are based on the examination of the SAP/ internal production records provided by the Company, explanations provided by the Company, the period during which the Manufacturing Facilities operate in a year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies.*

(3) *Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant period.*

(4) *Actual production levels and utilization rates may vary significantly from the capacity information of our manufacturing facilities included in this Red Herring Prospectus and undue reliance should not be placed on such information. See "Risk Factors – Information relating to the installed manufacturing capacity of our manufacturing facilities included in this Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary." on page 44.*

Additional Production Facilities

In order to meet the growing market demand for our key products and to develop and introduce newer products, we are in the process of setting-up two new manufacturing facilities.

We are in the process of setting-up a third facility at Plot No. D-25/1/1, Kurkumbh Industrial Area, Kurkumbh, Pune, Maharashtra, India, ("**Facility III**"), which is proposed to be used to manufacture Anisole and certain Performance Chemicals, including MEHQ. We have recently commenced operations in one unit of Facility III.

We have also recently been allotted land located at Plot No. 3, MIDC Additional Kurkumbh (Patas), Industrial Area, Tal Daund, Pune (Maharashtra) for our fourth facility ("**Facility IV**"), where we intend to manufacture stabilizer and other intermediates for application in pharmaceutical, flavors and fragrance and agriculture industries.

Consistent with past practice, we intend to add capacity in a phased manner to ensure that we utilize our capacity at optimal levels.

The information on our proposed expansion plans are indicative and remain subject to the potential problems and uncertainties that construction projects face including cost overruns or delays. We are in the process of obtaining various consents, approvals and acknowledgements from regulatory authorities that are routine in nature in relation to Facility III and Facility IV, to the extent applicable. Also see, "*Risk Factors – Our proposed capacity expansion plans relating to our manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns.*" on page 29.

Manufacturing Process

The raw materials are charged continuously/ batch-wise with a catalyst in reactors of suitable capacity and design based on the type of reaction. Other technical parameters such as temperature, pressure and reaction time are maintained based on the type of reaction to be carried out.

When the reaction is complete, the product is analyzed and subjected to further processing, which includes filtration, continuous/ batch distillations, purification processes to get the required quality product. The product is ultimately tested to ensure it meets the applicable specifications before it is supplied to the customer.

RESEARCH AND DEVELOPMENT

As of May 31, 2021, we have two R&D units within the premises of our manufacturing facilities. Our R&D activities are focused on designing catalysts, using them to create new manufacturing processes and improving existing processes and new chemistry with a focus on developing eco-friendly processes by eliminating use of toxic starting materials, to improve the commercial viability of our finished products.

Our R&D abilities have led to identification, design, and customization of catalysts that we utilize across our processes in order to improve yields, reduce effluents and increase cost competitiveness. For instance, we have designed, developed, and regenerated, a catalyst for manufacturing Anisole from phenol and methanol. The catalyst is used in a vapour-phase reaction that eliminates the use of conventional starting materials of DMS and caustic soda that generate effluent. Through our catalytic production process for Anisole, we generate only water as the effluent discharged.

We have broadly structured our R&D activities into three verticals: (i) for existing products and catalyst systems, to improve yields and selectivity in our existing product portfolio; (ii) for expanding our product portfolio in the stabilizer and additives business; and (iii) for identifying products with high demand that only limited manufacturers produce within India and globally. In particular, we focus on speciality chemicals which find applications in critical industries such as pharmaceuticals and agriculture.

Our in house R&D units, situated in Facility I and Facility II have technological equipment to develop, test and evaluate our products and have been recognized by the Government of India's Department of Scientific and Industrial Research as in-house R&D units. As of May 31, 2021, we employed 36 personnel for R&D functions. We also intend to expand our R&D capabilities by setting-up a dedicated R&D unit at Facility III.

QUALITY CONTROL AND QUALITY ASSURANCE

Facility I and Facility II have received various certifications such as ISO 9001: 2015, ISO 140001:2015 and ISO 45001:2018, and FAMI-QS, OK Kosher, Food Safety System Certification 22000, RSPO MB, FSSAI and Halal.

We believe that maintaining high standard of quality of our products is critical to our brand and continued growth. Across our manufacturing facilities, we have put in place quality systems that cover all areas of our business processes from manufacturing, supply chain to product delivery to ensure consistent quality, efficacy and safety of products. Through our regular internal audits, we ensure that our manufacturing facilities are in compliance with local and international regulatory requirements.

We implement and maintain industry practices including for, adequate premises and space, suitable equipment and services, appropriate materials, approved procedures and instructions, and equipped laboratories. Our employees are required to undergo training programs designed to update them on latest quality norms and standards periodically.

Our quality function monitors all stages of product development. Various in-process quality checks are performed to monitor product quality during manufacturing process. Final finished products are tested as per the predetermined quality specifications before release in the market. The manufactured product is subject to our quality control and testing functions, comprising different levels of testing to test the physical properties, purity and quality of the end products to ensure traceability and repeatability. We employ trained and experienced members to conduct evaluation procedures for quality control and testing. In addition to our in-house quality testing of our products, we conduct periodic quality audits of our manufacturing units to verify and ascertain effective implementation of quality management systems. We have an equipped quality laboratory where the manufactured products are tested with respect to their application. All of our manufacturing facilities also have waste management and environment protection systems designed to comply with laws on environmental pollution.

We have checks and testing systems in place, from the procurement of raw materials to the manufactured product, to ensure the quality of our products and to ensure that the products that we manufacture do not deviate from our customers' specifications.

HEALTH, SAFETY AND ENVIRONMENT

We have consistently focused on environmentally conscious processes, and as a result, we have not received any closure notice or other adverse directions from the Maharashtra Pollution Control Board with respect to any of our manufacturing facilities. We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an occupational health and safety policy that is aimed at, *inter alia*, complying with applicable environmental laws and regulations and voluntary commitments, providing a health and safe work environment, effectively communicating with facility employees, suppliers, regulators, customers and eliminating or reducing the release of contaminants in the environment. 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 believe that our facilities possess adequate effluent treatment processes and minimize any contamination of the surrounding environment or pollution. As part of our efforts to minimize effluent discharge and encourage sustainable and environmentally conscious manufacturing processes, we have invested in renewable energy projects, including by installing solar panels for generating electricity that is fed into the state power grid, against which our facilities avail credit for electricity consumed.

Our operations have received sustainability certifications from Ecovadis and Together for Sustainability, and are routinely audited and approved by certain of our customers. In addition, our facilities for manufacturing BHA and Ascorbyl Palmitate are also registered with the US FDA as approved food facilities.

Also see, "*Risk Factors – We are subject to increasingly stringent environmental, health and safety laws, regulations and standards, as regulated by, inter alia, the State Environmental Impact Assessment Authority, Maharashtra Pollution Control Board and Central Pollution Control Board, respectively. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.*" on page 30.

RAW MATERIALS

The primary raw materials used in the manufacture of our products include crude oil derivatives such as phenol and other commodities such as hydrogen peroxide. We also use acetone, cyclohexylamine, methanol, tertiary butyl alcohol, and acetic anhydride. In Fiscals 2019, 2020 and 2021, the cost of material consumed represented 45.42%, 30.52% and 26.90%, respectively, of our revenue from operations.

We procure our raw materials from the domestic and international market, relying primarily on spot contracts. As we typically do not enter into fixed-price agreements, we are subject to the risk of increases in the prices of raw materials. We typically purchase raw materials based on the historical levels of sales, actual sales orders on hand and the anticipated production requirements taking into consideration any expected fluctuation in raw material prices and delivery delay.

SALES AND DISTRIBUTION NETWORK

Our direct customers and distributors comprise entities located in India and outside India, including China, United States, Europe, Japan, Taiwan and Korea.

The table below sets forth certain information on the sale of our products from different regions globally, in Fiscals 2019, 2020 and 2021:

Region	**Fiscal**					
	2019		**2020**		**2021**	
	Amount (₹ million)	**Percentage of Total Sales (%)**	**Amount (₹ million)**	**Percentage of Total Sales (%)**	**Amount (₹ million)**	**Percentage of Total Sales (%)**
In India	**1,005.44**	**26.13%**	**1,210.26**	**29.57%**	**1,592.22**	31.41%
Outside India/ Exports						
China	1,510.19	39.24%	1,454.57	35.53%	1,881.75	37.12%
Europe (1)	787.27	20.46%	779.30	19.04%	700.50	13.82%
Americas (2)	377.55	9.81%	370.77	9.06%	581.67	11.47%
ROW (3)	167.90	4.36%	278.48	6.80%	313.27	6.18%
Total Exports	**2,842.91**	**73.87%**	**2,883.12**	**70.43%**	3,447.19	68.59%
Grand Total	**3,848.35**	**100.00%**	**4,093.38**	**100.00%**	5,069.41	**100.00%**

Notes:

(1) Europe comprises countries forming part of the European Union, Russia, and the United Kingdom

(2) Americas comprises North America and South America

(3) Rest of the World comprises Asia (excluding China and India), South Africa, Australia, Canada and UAE

INVENTORY MANAGEMENT

Our finished products are stored on-site at our manufacturing facilities. The raw materials are also stored at our warehouses on-site. We typically keep up to three to four months of inventory including raw materials, work in progress and finished good at our facilities to mitigate the risk of raw material price movements. These inventory levels are planned based on historical trends and expected orders, which are confirmed due to our long-standing relationships with customers. We maintain a lead-time material requirement planning system and utilize our ERP software to manage our levels of inventory on a real-time basis.

LOGISTICS

We transport our finished products by road, sea and air. We rely on freight forwarders to deliver our products. We do not have formal contractual relationships with our freight forwarders. The pricing for freight is negotiated and agreed to on spot basis.

We sell our products on a cost, insurance and freight basis, on a consignee basis and on a door delivery/ DDP basis. Where we are responsible for shipping the products to the customer, our freight forwarders arrange for the finished products to be trucked to our customers in India or to the port for export, as applicable. Our custom house agents handle the requisite clearance procedures. For exports, our freight forwarders co-ordinate with the shipping line/ airline to file and release the necessary bills of lading/ air waybills. Incoterms determine the exact delivery terms, which would include how the goods will be delivered, who pays, who is responsible and who handles specific procedures such as loading and unloading.

Each of our facilities are equipped with a warehouse, enabling smooth functioning of our operations.

INTELLECTUAL PROPERTY

We have applied for a trademark registration for our corporate logo under class 1 of the Trade Mark Act, 1999, and Trade Rules, 2002, before the Registrar of Trade Marks. The application has been made in the name of the Company. As of the date of the Red Herring Prospectus, the application has been objected to. In the past, we had also made applications seeking trademark registration for our "*Clean*" logo , that were refused.

Additionally, we have obtained the registration for the domain name cleanscience.co.in, which is renewable periodically.

Also see, "*Risk Factors – None of our catalytic processes are patented and our intellectual property may not be adequately protected, which may have a material adverse impact on our business and results of operations*" on page 21.

INFORMATION TECHNOLOGY

Our information technology systems support key aspects of our business, from production, purchasing, sales, planning, operations and documentation to accounts and customer service. Our Company has implemented enterprise resource planning system to leverage business value by centralizing accounting systems across all locations in India, leading to cost optimization. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods, payments to vendors and contract suppliers, receivables from customers and distribution network. We also utilize an enterprise resource planning solution that covers production, finance, sales, purchase and inventory, across all our offices and manufacturing facilities.

INSURANCE

We maintain an insurance policy that insures against material damage to buildings, facilities and machinery, furniture, fixtures, fittings, stocks, and machinery breakdown. We also maintain a marine cargo insurance policy that insures consignments of goods by sea, air and by courier until delivery to the customer's warehouse and inland movement of bulk cargo in road tankers. In addition, we maintain a commercial general liability insurance that covers liability in claims for bodily injury (and medical payments), property damage, personal and advertising injury. We have also obtained a COVID-19 insurance policy for our employees to cover pre and post-hospitalization expenses and emergency road ambulance expenses.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance.

Also see, "*Risk Factors – An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability*" on page 42.

COMPETITION

The specialty chemicals industry presents significant entry barriers, including customer validation and approvals, expectation from customers for process innovation and cost reduction, high quality standards and stringent specifications. From the product testing stage, to the batch procurement phase, to the eventual customer approval stage – acquiring a new end customer could take a few years depending on product complexity. We face competition from both domestic and multinational corporations on the basis of pricing, relationships with customers, product quality, and process innovation.

With globally comparable manufacturing capacities, and as one of the key companies focusing green chemistries, we are well-positioned to leverage the growing demand for clean products globally, in order to grow our market share. (*Source: F&S Reports*). For further information on the competition we face in the markets in which we operate, see "*Industry Overview*" beginning on page 94.

EMPLOYEES

As of May 31, 2021, we had 349 permanent employees. The following table sets forth a breakdown of our employees by function as of May 31, 2021:

Function	Number of Employees
Accounts	17
Boiler	9
Civil	3
Electrical & Instrumentation, Maintenance	10
Effluent treatment plants	20
HR & Administration	18
IT	1
Import	2
Maintenance	17
Operations	1
Production	119
Purchase	8
Quality Assurance	4
Quality Check	28
Research and Development	36
SH & E	16
Stores	22
Sales	9
Project	6
Secretarial & Legal	3
Total	**349**

In addition, we contract with third-party manpower and services firms for the supply of contract labour for certain services at our manufacturing facilities. The number of contract labourers engaged by us varies from time to time, based on the nature and extent of work contracted to independent contractors. As of May 31, 2021, we engaged 552 personnel through contract labour. Our employees are not unionized into any labour or workers' unions.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

We have constituted a corporate social responsibility ("**CSR**") committee of our Board of Directors (the "**CSR Committee**") and have adopted and implemented a CSR policy on March 20, 2021, pursuant to which we carry out our CSR activities, by making contributions to organisations engaged in education programs and medical research. Our Company has made contributions to the CSTPL Foundation, a Group Company carrying out CSR activities including education, healthcare and medical relief, vocational skills, environment sustainability and other activities covered under Schedule VII of the Companies Act.

PROPERTIES

Our Registered Office and Corporate Office is located at Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune – 411 013, Maharashtra, India, and is held by us on a freehold basis.

We operate Facility I and Facility II at Kurkumbh, Maharashtra, the land for which is held by our Company on leasehold basis. Further, our Company also holds the land for Facility III, where one unit has recently commenced operations, on a leasehold basis. Set forth below is certain information on our properties:

Facility	Address
Facility I	Plot No. D-28, Kurkumbh Industrial Area, Kurkumbh, Daund, Pune, Maharashtra, India
Facility II	Plot No. D-26/3, Kurkumbh Industrial Area, Kurkumbh, Pune, Maharashtra, India
Facility III	Plot No. D-25/1/1, Kurkumbh Industrial Area, Kurkumbh, Pune, Maharashtra, India

In addition, we have recently been allotted land on a leasehold basis at Plot No. 3, MIDC Additional Kurkumbh (Patas), Industrial Area, Tal Daund, Pune (Maharashtra), where we intend to establish our fourth manufacturing facility.

KEY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws currently in force in India, which are applicable to our Company. The information detailed in this section has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretation thereof, which are subject to change or modifications by subsequent legislative, regulatory, administrative or judicial decisions.

For details of regulatory approvals obtained by us in compliance with the applicable regulations, see "Government and Other Approvals" on page 281.

Laws in relation to chemical manufacturing business

The laws in relation to our chemical manufacturing business, *inter alia*, regulate (i) the import and manufacture of certain products, (ii) quality control of certain products, (iii) sale and distribution of certain products, and (iv) the operation of our production facilities. Our chemical manufacturing business is regulated both by laws enacted by the Central Government and State Governments.

Narcotic Drugs and Psychotropic Substances Act, 1985 ("Narcotic Act")

The Narcotic Act sets out the statutory framework for drug law enforcement in India. It prohibits, inter alia, the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, transhipment and import and export of narcotic drugs and psychotropic substances, except for medical or scientific purposes. It also controls and regulates controlled substances which can be used in the manufacturing of narcotic drugs and psychotropic substances. Offences under the Narcotic Act are essentially related to violations of the various prohibitions imposed under the Narcotic Act, punishable by both imprisonment and monetary fines. The Narcotic Act was amended in 1989 to mandate death penalty for second offences relating to contraventions involving more than certain quantities of specified narcotic drugs and psychotropic substances. Subsequently, the Narcotic Act was amended to remove restrictions on certain drugs called 'essential narcotic drugs' (narcotic drugs which have been notified for medical and scientific use) and to improve treatment and care for people dependent on drugs.

The Petroleum Act, 1934 ("Petroleum Act") and the Petroleum Rules, 2002 ("Petroleum Rules")

The Petroleum Act regulates the import, transport and storage of petroleum. Persons intending to use petroleum in the manner provided need to acquire a license for the same from relevant authorities.

The Central Government, may from time to time, declare by rules and notifications places where petroleum may be imported, the periods within which license shall be applied for, regulations relating to transport of petroleum, nature and conditions in which they may be stored etc.

The Petroleum Rules seek to regulate the delivery and dispatch of petroleum. Under the Petroleum Rules, no person is permitted to deliver or dispatch any petroleum to anyone in India other than the holder of a storage licence issued under the Petroleum Rules or his authorized agent or a port authority or railway administration or a person who is authorized under the Petroleum Act to store petroleum without a licence. Petroleum Rules, *inter alia*, prohibit the employment of children under the age of eighteen years and a person who is in a state of intoxication. Petroleum Rules also seek to regulate the importation of petroleum through licenses.

The Explosives Act, 1884 (the "Explosives Act")

This is a comprehensive legislation which regulates the manufacture, possession, sale, transportation, export and import of explosives. As per the definition of explosives under the Explosives Act, any substance, whether a single chemical compound or a mixture of substances, used or manufactured with an intent to produce a practical effect by explosion shall be covered under the Explosives Act.

The Central Government may, by notification, prohibit, either absolutely or subject to conditions, the manufacture and import of dangerous explosives. In furtherance to the purpose of the Explosives Act the Central Government has notified the Explosive Rules, 2008 in order to regulate the manufacture, import, export, transport and possession for sale or use of explosives.

The Boilers Act, 1923 (the "Boilers Act")

The Boilers Act and rules thereof encompass rules and regulations for the safe and proper construction, erection, repair, use and operation of boilers. The Boilers Act also lays down the process for formulation of boiler rules, examination by and appointment of boiler inspectors, provisions for inspection certifications and imposition of penalties for the violations of any provisions of the Boilers Act.

Ozone Depleting Substance (Regulation & Control) Rules (2000) (the "Ozone Depleting Substance (R&C)" rules)

The Ozone Depleting Substance (R&C) rules strictly control the production, import, purchase, sale, and use of ozone depleting substances ("**ODCs**") in India.

Environmental laws

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state and in the Centre. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are required to be periodically renewed.

The Environment Protection Act, 1986 (**the "Environment Protection Act"**) **and The Environment (Protection) Rules, 1986** (**the "Environment Protection Rules"**)

The Environment Protection Act was enacted to act as an "umbrella" legislation designed to provide a framework for coordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the Central Government to protect and improve environment quality, control, and reduce pollution.

The Environment Protection Rules framed under the Environment Protection Act lay down specific provisions regarding standards for emission or discharge of environmental pollutants, prohibition of carrying out industrial activities in certain geographical locations, procedures for function of environmental laboratories and submission of samples. The draft Environment (Protection) Amendment Rules, 2020 provide for regulations on use of membrane based water purification system which, if passed, shall be applicable to all filtration based purification or wastewater treatment system, where polymer based membrane is used and discarded at the end of its life.

Air (Prevention and Control of Pollution) Act, 1981 (**the "Air Act"**)

The Air Act was enacted and designed for the prevention, control and abatement of air pollution and establishes Central and State pollution control boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any person establishing or operating an industrial plant in an air pollution control area must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity.

The Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act was enacted to provide for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water. Further, the Water Act also provides for the establishment of boards with a view to carrying out the aforesaid purposes for conferring on and assigning to such boards powers and functions relating thereto.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Waste Rules")

The objective of the Hazardous Waste Rules is to control the collection, reception, treatment and storage of hazardous waste. The Hazardous Waste Rules prescribes for every person who is engaged in generation, treatment, processing, packaging, storage, transportation, use, collection, destruction, conversion, recycling, offering for sale, transfer or the like of hazardous and other wastes to obtain an authorisation from the relevant state pollution control board.

The Public Liability Insurance Act, 1991 (the "PLI Act")

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability under the legislation. The rules made under the PLI Act mandate that the owner has to contribute towards the environmental relief fund a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 (the "Chemical Accidents Rules")

The Chemical Accidents Rules, formulated pursuant to the provisions of the Environment Protection Act, seek to manage the occurrence of chemical accidents, by, *inter alia*, setting up a central crisis group and a central crisis alert system. The functions of the central crisis group, *inter alia* include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

Draft Environment Impact Assessment Notification 2020 ("EIA 2020")

Ministry of Environment, Forest and Climate Change has issued Draft Environment Impact Assessment Notification 2020 ("**EIA 2020**") which proposes to replace the erstwhile Environment Impact Assessment Notification, 2006. The EIA 2020, *inter alia,* contemplates two kinds of approvals, being (i) prior environment clearance with the approval of expert committees; and (ii) environmental permission or provision without the approval of expert committees. Certain projects including clay and sand extraction, digging well or foundations of buildings, solar thermal power plants and common effluent treatment plants have been exempted from such approvals.

Laws in relation to our solar energy operations

Electricity Act, 2003

The Electricity Act, 2003 ("**Electricity Act**") is the central legislation which covers, amongst others, generation, transmission, distribution, trading and use of electricity. It governs the establishment, operation and maintenance of any electricity generating company and prescribes technical standards in relation to the connectivity of generating companies with the grid. As per provisions of the Electricity Act, generating companies are required to establish, operate and maintain generating stations, sub-stations and dedicated transmission lines.

Under the Electricity Act, the State Electricity Regulatory Commissions ("**SERCs**") are required to promote cogeneration and generation of electricity from renewable sources of energy and sale of electricity to any person from sources other than the incumbent distribution licensee under the provisions of open access. The Electricity Act further requires the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee, which has been implemented in the form of renewable purchase obligations ("**RPOs**").

National Electricity Policy, 2005 ("National Electricity Policy")

The Government of India approved the National Electricity Policy on February 12, 2005, in accordance with the provisions of the Electricity Act. The National Electricity Policy lays down the guidelines for development of the power sector including renewable energy and aims to accelerate the development of power sector by providing supply of electricity to all areas and protecting interests of consumers and other stakeholders. The National Electricity Policy, *inter alia*, provides that the SERCs should specify appropriate tariffs in order to promote renewable energy, until renewable energy power producers relying on non-conventional technologies can compete with conventional sources of energy.

Industrial and labour laws

We are subject to various labour and industrial laws for the safety, protection, condition of working, employment terms and welfare of labourers and/or employees of us.

The Factories Act, 1948 (the "Factories Act")

The Factories Act defines a "factory" to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers even though there is no electrically aided manufacturing process being carried on. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories.

The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied.

Other labour laws

Further, in respect of our manufacturing facilities, we use the services of certain licensed contractors who in turn employ contract labour whose number exceeds twenty in respect of certain facilities. Accordingly, we are regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "**CLRA Act**"), and the rules framed thereunder which requires us to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labour. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities, and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time-period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

The Industrial Disputes Act, 1947, as amended, provides for statutory mechanism of settlement of all industrial disputes, a term which primarily refers to a dispute or difference between employers and workmen concerning employment or the terms of employment or with the conditions of labour of any person. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, layoffs and retrenchment.

The Employee's Compensation Act, 1923 (the "**Employee's Compensation Act**") aims at providing financial protection to employees and their dependents in case of accidental injury by means of payment of compensation by the employers. The compensation is also payable for some occupational diseases contracted by employees during the course of their employment. The Employee's Compensation Act prescribes that if personal injury is caused to an employee by accident during employment, his employer would be liable to pay him compensation.

We are subject to other laws concerning condition of working, benefit and welfare of our labourers and employees such as:

- The Industrial Employment (Standing Orders) Act, 1946
- The Employees State Insurance Act, 1948
- The Employees (Provident Fund and Miscellaneous Provisions) Act, 1952
- The Payment of Gratuity Act, 1972
- The Payment of Bonus Act, 1965
- The Minimum Wages Act, 1948
- The Payment of Wages Act, 1936
- The Equal Remuneration Act, 1976
- The Child Labour (Protection Regulation) Act, 1986
- The Maternity Benefit Act, 1961
- The Apprentices Act, 1961
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Interstate Migrant Workmen Act, 1979
- The Trade Unions Act, 1926

The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and different dates may be appointed for different provisions of the Occupational Safety, Health and Working Conditions Code, 2020. Once effective, it will subsume, *inter alia*, the Factories Act and the CLRA Act.

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, *inter alia*, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.

The Code on Wages, 2019 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.

The Industrial Relations Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Industrial Relations Code, 2020. Once effective, it will subsume the Trade Union Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Dispute Act, 1947.

Foreign Trade Laws

The Foreign Trade (Regulation and Development) Act, 1992 ("FTA") and the rules framed thereunder

The FTA is the main legislation concerning foreign trade in India. The FTA read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government:- (i) may make provisions for development and regulation of foreign trade by facilitating imports and increasing exports; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exceptions; (iii) is authorised to formulate and announce the foreign trade policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the FTA, including formulation and implementation of the foreign trade policy. The FTA requires every importer as well as exporter to obtain the Importer Exporter Code Number ("**IEC**") from the Director-General or the authorized officer. The Director General is authorised to suspend or cancel IEC in specified circumstances.

The Foreign Trade Policy ("FTP")

The FTP helps in envisaging a legal framework for trade facilitation in existing markets and products as well as exploring new products and new markets. India's current FTP (2015-20) (as extended until March 31, 2021) envisages helping exporters leverage benefits of GST, closely monitoring export performances, increasing ease of trading across borders, increasing realization from India's agriculture-based exports and promoting exports from MSMEs and labour intensive sectors.

Other applicable laws

Consumer Protection Act, 2019 (**the "Consumer Protection Act"**)

The Consumer Protection Act was designed and enacted to provide simpler access to redress consumer grievances. It seeks, *inter alia* to promote and protects the interest of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers or service providers or traders. It establishes consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or corrective orders, the forums and commissions under the Consumer Protection Act are empowered to impose imprisonment of not less than a month, but not exceeding three years, or a fine of not less than ₹25,000, but not more than ₹100,000 or both.

The Legal Metrology Act, 2009 (the "Metrology Act")

The Metrology Act has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weight & Measurement (Enforcement) Act, 1985. The Metrology Act provides for establishment and enforcement of standards of weights and measures and for regulation of trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The key features of the Metrology Act include appointment of government-approved test centres for verification of weights and measures, allowing companies to authorize any of its directors to be responsible to ensure that no offence is committed by a company under the Metrology Act and penalties for violation of the provisions of the Metrology Act.

The Maharashtra Legal Metrology (Enforcement) Rules, 2011 ("Maharashtra Legal Metrology Rules")

The Maharashtra Legal Metrology Rules provide the process for licensing of manufacturer, repairer and dealer of weight or measure, conditions of license, grounds and authority for suspension and cancellation of license granted and penalty for contravention of the rules.

Tax laws

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

1. Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years;

2. Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state-wise legislations made thereunder;

3. The Integrated Goods and Service Tax Act, 2017 and rules thereof;

4. Professional tax-related state-wise legislations; and

5. Indian Stamp Act, 1899 and various state-wise legislations made thereunder.

Intellectual Property Laws

Certain laws relating to intellectual property rights such as trademark protection under the Trade Marks Act, 1999 (the "**Trade Marks Act**") are applicable to us.

The Trade Marks Act, which came into force on December 30, 1999, along with the rules and regulations made thereunder govern the law pertaining to trade marks in India. A trade mark is essentially any mark capable of being represented graphically and distinguishing goods or services of one person from those of others and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. In India, trademarks enjoy protection under both statutory and common law. Registration of a trade mark grants the owner a right to exclusively use the trade mark as a mark of goods and services and prevents the fraudulent use of marks in India.

The Trade Marks Act permits the registration of trade marks for goods and services. Certification trademarks and collective marks can also be registered under the Trade Marks Act. The Registrar of Trade Marks is the authority responsible for, among other things, registration of trade marks, settling opposition proceedings and rectification of the register of trade marks. The Trade Marks (Amendment) Act, 2010 has been enacted to cover Indian nationals as well as foreign nationals to secure simultaneous protection of trade marks in other countries. The Trade Marks (Amendment) Rules, 2013 were enacted to give effect to the Trade Mark (Amendment) Act, 2010.

Other Indian laws

In addition to the above, we are also governed by the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, foreign exchange and investment laws, applicable building and fire-safety related laws, customs act, contract act and foreign trade laws and other applicable laws and regulation imposed by the Central Government and State Governments and other authorities for over day to day business, operations and administration.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as 'Sri Distikemi Private Limited' on November 7, 2003 in Pune, Maharashtra as a private limited company under the Companies Act, 1956, as amended. Thereafter, the name of our Company was changed to 'Clean Science and Technology Private Limited' pursuant to a resolution passed by our shareholders in an extraordinary general meeting held on July 31, 2006, to reflect the Company's vision of focusing on sustainable chemistry led by innovative technology and lower carbon effluents, and a fresh certificate of incorporation, dated August 25, 2006 was issued by the RoC. 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 February 25, 2021 and a fresh certificate of incorporation dated March 4, 2021 was issued by the RoC consequent upon conversion, recording the change in the name of our Company to Clean Science and Technology Limited.

Changes in the registered office

The following table sets forth details of the changes in the registered office of our Company since the date of its incorporation:

Date of change	Details of change in the address of the registered office	Reasons for change in the address of the registered office
January 15, 2021	The registered office of our Company was changed from Shubham, Navin Nagar Road, Sangamner 422 605 to Office No. P-4-503, Pentagon, Magarpatta City, Pune 411 028.	Administrative convenience
January 19, 2021	The registered office of our Company was changed from Office No. P-4-503, Pentagon, Magarpatta City, Pune 411 028 to Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune 411 013, Maharashtra.	To reflect the correct pin code in the records

Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

1. *To carry on in India and in any part of the world the business as manufacturers, buyers, sellers, dealers, merchants, importers, exporters, stockists, agents, brokers, factors, converters, processors, producers, refiners, formulators, or of distributing, exchanging, altering, improving, mixing, using or otherwise handling or dealing in organic and inorganic chemicals, heavy chemicals including insecticides, pesticides, fungicides, weedicides, rodenticides and other agro-chemicals, disinfectants, fumigants, public health products and fine chemicals, industrial chemicals, leather chemicals, petrochemicals and natural and chemical fertilizers, including ammonia, urea, dyes and dyewares, colours, paints, pigments, tanning agents, varnishes, oils, plastics, methanol, melamine and derivatives thereof whether liquid, solid or gaseous and including specifically benzene, ethylene propylene, propane, ethane, butenes, butadience, isoprene, oxides, glycols and polyglycols of ethylene, propylene and butylene, chlorinated hydrocarbons, aliphatic and aromatic alcohols, aldehydes, ketones, aromatic acid, anhydrides, vinyl acetate, vinyl chloride acrylics, esters of ortho, meta and terphthalic acids, synthetic chemicals, acids, alkalies and compound ingredients, mixtures and derivatives.*

2. *To carry on the business of generation, transmission, distribution and dealing in energy and power through solar, or any other form, kind or description.*

The main object as contained in our Memorandum of Association enables our Company to carry on the business presently being carried out and proposed to be carried out by it.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last 10 years:

Date of Shareholders' resolution/ Effective date	Particulars
December 24, 2020	• Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹20,000,000 divided into 2,000,000 equity shares of ₹10 each to ₹150,000,000 divided into 15,000,000 equity shares of ₹10 each
February 25, 2021	• Clause V of the Memorandum of Association was amended to reflect the sub-division of equity shares of the Company from 15,000,000 equity shares of ₹10 each to 150,000,000 equity shares of ₹1 each • Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from 'Clean Science and Technology Private Limited' to 'Clean Science and Technology Limited' pursuant to the conversion of our Company from a private company to a public company • Pursuant to the conversion of our Company from a private company to a public company, the

Date of Shareholders' resolution/ Effective date	Particulars
	memorandum of association was restated to bring it in consonance with the Companies Act, 2013
March 27, 2021	• Clause III(a) of the Memorandum of Association was amended to include the following main object: *"To carry on the business of generation, transmission, distribution and dealing in energy and power through solar, or any other form, kind or description."*

Major events and milestones of our Company

The table below sets forth some of the key events in the history of our Company:

Calendar year	Event
2021	• Allotment of land admeasuring 67,053 sq mts in the ADDL Kurkumbh (Patas) Industrial Area
2020	• Commenced manufacturing DCC
2019	• Management system of our Company's registered office certified to conform to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 for marketing of speciality chemicals • Management system of our Company's manufacturing facilities at Facility I and Facility II certified to conform to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 for manufacture and dispatch of speciality chemicals • Commenced manufacturing AP
2017	• Commenced manufacturing Anisole
2016	Entered into a memorandum of understanding with the Government of Maharashtra whereby the Government of Maharashtra will facilitate in obtaining necessary permissions/ registrations/ approvals/ clearances/ fiscal incentives from the concerned departments to enable investment of ₹807.40 million in Maharashtra in a time bound manner
2014	• Commenced manufacturing BHA
2011	• Commenced manufacturing 4 MAP
2010	• Commenced original cycle start date for Quality Management System and Environmental Management System for ISO certification
2009	• Commenced manufacturing MEHQ and Guaiacol

Awards, accreditations and recognitions received by our Company

Calendar year	Awards
2019	• Felicitated with the Company of the Year – Chemical award by Zee Business Dare to Dream Awards, Season 2.
2019	• Winner of SME Elite Jury Round conducted by the ICICI Bank • Felicitated with memento and certificate of honour in LSI- Basic Chemicals, Pharmaceuticals and Cosmetic Products category for export performance in the year 2016-17 by the Directorate of Industries, Government of Maharashtra
2018	• First award in L–I - Basic Chemicals, Pharmaceuticals and Cosmetic Products category for export performance in the year 2015-16 and felicitation with memento and certificate of honour by the Directorate of Industries, Government of Maharashtra

Time and cost over-runs

Apart from some instances of time and cost over-runs in the commencement of production of the Anisole vapour-phase plant at Facility II between October 2017 and March 2018, there have been no material time and cost over-runs in respect of our business operations. For further details, see "*Risk Factors- Our proposed capacity expansion plans relating to our manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns*" on page 29.

Defaults or re-scheduling, restructuring of borrowings with financial institutions/ banks

There have been no defaults or re-scheduling/ re-structuring in relation to borrowings availed by our Company from any financial institutions or banks.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

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 122.

Our Holding Company

As of the date of this Red Herring Prospectus, our Company has no holding company.

Our Subsidiaries

As on the date of this Red Herring Prospectus, our Company has three subsidiaries.

1. Clean Aromatics Private Limited ("CAPL")

Corporate Information

CAPL was incorporated on October 25, 2019 as a company limited by shares under the Companies Act, 2013. Its corporate identification number is U24304PN2019PTC187496. It has its registered office at Shubham, 805 Behind Tulsi Market, R 7859 132/24/New Nagar Road, Sangamner, Ahmednagar 422 605, Maharashtra.

CAPL is authorised to engage in the business of among other things, manufacture, production, formulation, sale and distribution of certain types of organic and inorganic chemicals under the objects clause of its memorandum of association.

Capital Structure

The authorised, issued, subscribed and paid-up share capital of CAPL is ₹1,000,000 divided into 100,000 equity shares of ₹10 each.

Shareholding

As of the date of this Red Herring Prospectus, the shareholding pattern of CAPL is as follows:

Name of the Shareholder	Number of equity shares held	Percentage of the total shareholding (%)
Company	99,999	99.99
Ashok Ramnarayan Boob*	1	Negligible
Total	**100,000**	**100.00**

*****_Share held as a nominee of our Company, who is the beneficial owner of such equity share._

There are no accumulated profits or losses of CAPL not accounted for by our Company in the Restated Financial Statements.

2. Clean Science Private Limited ("CSPL")

Corporate Information

CSPL was incorporated on December 17, 2013 as a private limited company under the Companies Act, 1956. Its corporate identification number is U74900PN2013PTC149834. It has its registered office at Shubham, Tulshi Market, New Nagar Road, Sangamner, Ahmednagar 422 605, Maharashtra.

CSPL is authorised to engage in the business of among other things, manufacture, production, formulation, sale and distribution of certain types of organic and inorganic chemicals under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of CSPL is ₹20,000,000 divided into 2,000,000 equity shares of ₹10 each. The issued, subscribed and paid-up share capital of CSPL is ₹9,815,000 divided into 981,500 equity shares of ₹10 each.

Shareholding

As of the date of this Red Herring Prospectus, the shareholding pattern of CSPL is as follows:

Name of the Shareholder	Number of equity shares held	Percentage of the total shareholding (%)
Company	981,499	99.99
Ashok Ramnarayan Boob*	1	Negligible
Total	**981,500**	**100.00**

*****_Share held as a nominee of our Company, who is the beneficial owner of such equity share._

There are no accumulated profits or losses of CSPL not accounted for by our Company in the Restated Financial Statements.

3. Clean Organics Private Limited ("COPL")

Corporate Information

COPL was incorporated on March 20, 2017 as a company limited by shares under the Companies Act, 2013. Its corporate identification number is U24304PN2017PTC169475. It has its registered office at 805, Behind Tulsi Market, R 7859 132/24/, Sangamner, Ahmednagar 422 605, Maharashtra.

COPL is authorised to engage in the business of among other things, manufacture, production, formulation, sale and distribution of certain types of organic and inorganic chemicals under the objects clause of its memorandum of association.

Capital Structure

The authorised share capital of COPL is ₹1,000,000 divided into 100,000 equity shares of ₹10 each. The issued, subscribed and paid-up share capital of COPL is ₹200,000 divided into 20,000 equity shares of ₹10 each.

Shareholding

As of the date of this Red Herring Prospectus, the shareholding pattern of COPL is as follows:

Name of the Shareholder	Number of equity shares held	Percentage of the total shareholding (%)
Company	19,999	99.99
Ashok Ramnarayan Boob*	1	Negligible
Total	**20,000**	**100.00**

*****Share held as a nominee of our Company, who is the beneficial owner of such equity share*.

There are no accumulated profits or losses of COPL not accounted for by our Company in the Restated Financial Statements.

Our Joint Ventures

As on the date of this Red Herring Prospectus, our Company does not have any joint ventures.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years

Our Company has not acquired any business or undertaking and has not undertaken any merger, amalgamation or revaluation of assets in last 10 years.

Significant financial or strategic partners

As of the date of this Red Herring Prospectus, our Company does not have any significant financial or strategic partners.

Details of guarantees given to third parties by the Promoter Selling Shareholders

Our Promoter Selling Shareholders have not given any guarantees to third parties.

Summary of key agreements

Shareholders' Agreements

As of the date of this Red Herring Prospectus, there are no subsisting shareholders' agreements. No special rights are available to the Shareholders as of the date of this Red Herring Prospectus and no special rights shall continue post completion of the Offer.

Agreements with Key Managerial Personnel, Directors, Promoters or any other employee

As on the date of this Red Herring Prospectus, there are no agreements entered into by our Key Managerial 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.

OUR MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Red Herring Prospectus, our Board of Directors comprises of eight Directors, including one Managing Director, two Wholetime Directors, and five Non-Executive Director (out of which three are Independent Directors, including one woman Independent Director).

Details regarding our Board of Directors as on the date of this Red Herring Prospectus are set forth below:

Sr. No.	Name, designation, term, period of directorship, address, date of birth, occupation, nationality and DIN	Age (years)	Other directorships
1.	Pradeep Ramwilas Rathi ***Designation:*** Chairman and Non-Executive Director ***Term:*** Liable to retire by rotation ***Period of Directorship:*** Director since December 15, 2006 ***Address:*** 2, Boat Club Road, Pune 411 001, Maharashtra ***Occupation:*** Business ***Nationality:*** Indian ***Date of Birth:*** May 20, 1953 ***DIN:*** 00018577	68	• Finolex Industries Limited • Kirloskar Oil Engines Limited • Matrix Fine Sciences Private Limited • PRR Finance Private Limited • Rabro Speciality Chemicals Private Limited • Rathi Brothers Private Limited • Rathi Enterprises Private Limited • Rathi Mixers Private Limited • Rieco Industries Limited • Sanghvi Movers Limited • Sudarshan Chemical Industries Limited • Sudarshan CSR Foundation
2.	Ashok Ramnarayan Boob ***Designation:*** Managing Director ***Term:*** 5 years from July 28, 2017 ***Period of Directorship:*** Director since November 7, 2003 and Managing Director since July 28, 2007 ***Address:*** F 1002, 10th Floor, yoo Pune, Magarpatta City, Hadapsar, Pune 411 013 Maharashtra ***Occupation:*** Business ***Nationality:*** Indian ***Date of Birth:*** March 2, 1952 ***DIN:*** 00410740	69	• Clean Aromatics Private Limited • Clean Organics Private Limited • Clean Science Private Limited • CSTPL Foundation • Matrix Fine Sciences Private Limited
3.	Siddhartha Ashok Sikchi ***Designation:*** Wholetime Director ***Term:*** 5 years from April 1, 2021, subject to retirement by rotation ***Period of Directorship:*** Director since December 15, 2006	39	• Clean Aromatics Private Limited • Clean Organics Private Limited • Clean Science Private Limited • CSTPL Foundation

Sr. No.	Name, designation, term, period of directorship, address, date of birth, occupation, nationality and DIN	Age (years)	Other directorships
	Address: L 201 Marvel Ritz E, Srve No.171 P, Behind Amnora Mall Hadapsar, Pune 411 028, Maharashtra ***Occupation:*** Business ***Nationality:*** Indian ***Date of Birth:*** November 6, 1981 ***DIN:*** 02351154		• Matrix Fine Sciences Private Limited • Matrix Global Speciality Private Limited
4.	Krishnakumar Ramnarayan Boob ***Designation:*** Wholetime Director ***Term:*** 5 years from April 1, 2021, subject to retirement by rotation ***Period of Directorship:*** Director since November 7, 2003 ***Address:*** Shubham, Back of Tulshi Market, New Nagar Road, Sangamner, 422 605, Maharashtra ***Occupation:*** Business ***Nationality:*** Indian ***Date of Birth:*** May 31, 1955 ***DIN:*** 00410672	66	• Clean Aromatics Private Limited • Clean Organics Private Limited • Clean Science Private Limited • CSTPL Foundation • Shri Saptashringi Warehousing Private Limited
5.	Sanjay Kothari ***Designation:*** Non-Executive Director ***Term:*** Liable to retire by rotation ***Period of Directorship:*** Director since December 20, 2009 ***Address:*** 2301, Sumer Trinity Tower, Tower No. 1, New Prabhadevi Road, Opp. Samana Press Prabhadevi, Mumbai, 400 025, Maharashtra ***Occupation:*** Business ***Nationality:*** Indian ***Date of Birth:*** November 4, 1963 ***DIN:*** 00258316	57	• Anantroop Financial Advisory Services Private Limited • Chartered Finance & Leasing Limited • Golden Quadrilateral Financial Advisory Services Private Limited • J L Morison (India) Limited • Jaichandi Investment Services Private Limited • MK Center of Enterpreneurship Foundation • Rapid Estates Private Limited • Sanatan Financial Advisory Services Private Limited • Securities Holdings (India) Private Limited • System International Private Limited • Tathastu Financial Advisory Services Private Limited • Westend Propmart Private Limited
6.	Ganapati Dadasaheb Yadav ***Designation:*** Non-Executive, Independent Director	68	• Aarti Industries Limited • Bhageria Industries Limited

Sr. No.	Name, designation, term, period of directorship, address, date of birth, occupation, nationality and DIN	Age (years)	Other directorships
	Term: 5 years from February 6, 2021 ***Period of Directorship:*** Director since December 15, 2006 and Independent Director since February 6, 2021 ***Address:*** Flat No. 1201, A Wing, Plot No 11,12,13, Palm Springs CHSL, Sector 7, Airoli, Thane, Navi Mumbai, 400 708, Maharashtra ***Occupation:*** Research, innovation and business ***Nationality:*** Indian ***Date of Birth:*** September 14, 1952 ***DIN:*** 02235661		• Godrej Industries Limited • Meghmani Organics Limited • Meghmani Organochem Limited
7.	Keval Navinchandra Doshi ***Designation:*** Non-Executive, Independent Director ***Term:*** 5 years from February 6, 2021 ***Period of Directorship:*** Independent Director since February 6, 2021 ***Address:*** 19th Floor, Flat No 1901, Gundecha Gardens, G Wing Bombay Gas Co. Road, Lalbaug Mumbai 400 012 Maharashtra ***Occupation:*** Consulting ***Nationality:*** Indian ***Date of Birth:*** March 23, 1972 ***DIN:*** 03635213	49	• Kaira Can Company Limited • Smart Multitrade Private Limted
8.	Madhu Dubhashi ***Designation:*** Non-Executive, Independent Director ***Term:*** 5 years from February 20, 2021 ***Period of Directorship:*** Independent Director since February 20, 2021 ***Address:*** B-29, Gate No. 3, Abhimanshree Society NCL – Pashan Road, Pune 411 008, Maharashtra ***Occupation:*** Retired Company Executive ***Nationality:*** Indian ***Date of Birth:*** February 6, 1951 ***DIN:*** 00036846	70	• Axis Finance Limited • JM Financial Trustee Company Private Limited • Majesco Limited • Pudumjee Paper Products Limited • Recommender Labs Private Limited • Sanghvi Movers Limited • Tega Industries Limited • Tube Investments of India Limited

Relationship between our Directors and Key Managerial Personnel

Ashok Ramnarayan Boob and Krishnakumar Ramnarayan Boob are brothers and Siddhartha Ashok Sikchi is the nephew of Ashok Ramnarayan Boob and Krishnakumar Ramnarayan Boob and the cousin of Parth Ashok Maheshwari. Further, Parth Ashok Maheshwari is the son of Ashok Ramnarayan Boob, nephew of Krishnakumar Ramnarayan Boob and cousin of

Siddhartha Ashok Sikchi. Furthermore, Pradeep Ramwilas Rathi is a paternal uncle of Siddhartha Ashok Sikchi. Apart from this, none of our Directors or Key Managerial Personnel are related to each other or to any of the Key Managerial Personnel.

Arrangements or understandings with major shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Brief biographies of Directors

Pradeep Ramwilas Rathi, is the Chairman and Non-Executive Director of our Company. He holds a bachelor's degree in science from University of Poona and master's degree of science in chemical engineering practice from Massachusetts Institute of Technology, USA. He also holds a master's degree in business administration from Columbia University, USA. He has close to 25 years of experience in the chemical industry and is currently a director of Sudarshan Chemical Industries Limited, Pune, India.

Ashok Ramnarayan Boob, is the Managing Director of our Company. He holds a bachelor's degree in chemical engineering from the Institute of Chemical Technology, Mumbai. He has close to 25 years of experience in the chemical industry and has previously worked as an executive director at Mangalam Drugs and Organics Limited.

Siddhartha Ashok Sikchi, is a Wholetime Director of our Company. He holds a master's degree in science from the University of Manitoba, Canada and a bachelor's degree in technology from the Institute of Chemical Technology, Mumbai. He has over fourteen years of experience in the chemical industry.

Krishnakumar Ramnarayan Boob, is a Wholetime Director of our Company. He holds a bachelor's degree in pharmacy from the University of Bombay, India. He has close to two decades of experience in the chemical industry and has previously worked as a director at Mangalam Drugs and Organics Limited.

Sanjay Kothari, is a Non-Executive Director of our Company. He holds a bachelor's degree in commerce from University of Calcutta. He is a member of the ICAI and ICSI. He has been awarded a certificate of merit from Institute of Cost and Works Accountants of India. He has previously been associated with Industrial Meters Limited, Ajanta Auto Industries Private Limited, Akar Tools Limited and Hindustan Wires Limited. He is currently a director of Anantroop Financial Advisory Services Private Limited, among others.

Ganapati Dadasaheb Yadav, is a Non-Executive, Independent Director of our Company. He holds a bachelor's degree in chemical engineering from University of Bombay. He also holds a doctorate in philosophy (technology) from University of Bombay, a doctorate of science (Honoris Causa) from D.Y. Patil University, Kolhapur and a doctorate of engineering (Honoris Causa) from National Institute of Technology Agartala. He was also awarded the civilian honour of Padma Shri by the Government of India in 2016.

Keval Navinchandra Doshi is a Non-Executive, Independent Director of our Company. He holds a bachelor's degree in commerce from University of Bombay. He is a chartered accountant. He was a Partner at Ernst & Young LLP in the past.

Madhu Dubhashi is a Non-Executive, Independent Director of our Company. She holds a post graduate diploma in business administration from the Indian Institute of Management, Ahmedabad. She has been associated with Global Data Services of India Limited in the past.

Confirmations

Except as disclosed below, none of our Directors is or was a director of any listed company whose shares have been or were suspended from being traded on any stock exchanges during the term of their directorship in such companies, in the last five years preceding the date of this Red Herring Prospectus:

One of our Independent Directors, Ganapati Dadasaheb Yadav, is also a director of Meghmani Organics Limited ("**MOL**") since August 9, 2019, whose equity shares have been suspended from being traded on BSE Limited and National Stock Exchange of India Limited with effect from May 18, 2021, due to procedural reasons pursuant to the sanction of a composite scheme of arrangement by NCLT Ahmedabad recently. Pursuant to such scheme, equity shares of Meghmani Organochem Limited (the resulting entity) and Meghmani Finechem Limited (the transferee entity) are credited to the shareholders of MOL, and MOL is proposed to be dissolved without winding up. The listing application of Meghmani Organochem Limited is made to BSE Limited and National Stock Exchange of India Limited.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges during the term of their directorship in such companies.

None of our Directors have been declared as wilful defaulters.

Terms of appointment of our Managing Director and Wholetime Directors

Ashok Ramnarayan Boob

Ashok Ramnarayan Boob is currently the Managing Director of our Company. He was appointed as the Managing Director of our Company pursuant to board resolution dated May 6, 2017 for five years from July 28, 2017 to July 27, 2022. Our Company has not executed an employment agreement with Ashok Ramnarayan Boob. Our Board in their meeting held on March 20, 2021, approved the following remuneration for Ashok Ramnarayan Boob from April 1, 2021, subject to increase from time to time, as mutually agreed between our Board and Ashok Ramnarayan Boob, in accordance with applicable law:

Particulars	Annual Remuneration (in ₹ million)
Basic salary	25.00
Performance Bonus	4.00% of profits of our Company and proportionate to remuneration drawn

Siddhartha Ashok Sikchi

Siddhartha Ashok Sikchi is a Wholetime Director of our Company. Our Shareholders in their meeting held on March 27, 2021 approved appointment of Siddhartha Ashok Sikchi as a Wholetime Director of the Company, for a term of five years with effect from April 1, 2021, subject to retirement by rotation.

Our Board in their meeting held on March 20, 2021, approved the remuneration for Siddhartha Ashok Sikchi from April 1, 2021, subject to increase from time to time, as mutually agreed between our Board and Siddhartha Ashok Sikchi, in accordance with applicable law. Further, our Company has executed an employment letter with Siddhartha Ashok Sikchi on April 7, 2021, which includes the terms of his appointment, powers and duties, remuneration, confidentiality and code of conduct, with effect from April 1, 2021. According to the agreement, the remuneration is subject to revision from time to time, on recommendation of the Nomination and Remuneration Committee of the Company and approval of the Board subject to the provisions of Companies Act.

Details of the remuneration for Siddhartha Ashok Sikchi are set out below:

Particulars	Annual Remuneration (in ₹ million)
Basic Salary	22.50
Performance Bonus	4% of profits of our Company and proportionate to remuneration drawn

Krishnakumar Ramnarayan Boob

Krishnakumar Ramnarayan Boob is a Wholetime Director of our Company. Our Shareholders in their meeting held on March 27, 2021 approved appointment of Krishnakumar Ramnarayan Boob as a Wholetime Director of the Company, for a term of five years with effect from April 1, 2021 subject to retirement by rotation.

Our Board in their meeting held on March 20, 2021, approved the remuneration for Krishnakumar Ramnarayan Boob from April 1, 2021, subject to increase from time to time, as mutually agreed between our Board and Krishnakumar Ramnarayan Boob, in accordance with applicable law. Further, our Company has executed an employment letter with Krishnakumar Ramnarayan Boob on April 7, 2021, which includes the terms of his appointment, powers and duties, remuneration, confidentiality and code of conduct, with effect from April 1, 2021. According to the agreement, the remuneration is subject to revision from time to time, on recommendation of the Nomination and Remuneration Committee of the Company and approval of the Board subject to the provisions of Companies Act.

Details of the remuneration for Krishnakumar Ramnarayan Boob are set out below:

Particulars	Annual Remuneration (in ₹ million)
Basic Salary	15.00
Performance Bonus	4% of profits of our Company and proportionate to remuneration drawn

Payment or benefit to Directors of our Company

Other than as disclosed, our Company has not paid any compensation or granted any benefit to any of our Directors (including contingent or deferred compensation) in all capacities in Fiscal 2021. For payments made in relation to related party transactions, please see "*Other Financial Information – Related Party Transactions*" on page 251. Further, there is no contingent or deferred compensation payable to any of our Directors which accrued in Fiscal 2021.

Remuneration to our Directors

The remuneration paid to our Directors in Fiscal 2021 is as follows:

Remuneration to Managing Director and Wholetime Directors

The following table sets forth details of the remuneration paid to the Managing Director and Wholetime Directors of our Company for Fiscal 2021:

Sr. no.	Name of the Director	Remuneration (in ₹ million)	
		Fixed	Performance Bonus
1.	Ashok Ramnarayan Boob	24.20	121.89
2.	Siddhartha Ashok Sikchi	16.50	83.11
3.	Krishnakumar Ramnarayan Boob	12.38	62.33

Remuneration to Non-Executive Directors

Pursuant to the Board resolution dated March 20, 2021, each Non-Executive Director is entitled to receive sitting fees of ₹50,000 per meeting for attending meetings of the Board and sitting fees of ₹30,000 per meeting for attending meetings of committees of the Board, within the limits prescribed under the Companies Act, and the rules made thereunder. The details of remuneration paid to our Non-Executive Directors, including our Independent Directors, during Financial Year 2021 are as follows:

S. No.	Name of Director	Sitting fees paid (in ₹ million)	Remuneration (in ₹ million)
1.	Pradeep Ramwilas Rathi	0.23	Nil
2.	Ganapati Dadasaheb Yadav	0.12	Nil
3.	Sanjay Kothari	0.28	Nil
4.	Keval Navinchandra Doshi	0.22	Nil
5.	Madhu Dubhashi	0.16	Nil
	Total	**1.01**	**-**

Remuneration paid to our Directors by our Subsidiaries

As on the date of this Red Herring Prospectus, none of our Directors are entitled to remuneration from our Subsidiaries. None of our Directors received any remuneration from our Subsidiaries in Fiscal 2021. Further, there is no contingent or deferred compensation payable to any of our Directors by our Subsidiaries which accrued in Fiscal 2021.

Bonus or profit sharing plan of our Directors

Our Company does not have any bonus or profit sharing plan for our Directors. For details of the performance bonus payable to them as a part of their respective remuneration, see "*Our Management – Terms of appointment of our Managing Director and Wholetime Directors*" on page 149.

Shareholding of Directors in our Company

Except as disclosed below, as on the date of this Red Herring Prospectus, none of our Directors hold any Equity Shares:

Name of Director	Number of Equity Shares held
Ashok Ramnarayan Boob	16,316,940[(1)]
Krishnakumar Ramnarayan Boob	4,957,100[(2)]
Siddhartha Ashok Sikchi	3,600,480
Ganapati Dadasaheb Yadav	225,120
Pradeep Ramwilas Rathi	225,120

(1) Represents Equity Shares held individually. Additionally, 6,754,000 Equity Shares are held jointly by Nidhi Mohunta (as first holder) and Ashok Ramnarayan Boob (as second holder).

(2) Represents Equity Shares which are jointly by Krishnakumar Ramnarayan Boob (as first holder) with Nilima Krishnakumar Boob (as second holder). Additionally, Krishnakumar Ramnarayan Boob is the second holder of: (i) 4,273,500 Equity Shares held jointly with Nilima Krishnakumar Boob, (ii) 3,913,600 Equity Shares held jointly with Shradha Krishnakumar Boob; (iii) 3,913,600 Equity Shares held jointly with Prasad Krishnakumar Boob; and (iv) 3,913,600 Equity Shares held jointly with Pooja Vivek Navandar.

Our Articles of Association do not require our Directors to hold any qualification shares.

Shareholding of Directors in our Subsidiaries

Except as disclosed below, as on the date of this Red Herring Prospectus, none of our Directors hold any equity shares in our Subsidiaries:

Name of the Director	Name of Subsidiary	Number of equity shares	Percentage Shareholding (%)
Ashok Ramnarayana Boob	Clean Aromatics Private Limited	1*	Negligible
Ashok Ramnarayana Boob	Clean Science Private Limited	1*	Negligible
Ashok Ramnarayana Boob	Clean Organics Private Limited	1*	Negligible

**The equity shares are held as nominees of the Company, where Company is the beneficial owner of such equity shares.*

Interests of Directors

Our Directors are interested in our Company to the extent that they, their relatives or entities that they are interested in, hold Equity Shares in our Company and dividends and distributions declared thereon, if any. Our Directors, may be deemed to be interested to the extent of their remuneration, fees and reimbursement of expenses, payable to them, as per their employment agreement, as applicable and to the extent of repayment of unsecured deposits received from them which are repayable by our Company. For details, see "*Our Management*" beginning on page 146 and "*Financial Indebtedness*" on page 252. Further, our Directors are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of certain Promoter Group entities, Group Companies and other 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 Promoter Group entities, Group Companies and such other entities. For the payments that are made by our Company to certain Promoter Group entities, Group Companies and other related parties, see "*Other Financial Information – Related Party Transactions*" on page 251. In addition, the registered offices of our Subsidiaries are located on property owned by one of our Promoters, Krishnakumar Ramnarayan Boob. For the payments that are made by our Company to certain Promoter Group entities, Group Companies and other related parties, see "*Other Financial Information – Related Party Transactions*" on page 251.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Other than as disclosed in "*Other Financial Information – Related Party Transactions*" and "*Restated Financial Statements*" on pages 251 and 172, respectively and except as disclosed herein above, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus in which our Directors are directly or indirectly interested and no payments have been made to our Directors in respect of the contracts, agreements or arrangements which are proposed to be made with our Directors other than in the normal course of business.

None of our directors are interested in any property acquired or proposed to be acquired of the Company or by the Company.

Certain Directors, who are also Selling Shareholders, may be deemed to be interested to the extent of their participation in the Offer for Sale.

Changes in our Board of Directors in the last three years

Name	Date of Appointment/ Change/ Cessation	Reason
Siddhartha Ashok Sikchi	April 1, 2021	Change in designation to Wholetime Director
Krishnakumar Ramnarayan Boob	April 1, 2021	Change in designation to Wholetime Director
Madhu Dubhashi	February 20, 2021	Appointment as Non-Executive, Independent Director
Keval Navinchandra Doshi	February 6, 2021	Appointment as Non-Executive, Independent Director
Ganapati Dadasaheb Yadav	February 6, 2021	Appointment as Non-Executive, Independent Director
Ganapati Dadasaheb Yadav	February 5, 2021	Resignation as Non-Executive Director

Borrowing powers of our Board of Directors

Pursuant to our Shareholders' resolution dated June 15, 2021, in accordance with Section 180(1) of the Companies Act, 2013, our Board is empowered to borrow, from time to time, any sum or sums of monies by way of cash credit, loans, overdraft, discounting of bills or any other type of credit facilities including the monies already borrowed by the Company (apart from business) on such terms and conditions as may deem fit provided that the total amount so borrowed at any time shall not exceed ₹5,000 million or the aggregate of the paid up capital, free reserves and securities premium, whichever is higher.

Corporate Governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable provisions of the SEBI Listing Regulations, and the Companies Act, 2013, in respect of corporate governance including constitution of our Board of Directors and committees thereof.

Our Board of Directors has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board of Directors function either as a full board or through various committees constituted to oversee specific functions.

Currently, our Board of Directors has eight Directors. In compliance with the requirements of the SEBI Listing Regulations, we have one Managing Director, two Wholetime Directors, five Non-Executive Directors (including three Independent Directors, with one-woman Independent Director) on our Board of Directors.

Committees of our Board of Directors

In addition to the committees of our Board of Directors detailed below, our Board of Directors may, from time to time constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Keval Navinchandra Doshi (Chairman);
2. Madhu Dubhashi (Member);
3. Ganapati Dadasaheb Yadav (Member); and
4. Sanjay Kothari (Member).

Further, the Company Secretary and Compliance Officer of our Company shall act as secretary to the Audit Committee.

The Audit Committee was constituted by way of resolution passed by our Board of Directors on March 20, 2021. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference which were revised pursuant to board resolution dated June 12, 2021 include the following:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
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 and auditor's report thereon 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 the Companies Act, 2013, as amended;
    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; and
    g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Examination of the financial statement and auditor's report thereon;
7. Monitoring the end use of funds raised through public offers and related matters;

8. 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 issue document/prospectus/notice and report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

10. Approval or any subsequent modification of transactions of the Company with related parties;

11. Scrutiny of inter-corporate loans and investments;

12. Valuation of undertakings or assets of the Company, wherever it is necessary;

13. Evaluation of internal financial controls and risk management systems;

14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

15. 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;

16. Discussion with internal auditors of any significant findings and follow up thereon;

17. 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;

18. Discussion with statutory auditors, internal auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. 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;

20. To review the functioning of the whistle blower mechanism;

21. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

22. Carrying out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;

23. Reviewing the utilization of loan 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

24. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

3. Management letters/letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses;

5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee;

6. Statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) and (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7);

7. Review and monitor compliances under SEBI Insider Trading Regulations; and

8. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Risk Management Committee

The members of the Risk Management Committee are:

1. Pradeep Ramwilas Rathi (Chairman);

2. Ashok Ramnarayan Boob (Member);

3. Keval Navinchandra Doshi (Member); and

4. Sanjay Kothari (Member)

The Risk Management Committee was constituted by way of resolution passed by our Board of Directors on March 20, 2021. The terms of reference of the Risk Management Committee were revised pursuant to board resolution dated June 12, 2021. The terms of reference include the following:

1. To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG (environmental, social and governance) related risks), information, cyber security risks or any other risk as may be determined by the Committee.
   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
   (c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken; and

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Ganapati Dadasaheb Yadav (Chairman);

2. Keval Navinchandra Doshi (Member); and

3. Pradeep Ramwilas Rathi (Member).

The Nomination and Remuneration Committee was constituted by way of resolution passed by our Board of Directors on March 20, 2021. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

2. 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 the 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;

3. Formulating criteria for evaluation of performance of independent directors and the Board of Directors;

4. Devising a policy on diversity of Board;

5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its board report;

6. Extending or continuing 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;

8. Administering, monitoring and formulating detailed terms and conditions of the ESOS 2021;

9. Carrying out any other function as may be required/ mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws; and

10. Performing such other functions as may be necessary or appropriate for the performance of its duties.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Madhu Dubhashi (Chairman);

2. Siddhartha Ashok Sikchi (Member); and

3. Sanjay Kothari (Member).

The Stakeholders' Relationship Committee was constituted by way of resolution passed by our Board of Directors on March 20, 2021. The scope and functions of the Stakeholder Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee include the following:

1. Allotment of shares, transfer, transmission of shares, issue of duplicate share certificates;

2. To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

3. To review measures taken for effective exercise of voting rights by shareholders;

4. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

5. To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

6. Formulate policies and procedures in line with the statutory and regulatory requirements to ensure speedy disposal of various requests received from security holders/other stakeholders from time to time;

7. Review the Company's obligation towards meeting environment, health and safety obligations towards all stakeholders;

8. Review the complaints/queries received from other stakeholders such as vendors, suppliers, service providers, customers etc;

9. Oversee the investor relations function in the Company and suggest appropriate means to strengthen investor relations of the Company;

10. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Ganapati Dadasaheb Yadav (Chairman);

2. Ashok Ramnarayan Boob (Member); and

3. Krishnakumar Ramnarayan Boob (Member).

The Corporate Social Responsibility Committee was constituted by way of resolution passed by our Board of Directors on March 20, 2021. The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013.

The terms and reference of the Corporate Social Responsibility Committee include the following:

1. Formulation of a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company in areas or subjects specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;

2. Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;

3. Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;

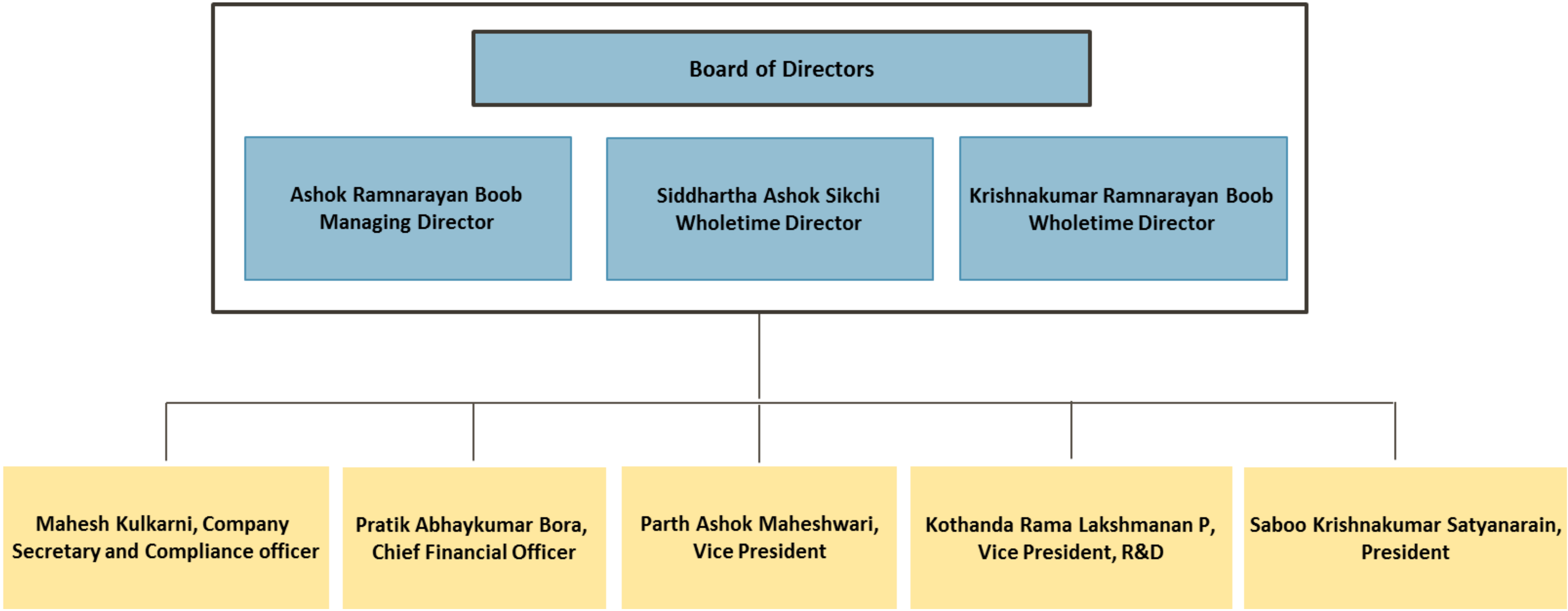
4. Monitoring the corporate social responsibility policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

5. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

6. Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required; and

7. Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws.

Management Organisation Chart



Key Managerial Personnel

The details of the Key Managerial Personnel of our Company are as follows:

Ashok Ramnarayan Boob is the Managing Director of our Company. For further details see "– *Brief Biographies of Directors*" and "*Remuneration to Managing Director and Wholetime Directors*" on pages 149 and 151, respectively.

Siddhartha Ashok Sikchi is a Wholetime Director of our Company. For further details see *"– Brief Biographies of Directors*" and "*Remuneration to Managing Director and Wholetime Directors*" on pages 149 and 151, respectively.

Krishnakumar Ramnarayan Boob is a Wholetime Director of our Company. For further details see *"– Brief Biographies of Directors*" and "*Remuneration to Managing Director and Wholetime Directors*" on pages 149 and 151, respectively.

Parth Ashok Maheshwari is the Vice President of our Company. He holds a master's degree in business administration from Babson College and bachelor's degree in technology (chemical) from Savitribai Phule University, Pune. He has been associated with the Company since June 1, 2014. He was paid remuneration of ₹4.16 million in Fiscal 2021.

Pratik Abhaykumar Bora is the Chief Financial Officer of our Company**.** He has been associated with our Company since January 27, 2020 and has been promoted to the post of Chief Financial Officer in February 2021. He holds a bachelor's degree in engineering (computer science and engineering) from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad and a master's degree in business administration (capital markets) from Narsee Monjee Institute of Management Studies, Mumbai. He has also cleared the Chartered Financial Analyst Level 2 (USA) examination. Prior to joining our Company, he was associated with Mirae Asset Capital Markets (India) Private Limited. He was paid remuneration of ₹ 1.83 million in Fiscal 2021.

Mahesh Arvind Kulkarni is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since March 11, 2021. He holds a bachelor's degree in commerce from Barkatullah Vishwavidyalaya, Bhopal and a law degree from University of Pune. He is a member of the ICSI. Prior to joining our Company, he was associated with Tech Mahindra Limited. Since he joined our Company in Fiscal 2021, he was paid remuneration of ₹ 0.11 million in Fiscal 2021.

Saboo Krishnakumar Satyanarain is President of our Company. He has been associated with our Company since August 14, 2014 and his employment with the Company shall continue until terminated in accordance with the terms of his employment agreement. He holds a bachelor's degree in science (technology) from University of Bombay and a bachelor's of science degree (special) from South Gujarat University with specialization in chemistry. Prior to joining our Company, he was associated with Deepak Nitrite Limited. He was paid remuneration of ₹5.80 million in Fiscal 2021.

Kothanda Rama Lakshmanan P is the Vice-President, R&D of our Company. He has been associated with our Company since January 8, 2018 and his employment with the Company shall continue until terminated in accordance with the terms of his employment agreement. He holds a bachelor's of science degree (chemistry) from Manonmaniam Sundaranar University and a bachelor's of science degree (technology) from University of Mumbai. He also holds a master's degree in science (technology) from University of Mumbai. He has a doctorate of philosophy from Tulane University, Louisiana, USA. He was paid remuneration of ₹ 3.10 million in Fiscal 2021.

Status of Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company. The attrition rate of our Company is not high as compared to the industry.

Shareholding of Key Managerial Personnel

Except as disclosed below, none of our Key Managerial Personnel hold any Equity Shares in our Company:

Name of Key Managerial Personnel	Number of Equity Shares held
Ashok Ramnarayan Boob	16,316,940(1)
Krishnakumar Ramnarayan Boob	4,957,100(2)
Siddhartha Ashok Sikchi	3,600,480
Parth Ashok Maheshwari	6,754,000

(1) *Represents Equity Shares held individually. Additionally, 6,754,000 Equity Shares are held jointly by Nidhi Mohunta (as first holder) and Ashok Ramnarayan Boob (as second holder).*

(2) *Represents Equity Shares which are jointly by Krishnakumar Ramnarayan Boob (as first holder) with Nilima Krishnakumar Boob (as second holder). Additionally, Krishnakumar Ramnarayan Boob is the second holder of: (i) 4,273,500 Equity Shares held jointly with Nilima Krishnakumar Boob, (ii) 3,913,600 Equity Shares held jointly with Shradha Krishnakumar Boob; (iii) 3,913,600 Equity Shares held jointly with Prasad Krishnakumar Boob; and (iv) 3,913,600 Equity Shares held jointly with Pooja Vivek Navandar.*

Bonus or Profit-Sharing Plans of the Key Managerial Personnel

Our Company does not have any bonus or profit-sharing plan for our Key Managerial Personnel. However, certain Key Managerial Personnel may be entitled to performance bonus as per their respective terms of appointment. Parth Ashok Maheshwari is entitled to an increase of 30% per annum, along with an annual performance bonus of up to 30% of his salary. Further, for details of the performance bonus payable to Ashok Ramnarayan Boob, Krishnakumar Ramnarayan Boob and Siddhartha Ashok Sikchi, see "*Our Management - Terms of appointment of our Managing Director and Wholetime Directors*" on page 149.

Interests of Key Managerial Personnel

Except as disclosed at "*Our Management – Interests of Directors*" and "*Our Promoters and Promoter Group – Interests of Promoters*" on page 152 and 163, respectively, and to the extent of any employee stock options granted to them pursuant to the ESOS 2021, none of our Key Managerial Personnel have any interest in our Company other than 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 business. For the payments that are made by our Company to certain Directors, Group Companies, members of the Promoter Group and other related parties, see "*Other Financial Information - Related Party Transactions*" on page 251.

Certain Key Managerial Personnel, who are also Selling Shareholders, may be deemed to be interested to the extent of their participation in the Offer for Sale.

Changes in the Key Managerial Personnel

The changes in Key Managerial Personnel (other than change in our Directors) in the last three years is as follows:

Name	Designation	Date of change	Reason for change
Mahesh Arvind Kulkarni	Company Secretary and Compliance Officer	March 11, 2021	Appointment
Pratik Abhaykumar Bora	Chief Financial Officer	February 6, 2021	Appointment
Kothanda Rama Lakshmanan P	Vice President, R&D	January 1, 2021	Promotion to current designation
Pratik Abhaykumar Bora	General Manager – Finance & Accounts	January 1, 2021	Promotion

For details of change in the Directors of our Company, see "- *Changes in our Board of Directors*" in the last three years on page 152.

Arrangements or understandings with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Service Contracts with Directors and Key Managerial Personnel

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

Contingent and deferred compensation payable to our Key Managerial Personnel

Other than as disclosed in "– *Key Managerial Personnel*" and –" - *Remuneration to our Directors*" beginning on pages 159 and 150, respectively, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel (including contingent or deferred compensation) in all capacities in Fiscal 2021. Further, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel which accrued in Fiscal 2021.

Payment or benefit to Key Managerial Personnel

Except employee stock options granted pursuant to the ESOS 2021, no non-salary amount or benefit has been paid or given to any of our officers, including Key Managerial Personnel within the two preceding years or is intended to be paid or given, as on the date of this Red Herring Prospectus.

Employees Stock Options

For details in relation to ESOS 2021, see "*Capital Structure – Employee Stock Option Schemes*" on page 82.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters are Ashok Ramnarayan Boob, Krishnakumar Ramnarayan Boob, Siddhartha Ashok Sikchi and Parth Ashok Maheshwari. For details of the shareholding of our Promoters, as on the date of this Red Herring Prospectus, please see the section titled "*Capital Structure – Details of shareholding of our Promoters and members of the Promoter Group in our Company*" beginning on page 75.

Our Promoters

Ashok Ramnarayan Boob

For a complete profile of Ashok Ramnarayan Boob, i.e., his age, residential address, educational qualifications, professional experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" beginning on page 146.

His driving license number is MH1720100021072. His PAN is AAUPB0820F and his Aadhar Card number is 556450211462.

Krishnakumar Ramnarayan Boob

For a complete profile of Krishnakumar Ramnarayan Boob, i.e., his age, residential address, educational qualifications, professional experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" beginning on page 146.

His driving license number is MH1720100016550. His PAN is AAUPB0819L and his Aadhar Card number is 339288702452.

Siddhartha Ashok Sikchi

For a complete profile of Siddhartha Ashok Sikchi, i.e., his age, residential address, educational qualifications, professional experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on beginning page 146.

His driving license number is MH20/01/50494. His PAN is AYAPS2422E and his Aadhar Card number is 852194256732.

Parth Ashok Maheshwari

Parth Ashok Maheshwari is aged 28 years. For a complete profile of Parth Ashok Maheshwari, i.e., educational qualifications, professional experience, positions/ posts held in the past, special achievements, business and other activities, see "*Our Management*" beginning on page 146. His residential address is F 1002, 10th Floor, yoo Pune, Magarpatta City, VTC, Hadapsar, Pune 411 013 Maharashtra.

His driving license number is MH1220110007320. His PAN is AKRPB3805F and his Aadhar Card number is 925685165416.

Our Company confirms that the PAN, bank account number and passport number of each of the Promoters was submitted to the Stock Exchanges, at the time of filing of the Draft Red Herring Prospectus with them.

Other than the entities disclosed under "- *Entities forming part of our Promoter Group*" on page 165, our Promoters are not involved in any other ventures.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and they, their relatives or entities that they are interested in hold Equity Shares in our Company to the extent applicable and dividends and distributions declared thereon, if any. For details on the shareholding of our Promoters in our Company, see "*Capital Structure – Details of shareholding of our Promoters and members of the Promoter Group in our Company*" on page 75. Our Promoters, who are also Directors or KMPs, may be deemed to be interested to the extent of their sitting fees/remuneration, benefits and reimbursement of expenses, payable to them, as per the terms of their employment agreement, as applicable and to the extent of repayment of unsecured deposits received from them which are repayable by our Company. For details, see "*Our Management*" beginning on page 146 and "*Financial Indebtedness*" on page 252.

Further, our Promoters are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of certain Promoter Group entities, Group Companies and other 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 Promoter Group entities, Group Companies and such other entities. For the payments that are made by our Company to certain Promoter Group entities, Group Companies and other related parties, see "*Other Financial Information - Related Party Transactions*" on page 251.

Further, the registered offices of our Subsidiaries are located on a property owned by one of our Promoters, Krishnakumar Ramnarayan Boob.

Except in the ordinary course of business and as disclosed in "*Other Financial Information - Related Party Transactions*" and "*Restated Financial Statements – Annexure VI – Related Party Disclosures*" on pages 251 and 223, respectively, no amount or benefit has been paid or given to our Promoters or any of the members of the Promoter Group during the two years preceding the filing of this Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or any of the members of the Promoter Group other than in the ordinary course of business.

Our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Red Herring Prospectus, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Except Siddhartha Ashok Sikchi who is a shareholder and director of MFSPL and Ashok Ramnarayan Boob who is a director of MFSPL, none of our Promoters are engaged in activities similar to our business which is in the same line of business or activity as our Company. For details, see "*Group Companies*" beginning on page 167.

Material guarantees given by our Promoters

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

Companies and firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firms during the three years preceding the date of this Red Herring Prospectus.

Confirmations

Our Promoters and members of our Promoter Group have not been declared wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters 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 promoters, directors 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.

Change in the management and control of our Company

There has not been any change in the management or control of our Company during the last five years preceding the date of this Red Herring Prospectus. Ashok Ramnarayan Boob and Krishnakumar Ramnarayan Boob are original promoters of our Company. Siddhartha Ashok Sikchi and Parth Ashok Maheshwari were not original promoters of our Company and were subsequently named as promoters of the Company due to their shareholding and their control over the day to day operations of the Company. For further details, see "*Capital Structure – Build-up of Promoters' Equity shareholding in our Company*" on page 75.

Promoter Group

The following individuals and entities constitute our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

Natural persons who are part of our Promoter Group

The following table sets forth details of the natural persons who are part of our Promoter Group (due to their relationship with our Promoters):

Name of the Individual Promoter	Name of the Relative	Relationship with the Promoter
Ashok Ramnarayan Boob	Asha Ashok Boob	Spouse
	Nidhi Mohunta	Daughter
	Parth Ashok Maheshwari	Son
	Krishnakumar Ramnarayan Boob	Brother
	Nirmala Chandrakumar Kabra	Sister
	Mangla Bhagirath Kasat	Sister
	Asha Ashok Sikchi	Sister
	Premkumar Gaurishankar Maheshwari	Spouse's Brother
	Saroj Mangalchand Biyani	Spouse's Sister
	Santosh Sunil Lahoti	Spouse's Sister
	Shobha Rajendra Daga	Spouse's Sister
Krishnakumar Ramnarayan Boob	Nilima Krishnakumar Boob	Spouse
	Shradha Krishnakumar Boob	Daughter
	Pooja Vivek Navandar	Daughter
	Prasad Krishnakumar Boob	Son
	Ashok Ramnarayan Boob	Brother
	Nirmala Chandrakumar Kabra	Sister
	Mangla Bhagirath Kasat	Sister
	Asha Ashok Sikchi	Sister
	Kailashchandra Saboo	Spouse's Father
	Sanjay K. Saboo	Spouse's Brother
	Sandeep K. Saboo	Spouse's Brother
	Seema S. Chandak	Spouse's Sister
Siddhartha Ashok Sikchi	Ashok Sikchi	Father
	Asha Ashok Sikchi	Mother
	Kunal Ashok Sikchi	Brother
	Nandita Sikchi	Spouse
	Mira Sikchi	Daughter
	Suresh Kabra	Spouse's Father
	Meena Kabra	Spouse's Mother
	Anuj Kabra	Spouse's Brother
	Amrita Subramanian	Spouse's Sister
Parth Ashok Maheshwari	Ashok Ramnarayan Boob	Father
	Asha Ashok Boob	Mother
	Sakshi Parth Maheshwari	Spouse
	Nidhi Mohunta	Sister
	Manohar Satyanarayan Kabra	Spouse's Father
	Namrata Manohar Kabra	Spouse's Mother

Entities forming part of our Promoter Group

1. AAB Business Trust
2. AAS Business Trust
3. ARB Business Trust
4. ARS Business Trust
5. Ashok Ramnarayan Boob HUF
6. Ashokkumar Ramkishan Sikchi HUF
7. ASK Matrix Finances
8. CSTPL Foundation
9. Grow Well Impex FZE
10. Kosmos Limited
11. KPRD Fiberboard Advertising Private Limited
12. Krishnakumar Ramnarayan Boob HUF
13. Kunal Sikchi HUF
14. Mangalchand Biyani HUF
15. Manohar Kabra HUF
16. Marathwada Chemical Industries Private Limited
17. Matrix Fine Sciences Private Limited
18. Matrix Global Speciality Private Limited
19. Matrix Neutra Sciences LLP
20. Matrix Universal
21. Nandita Sikchi (Partnership Firm)
22. Ni Agria Limited
23. Pooja Family Trust
24. Prasad Family Trust
25. Quantum International Limited
26. Rajendra Daga HUF
27. Shradha Family Trust
28. Shree Pavers
29. Shree Pavers and Tiles
30. Shree Tiles
31. Shreeram Saw Mill

32. Shri and Smt. Ramnarayanji Boob Memorial Trust
33. Shri Brij Commodities Private Limited
34. Shri Ramnarayan Boob Business Trust
35. Shubham Enterprises
36. Siddhartha Sikchi HUF
37. Smt. Alaknanda Boob Business Trust
38. Sunday Forever
39. Vertexim Trading LLP
40. VS Globe

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations 'group companies' of our Company shall include (i) the companies with which there were related party transactions as disclosed in the Restated Financial Statements during any of the last three Fiscals and stub in respect of which the Restated Financial Statements is included in this Red Herring Prospectus; and (ii) such other companies as considered material by the Board. For the purposes of (ii) above, pursuant to the resolution passed by our Board at its meeting held on June 12, 2021, the Board has approved that members of the Promoter Group (being companies) with which the Company has had one or more transactions in the most recent completed Fiscal and stub for which Restated Financial Statements is being included in the Offer Documents, which exceed, individually or in aggregate, 5% of the total consolidated income of the Company in the last completed Fiscal shall be considered material.

Accordingly, based on the parameters outlined above, as on the date of this Red Herring Prospectus, our Board has identified Anantroop Financial Advisory Services Private Limited, CSTPL Foundation and Matrix Fine Sciences Private Limited, as the group companies of our Company ("**Group Companies**").

Details of our Group Companies

1. **Anantroop Financial Advisory Services Private Limited ("AFASPL")**

Corporate Information

Anantroop Trading Private Limited was initially incorporated on September 9, 2005 as a company limited by shares under the Companies Act, 1956 with the Registrar of Companies, Mumbai. Thereafter, the name of the company was changed to 'Anantroop Financial Advisory Services Private Limited' and a fresh certificate of incorporation dated January 29, 2009 was issued by the Registrar of Companies, Mumbai, recording the change in the name of the company. AFASPL's registered office is situated at A-1404, [1]4th Floor, Naman Midtown, Senapati Bapat Marg, Next to Indiabulls Finance Centre, Elphinstone Road (West), Mumbai 400 013. The corporate identification number of AFASPL is U51909MH2005PTC155970.

Nature of Activities

AFASPL is engaged in the business of rendering finance, funds, investments, investment trusts and other entities, portfolio of securities, properties, assets of any kind and in that respect to handle affairs of properties, investments and funds, as authorised by the objects clause of its memorandum of association.

Financial Information

The financial information derived from the audited consolidated financial statements of AFASPL for the financial years ended 2020, 2019 and 2018 is set forth below:

(in ₹ million, except per share data)

Particulars	Financial Year ended March 31,*		
	2020	2019	2018
Equity Capital	3.49	3.49	3.49
Reserves (Excluding Revaluation Reserve)	642.19	848.63	730.95
Total Revenue#	10,009.99	5,276.07	5,400.16
Profit/(Loss) after Tax	(260.69)	139.65	288.25
Earnings per Share (Basic) (in ₹)	(1,010.93)	541.54	1,117.78
Earnings per Share (Diluted) (in ₹)	(1,010.93)	541.54	1,117.78
Net Asset Value**	818.54	1,044.64	909.05

#Total revenue includes revenue from operations and other income.

**Audited financial statements for the year ended March 31, 2021 are not available as on the date of this Red Herring Prospectus.*

*** Net Asset Value includes minority interest appearing in the consolidated financial statement amounting to ₹ 172.85 million, ₹ 192.52 million and ₹ 174.61 million for fiscal year 2020, 2019 and 2018 respectively.*

Significant notes of auditors of AFASPL

There are no significant notes of the auditors of AFASPL in relation to the aforementioned financial statements for the Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018.

2. **CSTPL Foundation**

Corporate Information

CSTPL Foundation was incorporated on October 14, 2016 as a company limited by guarantee under the Companies Act, 2013 with the Deputy Registrar of Companies, Central Registration Centre. Its registered office is situated at Office No. 503, Pentagon Tower, Magarpatta City, Hadapsar, Pune- 411 013, Maharashtra. The corporate identification number of CSTPL Foundation is U74999PN2016NPL166786.

Nature of Activities

CSTPL Foundation is engaged in the promotion of among other things, education, healthcare, medical relief camps, employment generation, environmental stability, ecological balance and protection of flora and fauna, as authorised by the objects clause of its memorandum of association.

Financial Information

The financial information derived from the audited standalone financial statements of CSTPL Foundation for the financial years ended 2020, 2019 and 2018 is set forth below:

(in ₹ million, except per share data)

Particulars	**Financial Year ended March31,***		
	2020	**2019**	**2018**
Equity Capital	N.A	N.A	N.A
Corpus Fund	30.88	10.10	0.10
Reserves	1.28	0.09	(0.03)
Receipts	2.00	1.80	0.40
Surplus/ (Deficit)	1.19	0.12	(0.03)
Earnings per Share(Basic) (in ₹)	N. A	N.A	N.A
Earnings per Share(Diluted) (in ₹)	N.A	N.A	N.A
Net Asset Value	32.16	10.19	0.07

**Audited financial statements for the year ended March 31, 2021 are not available as on the date of this Red Herring Prospectus.*

Significant notes of auditors of CSTPL Foundation

There are no significant notes of the auditors of CSTPL Foundation in relation to the aforementioned financial statements for Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018.

3. Matrix Fine Sciences Private Limited (“MFSPL”)

Corporate Information

MFSPL was incorporated as a private limited company on May 10, 2013 under the Companies Act 1956 with the Registrar of Companies, Mumbai. Its registered office is situated at 12 Shilpnagar Railway Station Road, Dr. Dumir Hospital, Aurangabad 431 005, Maharashtra. The corporate identification number of MFSPL is U24233MH2013PTC243185.

Nature of Activities

MFSPL is engaged in the business of among other things, manufacture, production, formulation, sale and export of all types of drugs and chemicals, including tocopherole and its derivatives as authorised by the objects clause of its memorandum of association.

Financial Information

The financial information derived from the audited standalone financial statements of MFSPL for the Financial Years ended 2021, 2020 and 2019 is set forth below:

(in ₹ million, except per share data)

Particulars	**Financial Year ended March31,**		
	2021	**2020**	**2019**
Equity Capital	10.00	10.00	10.00
Reserves (Excluding Revaluation Reserve)	551.34	350.24	230.56
Sales (Net of Duties & Taxes)	1405.46	962.72	779.63
Profit/(Loss) after Tax	197.80	124.00	97.66
Earnings per Share(Basic) (in ₹)	197.80	124.00	97.66
Earnings per Share(Diluted) (in ₹)	197.80	124.00	97.66
Net Asset Value	561.34	360.24	240.56

Significant notes of auditors of MFSPL

There are no significant notes of the auditors of MFSPL in relation to the aforementioned financial statements for the specified three immediately preceding Financial Years.

Loss making Group Companies

Other than AFASPL which made a loss after tax (on a consolidated basis) of `260.69 million in Financial Year 2020 and CSTPL Foundation which made a deficit of ₹0.03 million in Financial Year 2018, none of our Group Companies have made any losses in the Financial Years for which the respective financial information of the Group Companies has been disclosed above.

Nature and extent of interest of our Group Companies

(a) ***In the promotion of our Company***

Our Group Companies do not have any interest in the promotion of our Company.

(b) ***In the properties acquired by us in the preceding three years before filing this Red Herring Prospectus or proposed to be acquired by our Company***

Our Group Companies are not interested in the properties acquired by us in the three years preceding the filing of this Red Herring Prospectus or proposed to be acquired by us as on the date of this Red Herring Prospectus.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***
Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Defunct Group Companies

Our Group Companies are not defunct and no applications have been made to the relevant registrar of companies for striking off their names during the five years preceding the date of filing of the Draft Red Herring Prospectus with SEBI and this Red Herring Prospectus with the RoC.

Group Companies which are a sick industrial company or are under winding up/ insolvency proceedings

Our Group Companies do not fall under the definition of sick companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985 and are not under any winding up or insolvency proceedings under applicable law.

Common Pursuits between our Group Companies and our Company

Except as disclosed below, our Group Companies are not in the same line of business as our Company and our Subsidiaries and there are no common pursuits between our Group Companies and our Company and our Subsidiaries.

While MFSPL is involved in manufacturing of certain chemical products, they are not similar to the products manufactured by our Company. Accordingly, our Company does not view the operation of MFSPL having a conflict of interest.

Related business transactions with the Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in "*Other Financial Information – Related Party Transactions*" on page 251, there are no other related business transactions with our Group Companies. Such transactions do not have any significant effect on the financial performance of our Company.

Business interest of our Group Companies in our Company

Except as disclosed below and in "*Other Financial Information – Related Party Transactions*" on page 251, our Group Companies do not have any business interest in our Company.

For further details on risks in relation to transactions being entered into with related parties, see "*Risk Factors - We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders*" on page 43.

Litigation

Our Group Companies are not party to any pending litigations which will have a material impact on our Company.

Other confirmations

The equity shares of our Group Companies are not listed on any stock exchange. None of our Group Companies have made any public or rights issue of securities in the preceding three years.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by the Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable law, including the Companies Act read with the rules notified thereunder, each as amended, together with the applicable rules issued thereunder.

The dividend policy of our Company was adopted and approved by our Board in their meeting held on March 20, 2021 ("**Dividend Policy**"). In terms of the Dividend Policy, the dividend, if any, will depend on a number of internal factors such as, liquidity position, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions and other relevant or material factors considered relevant by our Board, and external factors, such as the state of the economy and capital markets, applicable taxes, regulatory changes and other relevant or material factors considered relevant by our Board. As per the Dividend Policy, the dividend payout would be minimum 15% of net profit after tax and our Board shall have the discretion to recommend a higher or lower dividend considering various parameters and circumstances prevailing at that time.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under loan or financing arrangements which our Company is currently availing of or which it may enter into to finance our fund requirements for our business activities. For further details, please see "*Financial Indebtedness*" on page 252.

Equity Shares

The details of dividend on equity shares paid by our Company in the last three Fiscal Years, and the period from April 1, 2021 until the date of this Red Herring Prospectus are given below:

Particulars	From April 1, 2021 till the date of this Red Herring Prospectus	Financial Year ended		
		March 31, 2021	March 31, 2020	March 31, 2019
Face value of equity share (in ₹)	1*	10*	10	10
Dividend paid on equity shares (in ₹ million)	N.A.	33.19	127.42	106.18
Number of equity shares	106,218,960#	1,327,737##	1,415,727**	1,415,727
Dividend per equity share (in ₹)	N.A.	25	90	75
Rate of dividend on equity shares (%)	N.A.	250	900	750
Dividend distribution tax (in ₹ million)	N.A.	0	26.06	21.83
Dividend distribution tax (%)	N.A.	N.A	20.45	20.56
Mode of payment of dividend	N.A.	Bank Transfer NEFT / RTGS	Bank Transfer NEFT / RTGS	Bank Transfer NEFT / RTGS / Cheque

**With effect from February 25, 2021, the face value of equity shares was changed from ₹10 each to ₹1 each, pursuant to a sub division of equity shares of our Company. The dividend was declared on February 6, 2021 – prior to such sub-division. For details, please see "Capital Structure - Notes to the capital structure" on page 69.*

*** The Company undertook a buyback of equity shares on March 31, 2020, post which the number of equity shares stood reduced to 1,327,737. For details, please see "Capital Structure - Notes to the capital structure" on page 68. The dividend was determined prior to such buyback.*

 # The Company undertook a bonus issue of equity shares on February 06, 2021 in the ratio of 7 equity shares for every 1 equity share held on the record date.

The total number of shares outstanding as of December 31, 2020 were 1,327,737. The dividend of ₹25 per share was declared and paid on shares outstanding as of December 31, 2020. The Company undertook a bonus issue followed by a stock split leading to increase in number of shares to 106,218,960 as of March 31, 2021.

The amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future. For details in relation to the risk involved, please see "*Risk Factors- Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 45.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

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B S R & Co LLP
Chartered Accountants

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36/3-B, Koregaon Park Annex,
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Pune - 411001, India

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Clean Science and Technology Limited ('the Company')
(Erstwhile known as Clean Science and Technology Private Limited)
Office No. 503,
Pentagon Tower P-4
Magarpatta City Hadapsar
Pune 411 013
Maharashtra, India

Dear Sirs,

1) We have examined, the attached Restated Consolidated Financial Information of Clean Science and Technology Limited (Erstwhile known as Clean Science and Technology Private Limited) (the "Company" or the "Holding Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), comprising the Restated Consolidated Balance Sheet as at 31 March 2021, 31 March 2020, and 31 March 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 and the summary statement of significant accounting policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 12 June 2021 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("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 Consolidated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with Securities and Exchange Board of India ("**SEBI**"), the stock exchanges where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**") and the Registrar of Companies, Pune ("**RoC**"), in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2.1 of Annexure V to the Restated Consolidated Financial Information.

The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors of the companies are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

3) We have examined such Restated Consolidated Financial Information taking into consideration:

(a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 19 January 2021 in connection with the proposed IPO of equity shares of the Company;

(b) The Guidance Note. 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 Consolidated Financial Information; 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 proposed IPO of equity shares of the Company.

4) These Restated Consolidated Financial Information have been compiled by the management from:

a) the audited consolidated financial statements as at and for the year ended 31 March 2021, which were prepared in accordance with the accounting standards notified under the section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which was approved by the Board of Directors at their meeting held on 12 June 2021; and

b) As at and for the years ended 31 March 2020 and 31 March 2019: From the audited consolidated financial statements of the Group as at and for the years ended 31 March 2020 and 31 March 2019 (being comparative period for the financials for the year ended 31 March 2020), prepared in accordance with the Indian Accounting Standards notified under the section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which was approved by the Board of Directors at their meeting held on 11 November 2020.

5) For the purpose of our examination, we have relied on:

Auditors' reports issued by us dated 12 June 2021 and 11 November 2020, respectively on the consolidated financial statements of the Group as at and for the year ended 31 March 2021, and as at and for the year ended 31 March 2020 and 31 March 2019 (being comparative period for the financials for the year ended 31 March 2020) as referred in Paragraph 4 above.

6) As indicated in our audit reports referred in paragraph 5 above, we did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets (before consolidation adjustments), total revenues (before consolidation adjustments), total net profit / (loss after tax) (before consolidation adjustments) and net cash inflows / (outflows) for the year ended on that date before consolidation adjustments for the respective years have been given in the table below, as considered in the consolidated financial statements. These financial statements have been audited by other auditors (M/s. ABM & Associates LLP) whose reports have been furnished to us by the Management of the Company. For the purpose of preparation of restated consolidated financial information, the aforesaid financial statements have been translated by the Company's Management after incorporating the Ind AS and restatement adjustments. We have audited these adjustments made by the Company's Management. Our opinion, in so far as it relates to the amounts and disclosures included in the restated consolidated financial information are based solely on the audit reports of the other auditors and the adjustments made by the Company's Management and audited by us.

(INR in millions)

In Particulars	**As at and for the year ended**		
	31 March 2021	**31 March 2020**	**31 March 2019**
Total Assets	7.65	11.14	9.70
Total Revenues	0. 22	-	-
Net Profit / (loss after tax)	0.05	(0.18)	(1.42)
Net cash inflows/ (outflows)	(9.90)	10.74	(0.03)

Our opinion on the consolidated Ind AS financial statements is not modified in respect of these matters.

7) Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:

   i. have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years ended 31 March 2020 and 31 March 2019 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the year ended 31 March 2021;

   ii. does not contain any qualifications requiring adjustments. However, those qualifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and

   iii. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

8) The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited Consolidated Financial Statements mentioned in paragraph 4 above.

Clean Science and Technology Limited (Erstwhile Clean Science and Technology Private Limited)
Independent Auditors' Examination Report – 31 March 2021 (*continued)*

9) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11) Our report is intended solely for use of the Board of Directors for inclusion in the RHP and Prospectus to be filed with SEBI, Stock exchanges and RoC 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 in writing. 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 in writing.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No: 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No.: 113896
ICAI UDIN: 21113896AAAADM4749

Place: Pune
Date: 12 June 2021

Annexure I - Restated Consolidated Balance Sheet
(All amounts are in rupees million, unless otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS				
Non-current assets				
Property, plant and equipment	*1*	1,826.04	1,626.25	1,248.72
Capital work-in-progress	*2*	549.92	34.15	39.28
Right-of-use asset	*1*	29.75	27.00	18.63
Other intangibles assets	*3*	2.68	2.51	2.44
Financial assets				
(i) Loans	*4*	21.22	12.24	9.79
(ii) Other financial assets	*5*	154.97	3.51	3.01
Income tax assets (net)	*32 (c)*	14.38	3.05	4.01
Other non-current assets	*6*	48.84	19.96	23.06
Total non-current assets		**2,647.80**	**1,728.67**	**1,348.94**
Current assets				
Inventories	*7*	528.99	345.89	370.24
Financial assets				
(i) Investments	*8*	2,321.13	1,329.84	752.46
(ii) Trade receivables	*9*	742.25	698.33	597.68
(iii) Cash and cash equivalents	*10*	93.44	92.05	94.24
(iv) Bank balances other than (iii) above	*11*	63.37	0.77	0.25
(v) Loans	*12*	2.27	2.27	-
(vi) Other financial assets	*13*	95.22	61.10	43.82
Current tax assets (net)	*32 (c)*	-	-	-
Other current assets	*14*	104.70	39.87	67.10
Total current assets		**3,951.37**	**2,570.12**	**1,925.79**
Total assets		**6,599.17**	**4,298.79**	**3,274.73**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	*15*	106.22	13.28	14.16
Other equity	*16*	5,290.45	3,407.69	2,706.41
Total equity		**5,396.67**	**3,420.97**	**2,720.57**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	*17*	3.31	2.89	1.29
Provisions	*18*	3.74	3.32	2.91
Deferred tax liabilities (net)	*32 (d)*	175.69	102.03	138.84
Total non-current liabilities		**182.74**	**108.24**	**143.04**
Current liabilities				
Financial liabilities				
(i) Borrowings	*19*	-	24.01	24.67
(ii) Trade payables	*20*			
a) total outstanding dues of micro enterprises and small enterprises		2.37	0.98	2.03
b) total outstanding dues of creditors other than micro enterprises and small enterprises		607.52	355.89	221.38
(iii) Other financial liabilities	*21*	277.87	184.44	108.51
Other current liabilities	*22*	130.50	172.93	53.26
Provisions	*23*	1.50	1.49	1.27
Current tax liabilities (net)	*32 (c)*	-	29.84	-
Total current liabilities		**1,019.76**	**769.58**	**411.12**
Total liabilities		**1,202.50**	**877.82**	**554.16**
Total equity and liabilities		**6,599.17**	**4,298.79**	**3,274.73**

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm registration no. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune
Date : 12.06.2021
ICAI UDIN : 21113896AAAADM4749

For **and on behalf of the Board of Directors of**
Clean Science and Technology Limited

Ashok Boob
Managing Director
DIN : 410740

Krishnakumar Boob
Director
DIN : 410672

Pratik Bora
Chief Financial Officer
Place : Pune
Date : 12.06.2021

Mahesh Kulkarni
Company Secretary
Membership No: 19364
Place : Pune
Date : 12.06.2021

Annexure II - Restated Consolidated Statement of Profit and Loss
(All amounts are in rupees million, unless otherwise stated)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Income				
Revenue from operations	*24*	5,124.28	4,193.00	3,932.70
Other income	*25*	256.43	108.65	112.93
Total income		**5,380.71**	**4,301.65**	**4,045.63**
Expenses				
Cost of materials consumed	*26*	1,378.62	1,279.79	1,786.10
Changes in inventories of finished goods and work-in-progress	*27*	(142.79)	12.59	(73.90)
Employee benefits expenses	*28*	435.57	310.13	248.57
Finance costs	*29*	0.91	1.21	0.33
Depreciation and amortisation expenses	*30*	172.05	137.14	110.33
Other expenses	*31*	863.34	737.63	608.84
Total expenses		**2,707.70**	**2,478.49**	**2,680.27**
Profit before tax		**2,673.01**	**1,823.16**	**1,365.36**
Tax expense:	*32*			
Current tax		617.51	461.19	350.78
Deferred tax		71.70	(34.34)	38.00
Total tax expenses		689.21	426.85	388.78
Profit for the year (A)		**1,983.80**	**1,396.31**	**976.58**
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss				
(i) Remeasurements of defined benefit liability / (asset)		(0.14)	0.27	(0.14)
(ii) Income tax related to remeasurements of defined benefit liability / (asset)		0.04	(0.07)	0.04
		(0.10)	**0.20**	**(0.10)**
(iii) Equity instruments designated through other comprehensive income		28.77	(60.13)	(7.61)
(iv) Income tax related to equity instruments designated through other comprehensive income		(2.34)	8.66	1.16
		26.43	**(51.47)**	**(6.45)**
Total Other comprehensive income (B)		**26.33**	**(51.27)**	**(6.55)**
Total comprehensive income for the year (A+ B)		**2,010.13**	**1,345.04**	**970.03**
Earnings per equity share				
[nominal value of Re. 1]				
Basic	*33*	18.68	13.15	9.19
Diluted		18.68	13.15	9.19

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm registration no. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune
Date : 12.06.2021
ICAI UDIN : 21113896AAAADM4749

For **and on behalf of the Board of Directors of Clean Science and Technology Limited**

Ashok Boob
Managing Director
DIN : 410740

Krishnakumar Boob
Director
DIN : 410672

Pratik Bora
Chief Financial Officer

Mahesh Kulkarni
Company Secretary
Membership No: 19364

Place : Pune
Date : 12.06.2021

Place : Pune
Date : 12.06.2021

Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')

Annexure III - Restated Consolidated Statement of Changes in Equity
(All amounts are in rupees million, unless otherwise stated)

(a) Equity share capital

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
Particulars	**Number of Shares**	**Amount**	**Number of Shares**	**Amount**	**Number of Shares**	**Amount**
Balance at the beginning of the reporting year	1,327,737	13.28	1,415,727	14.16	1,415,727	14.16
Changes in equity share capital during the year	104,891,223	92.94	(87,990)	(0.88)	-	-
Balance at the end of the reporting year	**106,218,960**	**106.22**	**1,327,737**	**13.28**	**1,415,727**	**14.16**

(b) Other equity

Particulars	Reserves and surplus				Other comprehensive income	Total other equity
	Securities premium	Capital redemption reserve	General reserve	Retained earnings	Equity instruments designated through other comprehensive income	
Balance at 1 April 2018	**61.04**	**-**	**74.89**	**1,729.28**	**(0.76)**	**1,864.45**
Total comprehensive income for the year ended 31 March 2019						
Profit for the year	**-**	**-**	**-**	976.58	-	**976.58**
Other comprehensive income (net of tax)						**-**
- Remeasurements of defined benefit liability (asset)	**-**	**-**	**-**	(0.10)	-	**(0.10)**
- Equity instruments designated through other comprehensive income (Refer note (i) below)	**-**	**-**	**-**	**-**	(6.45)	**(6.45)**
Total comprehensive income	**-**	**-**	**-**	**976.48**	**(6.45)**	**2,834.48**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Interim dividend for 2018-19 at Rs. 35 per equity share	-	-	-	(49.55)	-	**(49.55)**
Interim dividend for 2017-18 at Rs. 15 per equity share	-	-	-	(21.24)	-	**(21.24)**
Final dividend of 2017-18 paid during the year at Rs. 25 per equity share	-	-	-	(35.39)	-	**(35.39)**
Tax on dividend paid during the year	-	-	-	(21.90)	-	**(21.90)**
Transfer from / (to) other reserves (Refer note (i) below)	-	-	-	(2.64)	2.65	**0.01**
Balance at 31 March 2019	**61.04**	**-**	**74.89**	**2,575.04**	**(4.56)**	**2,706.41**
Balance at 1 April 2019	**61.04**	**-**	**74.89**	**2,575.04**	**(4.56)**	**2,706.41**
Total comprehensive income for the year ended 31 March 2020						
Profit for the year	-	-	-	1,396.31	-	**1,396.31**
Other comprehensive income (net of tax)						
- Remeasurements of defined benefit liability (asset)	-	-	-	0.20	-	**0.20**
- Equity instruments designated through other comprehensive income (Refer note (i) below)	-	-	-	-	(51.47)	**(51.47)**
Total comprehensive income	**-**	**-**	**-**	**1,396.51**	**(51.47)**	**1,345.04**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Interim dividend for 2019-20 at Rs. 25 per equity share	-	-	-	(35.39)	-	**(35.39)**
Interim dividend for 2018-19 at Rs. 30 per equity share	-	-	-	(42.47)	-	**(42.47)**
Final dividend of 2018-19 paid during the year at Rs. 35 per equity share	-	-	-	(49.55)	-	**(49.55)**
Tax on dividend paid during the year	-	-	-	(26.06)	-	**(26.06)**
Buyback of equity shares (*)	-	-	-	(399.12)	-	**(399.12)**
Buyback Transaction Costs (including tax on distributed income to shareholders)*	-	-	-	(91.17)	-	**(91.17)**
Transfer from / (to) other reserves (Refer note (i) below)	-	-	-	(41.21)	41.21	**-**
Transfer to Capital redemption reserve (*)	-	0.88	(0.88)	-	-	**-**
Balance at 31 March 2020	**61.04**	**0.88**	**74.01**	**3,286.58**	**(14.82)**	**3,407.69**
Balance at 1 April 2020	**61.04**	**0.88**	**74.01**	**3,286.58**	**(14.82)**	**3,407.69**
Total comprehensive income for the year ended 31 March 2021						
Profit for the period	-	-	-	1,983.80	-	**1,983.80**
Other comprehensive income (net of tax)						
- Remeasurements of defined benefit liability (asset)	-	-	-	(0.10)	-	**(0.10)**
- Equity instruments designated through other comprehensive income (Refer note (i) below)	-	-	-	-	26.43	**26.43**
Total comprehensive income	**-**	**-**	**-**	**1,983.70**	**26.43**	**2,010.13**
Appropriations						
Interim dividend for 2020-21 at Rs. 25 per equity share	**-**	**-**	**-**	(33.19)	**-**	**(33.19)**
Transaction costs of increase in share capital (net of tax)	**-**	**-**	**-**	(1.24)	**-**	**(1.24)**
Issue of bonus shares	(61.04)	(0.88)	(31.02)			**(92.94)**
Transfer from / (to) other reserves (Refer note (i) below)	**-**	**-**	**-**	11.61	(11.61)	**-**
Balance at 31 March 2021	**-**	**-**	**42.99**	**5,247.46**	**-**	**5,290.45**

*Capital Redemption Reserve was created to the extent of nominal value of equity share capital extinguished of Rs. 0.88 million. Transaction costs (including tax on distributed income to shareholders) Rs. 91.17 million for the buyback have been adjusted to retained earnings.

Nature and purpose of reserves

i) FVTOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

ii) General reserve
It is created by setting aside amount from the retained earnings of the company for general purposes which is freely available for distribution.

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration no. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune
Date : 12.06.2021
ICAI UDIN : 21113896AAAADM4749

For **and on behalf of the Board of Directors of**
Clean Science and Technology Limited

Ashok Boob
Managing Director
DIN : 410740

Krishnakumar Boob
Director
DIN : 410672

Pratik Bora
Chief Financial Officer

Place : Pune
Date : 12.06.2021

Mahesh Kulkarni
Company Secretary
Membership No: 19364

Place : Pune
Date : 12.06.2021

Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')
Annexure IV - Restated Consolidated Statement of Cash Flows
(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from operating activities			
Profit before tax	2,673.01	1,823.16	1,365.36
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation	172.05	137.14	110.33
Loss on sale of property, plant and equipments	3.12	-	1.31
Dividend income	(29.78)	(22.23)	(12.95)
Finance costs (excluding foreign exchange adjustment)	0.91	1.21	0.33
Profit on instruments designated through fair value through profit and loss (FVTPL)	(31.27)	(40.29)	(2.01)
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	(49.25)	(14.44)	(5.31)
Interest income	(11.51)	(1.36)	(0.87)
Interest income on investments measured at amortised cost	(17.94)	-	-
Mark to Market gain on forward contract	28.19	45.45	(34.45)
Unrealised foreign exchange differences	(0.80)	(34.40)	(9.77)
Operating profit before working capital changes	**2,736.73**	**1,894.25**	**1,411.97**
Movement in working capital:			
(Increase) in other non-current financial loans	(8.98)	(2.45)	(1.13)
Decrease / (Increase) in other non-current assets	-	1.72	32.68
(Increase) / Decrease in inventories	(183.10)	24.35	(79.87)
Decrease / (Increase) in trade receivables	(43.23)	(79.19)	(201.08)
Increase / (Decrease) in current financial loans	-	(2.27)	-
Decrease / (Increase) in other current financial assets	(43.02)	(17.54)	(0.53)
(Increase) / Decrease in other current assets	(64.83)	27.23	13.02
Increase in non-current provisions	0.42	0.41	0.83
Increase / (Decrease) in trade payables	253.52	132.45	(40.64)
Increase / (Decrease) in other current financial liabilities	(17.48)	16.75	43.13
(Decrease) / Increase in other current liabilities	(42.43)	29.09	23.62
Increase / (Decrease) in current provisions	(0.09)	0.42	0.78
Cash generated from operations	**2,587.51**	**2,025.23**	**1,202.79**
Net income tax (paid)	(659.06)	(424.20)	(355.41)
Net cash from operating activities (A)	**1,928.45**	**1,601.03**	**847.38**
B. Cash flow from investing activities			
Purchase of property, plant and equipment, right-of-use asset, intangible assets and capital work-in-progress, net of capital creditors and advances	(844.24)	(502.87)	(388.46)
Sale proceeds from property, plant and equipment	4.43	-	0.57
Bank deposits placed during the year	(214.05)	(1.02)	(2.95)
Purchase of current investments	(3,140.46)	(3,980.48)	(1,359.46)
Proceeds from sale of investments	2,276.41	3,418.25	786.25
Dividend received	29.78	1.67	12.95
Interest received	20.41	1.63	1.16
Net cash (used in) investing activities (B)	**(1,867.72)**	**(1,062.82)**	**(949.95)**
C. Cash flow from financing activities			
Long-term borrowings (repaid) during the year	0.42	1.60	(4.24)
(Repayment) / Proceeds of short-term borrowings (net)	(24.01)	(0.65)	24.67
Interest paid	(0.91)	(1.21)	(0.33)
Buyback of equity shares	-	(491.18)	-
Tax on buyback of equity shares	-	90.58	-
Transaction costs of increase in share capital	(1.24)		
Interim dividend paid	(33.19)	(77.86)	(70.79)
Final dividend paid	-	(49.55)	(35.39)
Tax on dividend paid during the year	-	(26.06)	(21.90)
Net cash used in financing activities (C)	**(58.93)**	**(554.34)**	**(107.98)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**1.80**	**(16.13)**	**(210.54)**
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	(0.41)	13.94	9.77
Cash and cash equivalents at the beginning of the year	**92.05**	94.24	295.01
Cash and cash equivalents at the end of the year	**93.44**	**92.05**	**94.24**

(All amounts are in rupees million, unless otherwise stated)

Notes:

1. Cash and cash equivalents include:

Cash on hand	0.36	0.60	0.31
Balances with bank			
- Current accounts	93.08	91.45	93.93
	93.44	**92.05**	**94.24**

The above cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 - on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

Movement in financial liabilities

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance of borrowings			
Non-current borrowings*	2.89	1.29	5.53
Current borrowings	24.01	24.67	-
Interest accrued but not due on borrowings	-	-	-
Movement			
Cash flows	(23.59)	0.95	20.43
Interest expense	0.91	1.21	0.33
Interest paid	(0.91)	(1.21)	(0.33)
Closing balance of borrowings			
Non-current borrowings*	3.31	2.89	1.29
Current borrowings	-	24.01	24.67
Interest accrued but not due on borrowings	-	-	-

*Non-current borrowings includes current maturities of non-current borrowings.

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report attached of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm registration no. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune
Date : 12.06.2021
ICAI UDIN : 21113896AAAADM4749

For **and on behalf of the Board of Directors of Clean Science and Technology Limited**

Ashok Boob
Managing Director
DIN : 410740

Krishnakumar Boob
Director
DIN : 410672

Pratik Bora
Chief Financial Officer

Place : Pune
Date : 12.06.2021

Mahesh Kulkarni
Company Secretary
Membership No: 19364

Place : Pune
Date : 12.06.2021

1 Reporting entity

Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited') ('the holding company' or 'the company') is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the manufacturing of various types of chemicals mainly MEHQ, Guaiacol, 4MAP at its manufacturing plant situated at Kurkumbh MIDC, Daund, Dist: Pune. The holding company caters to both domestic and international markets. The CIN of the holding company is U24114PN2003PLC018532.

Clean Science Private Limited, incorporated on 17 December 2013, is a private company domiciled and headquartered in India and is engaged in the business of buying and selling of organic and inorganic chemicals.

Clean Organics Private Limited, incorporated on 23 March 2017, is a private company domiciled and headquartered in India and is engaged in the business of buying and selling of organic and inorganic chemicals.

Clean Aromatics Private Limited, incorporated on 25 October 2019, is a private company domiciled and headquartered in India and is engaged in the business of buying and selling of organic and inorganic chemicals.

The Restated Consolidated financial information comprises the financial statements of the Company and its subsidiaries (together referred to as "the group").

The holding company has converted from a Private Limited Company to a Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 25 February 2021 and consequently the name of the holding company has changed to Clean Science and Technology Limited pursuant to a fresh certificate of incorporation issued by ROC on 04 March 2021.

The Group's Restated Consolidated financial information for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 were approved for issue in accordance with a resolution of the Board of directors on 12 June 2021.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Restated Consolidated financial information. The group has consistently applied the following accounting policies to all periods presented in the Restated Consolidated financial information.

2.1 Basis of preparation and presentation:

Compliance with Indian Accounting Standards

The Restated Consolidated financial information of the group comprises of the Restated Consolidated Balance Sheet as at 31 March 2021, 31 March 2020, 31 March 2019, the related Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, and the Restated Consolidated Statement of Cash Flows for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, and the Significant accounting policies and Restated Consolidated Other Financial Information (together referred to as 'Restated Consolidated Financial Information').

Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')
Annexure V - Significant accounting policies
(All amounts are in INR millions, unless otherwise stated)

These Restated Consolidated financial information have been prepared by the Management for the purpose of preparation of the Restated Consolidated financial information as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Offer Document in connection with its proposed initial public offering of equity shares of face value of Re. 1 each of the Company comprising an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Company in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act").

b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

The Restated Consolidated financial information has been compiled by the Group from:

- Audited Consolidated financial statements of the Group as at and for the year ended 31 March 2021 and 31 March 2020 (being comparative period for the financials for the year ended 31 March 2021) prepared in accordance with the Indian Accounting Standard (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, which have been approved by the Board of Directors at their meeting held on 12 June .

- Audited Consolidated financial statements of the Group as at and for year ended 31 March 2020 and 31 March 2019 (being comparative period for the financials for the year ended 31 March 2020) 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 11 November 2020. The financial statements for the year ended 31 March 2020 and 31 March 2019 (being comparative period for the financials for the year ended 31 March 2020) are the first financial statements that the Group has prepared in accordance with Ind AS. The date of transition is 1 April 2018. The transition to Ind AS has been carried out from accounting standards notified under section 133 of the Act read with Companies (Accounts) Rules 2014 (as amended), which is considered as the Indian GAAP, for purposes of Ind AS 101, First-time adoption of Ind AS. Refer note 42 to Restated Consolidated financial information for detailed information on how the Group transitioned to Ind AS;

Functional and presentation currency

Restated Consolidated financial information is presented in Indian Rupees, which is the Group's functional currency, unless otherwise stated. All amounts have been rounded to the nearest million, upto two places of decimal, unless otherwise stated.

2.2 Basis of measurement

The Restated Consolidated financial information has been prepared on a historical cost basis, except for the following:

- 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 defined benefit obligations.

2.3 Current and non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group's normal operating cycle is 12 months.

2.4 Use of judgements estimates and assumptions

The preparation of the Restated Consolidated financial information in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, and disclosure of the contingent liabilities at the end of each reporting period. Such estimates are on a reasonable and prudent basis considering all available information, however, due to uncertainties about these judgments, estimates and assumptions, actual results could differ from estimates. Information about each of these estimates and judgements is included in relevant notes.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Restated Consolidated financial information is included in the following notes:

- Note 39 – classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset 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 is included in the following notes:

- Note 1 and Note 3 – Useful life of depreciable assets – Property, Plant and Equipment and Other intangible assets.
- Note 34 – Recognition of contingencies, key assumptions about the likelihood and magnitude of outflow of resources.
- Note 32 – Recognition of tax expense including deferred tax.
- Note 40 – Defined benefit obligation: key actuarial assumptions.
- Note 37 – Impairment of trade receivables.
- Note 7 – Valuation of inventories

- **Going concern assumption:**

  This Restated Consolidated financial information of the Group has been prepared on a going concern basis. The management has, given the significant uncertainties arising out of the outbreak of COVID 19, as explained in note below, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of this Restated Consolidated financial information. Based this evaluation, Management believes that the Group will be able to continue as a 'going concern' in the foreseeable future and for a period of at least twelve months from the date of this Restated Consolidated financial information based on the following:

  i) Expected future operating cash flows based on business projections, and

  ii) Available credit facilities with its bankers.

  Based on the above factors, Management has concluded that the "going concern" assumption is appropriate. Accordingly, the Restated Consolidated financial information does not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Group be unable to continue as a going concern.

- **Estimation of uncertainties relating to global health pandemic from COVID-19:**

  The World Health Organisation in February 2020 declared COVID-19 as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Group's manufacturing plants and offices also had to be closed down for a brief period of time, during the year ended 31 March 2021. As a result of the lockdown, the revenue during the period has been slightly impacted. The Group is monitoring the situation closely taking into account directives from the Government.

  Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdown in the preparation of the Restated Consolidated financial information including the assessment of recoverable values of its property, plant and equipment, capital work-in-progress and intangible assets and the net realizable values of other assets. The Group has started operations and had a smooth recovery phase post lockdown. However, given the effect of these lockdowns on the overall economic activity in India, the impact assessment of COVID-19 on the abovementioned Restated Consolidated financial information captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from that estimated as at the date of approval of this Restated Consolidated financial information. The Group will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

2.5 Revenue recognition:

Sales are recognised when control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from sale of solar electricity power is recognised on a point in time basis when solar electrical power is transmitted to Alternating Current Distribution Board (ACDB).

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 asset; or
- the amortised cost of the financial liability.

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Group and that the amount of the dividend can be measured reliably.

2.6 Principles of consolidation:

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:
- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Restated Consolidated financial information of the Group is prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated financial information for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Restated Consolidated financial information to ensure conformity with the Group's accounting policies.

The Restated financial information of all entities used for the purpose of consolidation are drawn up to same year end date as that of the holding company. The subsidiaries considered in the Restated Consolidated financial information are summarized below:

Sr. No.	Name of the Company	Country of Incorporation	Proportion of Ownership Interest
I	**Subsidiaries**		
1	Clean Science Private Limited	India	100%
2	Clean Aromatics Private Limited	India	100%
3	Clean Organics Private Limited	India	100%

In preparing the Restated Consolidated financial information the Group has used the following key consolidation procedures:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognised in the Restated Consolidated financial information at the acquisition date.

Offset (eliminate) the carrying amount of the holding company's investment in each subsidiary and the holding company's portion of equity of each subsidiary. Business combinations policy explains accounting for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated financial information. Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit and loss and each component of other comprehensive income ('OCI') are attributed to the equity holders of the holding company of the group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it deconsolidates the subsidiary from the date it ceases control.

- Non-controlling interests in the results and equity of subsidiaries are shown separately in the Restated Consolidated Statement of Profit and Loss, Restated Consolidated Statement of Changes in Equity and Restated Consolidated Balance Sheet respectively.

- Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the share of the post-acquisition profits or losses of the investee in profit and loss, and the share of other comprehensive income of the investee in other comprehensive income.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

2.7 Inventories:

Inventories are valued at cost or net realisable value whichever is lower after providing for cost of obsolescence. Cost is determined on a FIFO formula.

Raw materials are valued at cost of purchase net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials. Finished goods are valued at lower of cost and net realizable value. The net realizable value of the finished goods is determined with reference to the selling prices of related finished goods.

Cost of finished goods and work-in-progress comprises cost of raw material and appropriate fixed production overheads which are allocated on the basis of normal capacity of production facilities and variable production overheads on the basis of actual production of material and after deduction of the realisable value of the by-product.

Raw Materials, Components, Stores, and Spares cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Obsolete and slow-moving inventories are identified and wherever necessary, such inventories are written off/provided during the year.

2.8 Property, plant and equipment:

• Recognition and measurement

Property, plant and equipments are carried at cost which includes capitalised borrowing costs, less accumulated depreciation and impairment loss, if any. Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

• 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 Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of 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 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

Depreciation on tangible assets is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013 (except of assets as mentioned below). Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Solar power plants are depreciated over the period of 5 to 15 years.

2.9 Impairments of non-financial assets:

The Group 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. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any such indication exists, the Group 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 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 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.

2.10 Intangible assets:

• Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the Group, it is probable that the future economic benefits that are attributable to the asset will flow to the Group 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 Group 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.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to complete development and to use or sell the asset.

Intangible assets which comprise of the development expenditure incurred on new product and expenditure incurred on acquisition of user licenses for computer software are recorded at their acquisition price.

• Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

• Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets i.e., computer software is amortized on a straight-line basis over the period of expected future benefits commencing from the date the asset is available for its use.

The management has estimated the useful life for computer software as following,

Asset Class	Years
Computer software	5

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

• 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 recognized in the statement of profit and loss when the asset is derecognized.

2.11 Employee benefits:

• Short-term employee benefits

The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee’s entitlement benefits. Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognised in the period in which the employee renders the related service. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

• Post-employment benefits

Defined contribution plans

Contributions to the provident fund and superannuation schemes which is defined contribution scheme, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due. Contributions are made in accordance with the rules of the statute and are recognised as expenses when employees render service entitling them to the contributions. The Group has no obligation, other than the contribution payable to the provident fund.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan which is administered by a trust formed for this purpose through the group schemes of Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

In case of funded plans, the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises gains/ losses on settlement of a defined plan when the settlement occurs.

• Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation.

The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

- **Termination benefits**

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

2.12 Income taxes:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income (OCI).

- **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 tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Group 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 recognised 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 Group 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 utilised, 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2.13 Earnings per share (EPS):

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Group 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.

2.14 Provision and contingent liabilities / assets:

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Contingent liabilities are obligations arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.15 Leases

At inception of a contract, the Group 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 Group 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 Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group 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 Group has the right to direct the use of the asset if either:

- the Group has the right to operate the asset; or

- the Group 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 Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessee

The Group 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 are determined 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 Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate 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 Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group 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 profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leasehold land is amortised over the period of lease being 95 to 99 years.

2.16 Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. 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 considers 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.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

• Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.

• Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

• Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
For assets and liabilities that are recognised in the Restated Consolidated financial information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.17 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group 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.

2.18 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.19 Government grants and subsidies

Grants that compensate the Group for expenses incurred are recognised in Statement of Profit and Loss as other operating income on a systematic basis in the periods in which such expenses are recognized.

Export Incentives

Export incentives under various schemes notified by the government are recognised when no significant uncertainties as to the amount of consideration that would be derived and that the Group will comply with the conditions associated with the grant and ultimate collection exist.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company have been identified as being the Chief operating decision maker by the management of the Company.

2.21 Assets held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met:

(i) Decision has been made to sell.
(ii) The assets are available for immediate sale in its present condition.
(iii) The assets are being actively marketed and
(iv) Sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair valueless costs to sell. Non-current assets held for sale are not depreciated or amortised.

2.22 Financial instruments

2.22.1 Financial assets

Initial recognition and measurement

On initial recognition, financial assets are classified in one of the three categories:
a) At amortised cost
b) At fair value through Other Comprehensive Income ('FVTOCI')
c) At fair value through profit or loss ('FVTPL')

(a) Financial assets classified as measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (‘EIR’) method, less impairment charge. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance expense/ (income) in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, security and other deposits receivable by the Group.

(b) Financial assets classified as measured at FVTOCI

A financial asset is measured at fair value through other comprehensive income if it 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. Further, the Group makes such election on an instrument-by-instrument basis, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses).

(c) Financial assets classified as measured at FVTPL

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a mutual fund investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Trade receivables and loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

De-recognition of financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date, the credit risk has not increased significantly since its original recognition. However, if credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) recognized in the statement of profit and loss.

2.22.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost. The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.
Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.
Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated as such upon initial recognition at the initial date of recognition if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

(a) Financial liabilities at amortised cost

This is the most relevant category to the Group. The Group generally classifies interest bearing borrowings as financial liabilities carried at amortised cost. After initial recognition, these instruments are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liability

A financial liability (or a part of a financial liability) is derecognised from the balance sheet when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require specified payments to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as fees receivable under “other financial assets” or as a part of the cost of the investment, depending on the contractual terms.

2.23 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of not more than three months, which are subject to an insignificant risk of changes in value.

2.24 Cash flow statement:

Cash Flows are reported using the indirect method, whereby net Profit before tax is adjusted for the effects of transactions of a non-cash nature, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. In the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above net of outstanding bank overdrafts as they are considered as integral part of the Group’s cash management.

2.25 Recent accounting pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Consolidated financial statements is required to be disclosed.

However, the Ministry of Corporate Affairs ("MCA") amended Schedule Ill of the Companies Act, 2013, through a notification dated 24 March 2021. The amendments revise Division I, II and Ill of Schedule Ill and are applicable from 1 April 2021. The Company is in the process of evaluating the effect of the ammendments on its financial statement.

(All amounts are in rupees million, unless otherwise stated)

1 Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2020	Additions	Disposals during the year	As at 31 March 2021	As at 1 April 2020	Charge for the year	Disposals during the year	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Land	26.88	15.64	-	42.52	-	-	-	-	26.88	42.52
Buildings	462.60	12.88	-	475.48	56.75	14.53	-	71.28	405.85	404.20
Plant and equipment	1,621.47	328.44	(1.64)	1,948.27	489.85	144.52	(1.45)	632.92	1,131.62	1,315.35
Research and Development related assets*	33.87	7.95	-	41.82	13.75	4.07	-	17.82	20.12	24.00
Furniture and fixtures	18.38	2.71	-	21.09	8.56	1.81	-	10.37	9.82	10.72
Computer	6.98	1.39	-	8.37	4.05	1.34	-	5.39	2.93	2.98
Vehicles	38.98	8.76	(17.08)	30.66	11.03	4.28	(9.72)	5.59	27.95	25.07
Office equipment	3.38	0.45	-	3.83	2.31	0.32	-	2.63	1.07	1.20
Total assets	**2,212.54**	**378.22**	**(18.72)**	**2,572.04**	**586.29**	**170.87**	**(11.17)**	**746.00**	**1,626.25**	**1,826.04**

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2019	Additions	Disposals during the year	As at 31 March 2020	As at 1 April 2019	Charge for the year	Disposals during the year	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020
Land	26.88	-	-	26.88	-	-	-	-	26.88	26.88
Buildings	397.03	65.57	-	462.60	43.83	12.92	-	56.75	353.20	405.85
Plant and equipment	1,195.50	425.97	-	1,621.47	376.40	113.45	-	489.85	819.11	1,131.62
Research and Development related assets*	26.37	7.50	-	33.87	10.33	3.42	-	13.75	16.04	20.12
Furniture and fixtures	16.67	1.71	-	18.38	6.97	1.59	-	8.56	9.70	9.82
Computer	4.81	2.17	-	6.98	3.02	1.03	-	4.05	1.79	2.93
Vehicles	28.55	10.43	-	38.98	7.58	3.45	-	11.03	20.97	27.95
Office equipment	3.04	0.34	-	3.38	2.00	0.31	-	2.31	1.04	1.07
Total assets	**1,698.85**	**513.69**	**-**	**2,212.54**	**450.13**	**136.16**	**-**	**586.29**	**1,248.72**	**1,626.25**

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2018	Additions	Disposals during the year	As at 31 March 2019	As at 1 April 2018	Charge for the year	Disposals during the year	As at 31 March 2019	As at 1 April 2018	As at 31 March 2019
Land	17.60	9.28	-	26.88	-	-	-	-	17.60	26.88
Buildings	350.96	46.07	-	397.03	32.37	11.46	-	43.84	318.59	353.19
Plant and equipment	915.82	286.83	(7.15)	1,195.50	292.07	90.00	(5.67)	376.40	623.75	819.11
Research and Development related assets*	21.39	4.98	-	26.37	7.66	2.67	-	10.33	13.72	16.04
Furniture and fixtures	15.75	0.92	-	16.67	5.49	1.48	-	6.97	10.27	9.70
Computer	3.69	1.12	-	4.81	2.34	0.68	-	3.02	1.35	1.79
Vehicles	22.01	8.19	(1.65)	28.55	5.96	2.86	(1.24)	7.58	16.05	20.97
Office equipment	2.80	0.24	-	3.04	1.63	0.37	-	2.00	1.17	1.04
Total assets	**1,350.03**	**357.62**	**(8.80)**	**1,698.85**	**347.53**	**109.52**	**(6.91)**	**450.13**	**1,002.50**	**1,248.72**

*Research and Development related assets includes plant and machinery pertaining to R&D Division.

Right of use asset

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2020	Additions	Disposals during the year	As at 31 March 2021	As at 1 April 2020	Charge for the year	Disposals during the year	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Leasehold land	28.00	3.08	-	31.08	1.00	0.33	-	1.33	27.00	29.75
Total Assets	**28.00**	**3.08**	**-**	**31.08**	**1.00**	**0.33**	**-**	**1.33**	**27.00**	**29.75**

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2019	Additions	Disposals during the year	As at 31 March 2020	As at 1 April 2019	Charge for the year	Disposals during the year	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020
Leasehold land	20.00	17.60	(9.60)	28.00	1.37	0.23	(0.60)	1.00	18.63	27.00
Total Assets	**20.00**	**17.60**	**(9.60)**	**28.00**	**1.37**	**0.23**	**(0.60)**	**1.00**	**18.63**	**27.00**

Particulars	Gross Block				Depreciation				Net Block	
	As at 1 April 2018	Additions	Disposals during the year	As at 31 March 2019	As at 1 April 2018	Charge for the year	Disposals during the year	As at 31 March 2019	As at 1 April 2018	As at 31 March 2019
Leasehold land	20.00	-	-	20.00	1.16	0.21	-	1.37	18.84	18.63
Total Assets	**20.00**	**-**	**-**	**20.00**	**1.16**	**0.21**	**-**	**1.37**	**18.84**	**18.63**

(All amounts are in rupees million, unless otherwise stated)

2 Capital work-in-progress

Particulars	**As at 1 April 2020**	**Additions**	**Capitalised during the year**	**As at 31 March 2021**
Buildings	33.26	196.78	(10.89)	219.15
Plant and machinery	0.89	532.99	(203.11)	330.77
Total	**34.15**	**729.77**	**(214.00)**	**549.92**

Particulars	**As at 1 April 2019**	**Additions**	**Capitalised during the year**	**As at 31 March 2020**
Buildings	3.87	33.26	(3.87)	33.26
Plant and machinery	35.41	0.89	(35.41)	0.89
Total	**39.28**	**34.15**	**(39.28)**	**34.15**

Particulars	**As at 1 April 2018**	**Additions**	**Capitalised during the year**	**As at 31 March 2019**
Buildings	7.86	3.87	(7.86)	3.87
Plant and machinery	7.09	35.41	(7.09)	35.41
Total	**14.95**	**39.28**	**(14.95)**	**39.28**

(All amounts are in rupees million, unless otherwise stated)

3 Other intangible assets (other than internally generated)

Particulars	Gross Block				Amortisation				Net Block	
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	Charge for the year	Deletions	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Computer Software	6.20	1.02	-	7.22	3.69	0.85	-	4.54	2.51	2.68
Total	**6.20**	**1.02**	**-**	**7.22**	**3.69**	**0.85**	**-**	**4.54**	**2.51**	**2.68**

Particulars	Gross Block				Amortisation				Net Block	
	As at 1 April 2019	Additions	Deletions	As at 31 March 2020	As at 1 April 2019	Charge for the year	Deletions	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020
Computer Software	5.37	0.83	-	6.20	2.94	0.75	-	3.69	2.44	2.51
Total	**5.37**	**0.83**	**-**	**6.20**	**2.94**	**0.75**	**-**	**3.69**	**2.44**	**2.51**

Particulars	Gross Block				Amortisation				Net Block	
	As at 1 April 2018	Additions	Deletions	As at 31 March 2019	As at 1 April 2018	Charge for the year	Deletions	As at 31 March 2019	As at 1 April 2018	As at 31 March 2019
Computer Software	4.52	0.85	-	5.37	2.33	0.60	-	2.93	2.19	2.44
Total	**4.52**	**0.85**	**-**	**5.37**	**2.33**	**0.60**	**-**	**2.93**	**2.19**	**2.44**

(All amounts are in rupees million, unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
4	**Loans**			
	(Unsecured, considered good)			
	Security deposits	21.22	12.24	9.79
		21.22	**12.24**	**9.79**
	Breakup of security details			
	Loans, considered good - secured	-	-	-
	Loans, considered good - unsecured	21.22	12.24	9.79
	Loans, considered doubtful/ credit impaired	-	-	-
	Total	**21.22**	**12.24**	**9.79**
	Less: Loss allowance	-	-	-
	Total loans receivables	**21.22**	**12.24**	**9.79**
5	**Other financial assets**			
	Deposits with original maturity of more than 12 months			
	Deposits with bank	4.97	3.51	3.01
	Deposits with financial institution	150.00	-	-
		154.97	**3.51**	**3.01**
6	**Other non-current assets**			
	Capital advances	48.16	19.28	20.66
	Other loans and advances			
	VAT credit receivable (net)	0.68	0.68	2.39
	Prepaid Expenses	-	-	0.01
		48.84	**19.96**	**23.06**
7	**Inventories**			
	(valued at lower of cost and net realisable value)			
	Raw materials [including goods in transit of Rs. 9.33 million (31 March 2020 : Rs. 30.04 million ; 31 March 2019 : Rs. 22.72 million)	115.28	72.14	79.80
	Work-in-progress	288.20	201.29	190.01
	Finished goods [including goods in transit of Rs. 62.88 million (31 March 2020 : Rs. 11.72 million ; 31 March 2019 : Rs. 53.82 million)	115.94	60.07	83.93
	Stores and spares	9.57	12.39	16.50
		528.99	**345.89**	**370.24**

(All amounts are in rupees million, unless otherwise stated)

8 Investments	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
A. Investments carried at fair value through profit & loss (FVTPL)			
Investment in mutual funds - Quoted			
Nil (31 March 2020 : Nil ; 31 March 2019 : 73,95,155) units Kotak Equity Arbitrage Fund	-	-	174.07
Nil (31 March 2020 : Nil ; 31 March 2019 : 46,006) units Franklin Liquid Fund Direct Growth	-	-	128.75
Nil (31 March 2020 : Nil ; 31 March 2019 : 28,65,963) units Franklin India Saving Fund Direct Growth	-	-	100.70
Nil (31 March 2020 : Nil ; 31 March 2019 : 32,583) units Kotak Money Market Direct Growth	-	-	100.57
Nil (31 March 2020 : Nil ; 31 March 2019 : 22,546) units Kotak Liquid Fund Direct Growth	-	-	85.32
Nil (31 March 2020 : Nil ; 31 March 2019 : 11,48,646) units Franklin India Ultra Short Bond Fund Direct Growth	-	-	30.31
Nil (31 March 2020 : 1,16,922 ; 31 March 2019 : 1,16,922) units Birla Sun Life Treasury Optimizer Fund Direct Growth	-	31.21	28.30
9,37,285 (31 March 2020 : 9,37,285 ; 31 March 2019 : 9,37,285) units IIFL Special Opportunities Fund - Series 2	10.94	8.48	10.73
Nil (31 March 2020 : Nil ; 31 March 2019 : 447) units Kotak Liquid Direct Plan (GR)	-	-	1.69
Nil (31 March 2020 : 284 ; 31 March 2019 : 338) units HDFC Liquid Fund-Regular Plan Growth	-	1.11	1.24
11,14,668 (31 March 2020 : 11,14,668 ; 31 March 2019 : Nil) units of Kotak Banking and PSU Debt Fund Direct Growth	57.43	53.11	-
19,130 (31 March 2020 : 19,130 ; 31 March 2019 : Nil) units of Kotak Corporate Bond Fund Direct Growth	57.10	52.81	-
Nil (31 March 2020 : 6,97,075; 31 March 2019 : Nil) units of Franklin India Corporate Debt Fund Plan A Direct Growth	-	52.54	-
Nil (31 March 2020 : 31,68,949 ; 31 March 2019 : Nil) Franklin India Banking And Psu Debt Fund Direct Growth	-	53.62	-
1,74,337 (31 March 2020 : 11,024 ; 31 March 2019 : Nil) Kotak Money Market Direct Growth New	607.35	36.52	-
47,45,188 (31 March 2020 : 93,17,884 ; 31 March 2019 : Nil) ICICI Corporate Bond Fund Direct Growth	111.54	200.43	-
18,972 (31 March 2020 : 72,697 ; 31 March 2019 : Nil) Kotak Corporate Bond Fund Direct Growth	56.62	200.67	-
1,02,010 (Nil 31 March 2020 : 1,03,453 ; 31 March 2019 : Nil) Axis Banking & PSU Debt Fund Direct Growth	214.00	200.80	-
Nil (31 March 2020 : 94,46,056 ; 31 March 2019 : Nil) HDFC Arbitrage Fund Direct Growth	-	140.60	-
48,27,546 (31 March 2020 : 82,70,490 ; 31 March 2019 : Nil) Kotak Equity Arbitrage Fund Growth	146.18	240.42	-
30,88,755 (31 March 2020 : Nil ; 31 March 2019 : Nil) IDFC Arbitrage Fund Direct Growth	82.65	-	-
57,36,044 (31 March 2020 : Nil ; 31 March 2019 : Nil) SBI Saving Fund Direct Growth	196.15	-	-
20,36,334 (31 March 2020 : Nil ; 31 March 2019 : Nil) Axis Short Term Fund Direct Growth	51.73	-	-
21,98,209 (31 March 2020 : Nil ; 31 March 2019 : Nil) IDFC Bond Fund Short Term Direct Growth	103.01	-	-
63,67,813 (31 March 2020 : Nil ; 31 March 2019 : Nil) HDFC Banking & PSU Debt Fund Direct Growth	116.21	-	-
11,22,340 (31 March 2020 : Nil ; 31 March 2019 : Nil) Kotak Banking and PSU Debt Fund Direct Growth (New Folio)	57.83	-	-
1,29,029 (31 March 2020 : Nil ; 31 March 2019 : Nil) Kotak Gilt Fund Direct Growth (New Folio)	10.58	-	-
B. Investment in others - Quoted (FVTPL)			
Investments in liquid funds *	48.28	-	-
	1,927.60	**1,272.32**	**661.68**

* Includes investments in various small denomination instruments which are monitored through Avendus Absolute Return Strategy.

(All amounts are in rupees million, unless otherwise stated)

C. Investments carried at fair value through other comprehensive income (FVTOCI)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Investment in equity shares - Quoted			
Investment in equity shares *	-	57.52	90.78
	-	**57.52**	**90.78**

* These investments in equity shares are monitored through Ventura PMS, Kotak PMS and Avendus PMS.
Refer note 43 (a) for detailed breakup of Investment in equity shares (FVTOCI)

D. Investments carried at fair value through profit and loss (FVTPL)			
Investment in equity shares - Quoted			
Investment in equity shares *	14.96	-	-
	14.96	**-**	**-**

* These investments in equity shares are monitored through Avendus PMS.
Refer note 43 (b) for detailed breakup of Investment in equity shares (FVTPL)

E. Investment at amortised cost	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Investment in bonds - Quoted			
50 (31 March 2020 : Nil ; 31 March 2019 : Nil) IIFCL Tax Free Bond	63.29	-	-
50 (31 March 2020 : Nil ; 31 March 2019 : Nil) SBI-9.56% (Perpetual Bond)	52.99	-	-
100 (31 March 2020 : Nil ; 31 March 2019 : Nil) HDFC Perpetual Bond Fund	106.14	-	-
100 (31 March 2020 : Nil ; 31 March 2019 : Nil) SBI-9.37% (Perpetual Bond)	106.15	-	-
40,000 (31 March 2020 : Nil ; 31 March 2019 : Nil) IRFCL Tax Free Bond	50.00	-	-
	378.57	**-**	**-**
	2,321.13	**1,329.84**	**752.46**
(a) Aggregate book value of quoted investments	**2,321.13**	**1,329.84**	**752.46**
(b) Aggregate market value of quoted investments	**2,323.44**	**1,329.84**	**752.46**

9 Trade receivables

Unsecured, considered good			
Receivable from related party			
From private company in which directors are directors/members (refer note 36)	-	-	1.56
Receivable other than related party			
Other parties	742.25	698.33	596.12
	742.25	**698.33**	**597.68**
Breakup of security details			
Trade receivables considered good - secured	**-**	**-**	**-**
Trade receivables considered good - unsecured	742.25	698.33	597.68
Trade receivables considered doubtful / credit impaired	**-**	**-**	**-**
Total	**742.25**	**698.33**	**597.68**
Less: Loss allowance	**-**	**-**	**-**
Total trade receivables	**742.25**	**698.33**	**597.68**

***The Group's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note no. 37 on financial instruments.**

(All amounts are in rupees million, unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
10	**Cash and cash equivalents**			
	Balance with banks :			
	In current account*	93.08	91.45	93.93
	Cash on hand	0.36	0.60	0.31
		93.44	**92.05**	**94.24**

*Includes debit balance of working capital facility amounting to Rs. 19.7 Million (31 March 2020 : Rs. 23.57 million ; 31 March 2019 : Rs. Nil). These balances are not earmarked.

		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
11	**Bank balances other than cash and cash equivalents**			
	Bank deposits due to mature within 12 months of the period end	63.37	0.77	0.25
		63.37	**0.77**	**0.25**
12	**Loans**			
	(Unsecured, considered good)			
	Security deposits	2.27	2.27	-
		2.27	**2.27**	**-**
	Breakup of security details			
	Loans, considered good - secured	-	-	-
	Loans, considered good - unsecured	2.27	2.27	-
	Loans, considered doubtful / credit impaired	-	-	-
	Total	**2.27**	**2.27**	**-**
	Less: Loss allowance	-	-	-
	Total loans receivables	**2.27**	**2.27**	**-**
13	**Other financial assets**			
	(Unsecured, considered good)			
	Advances to employees	0.34	0.31	0.29
	Gratuity fund balance	0.21	-	-
	MTM (Loss)/ Gain on outstanding forward contract not designated as hedge	28.19	-	34.45
	Scrips (FMS/ MEIS) receivable	0.19	12.94	8.29
	Interest receivable	9.95	1.05	0.79
	Other receivables	1.93	46.80	-
	Recoverable expense from shareholders@**	54.41	-	-
		95.22	**61.10**	**43.82**

@ In relation to the expenses incurred for the proposed Initial Public Offer (offer for sale from existing shareholders) of equity shares of the Company during the year ended 31 March 2021 , the selling shareholders at that time had confirmed that the expenses incurred by the Company till date and future expenses (including any tax reimbursements) will be reimbursed by each of them on a proportionate basis (i.e. in proportion to the respective selling shareholding pattern). These expenses had been approved by the shareholders in accordance with the agreements for services entered into by the Company for the purpose of proposed IPO. Refer note 36.

		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	**Includes Auditor's Remuneration related to proposed IPO			
	Fees	7.35	-	-
		7.35	**-**	**-**
14	**Other current assets**			
	Balance with excise authorities	3.02	2.94	2.21
	Custom authorities	4.92	4.92	4.92
	GST receivable	84.06	18.46	44.23
	VAT credit receivable	-	-	10.82
	Prepaid expenses	10.64	8.34	3.95
	Advance for supply of goods	1.80	4.34	0.62
	Other advances	0.26	0.87	0.35
		104.70	**39.87**	**67.10**

(All amounts are in rupees million, unless otherwise stated)

15 Share capital

Particulars	31 March 2021	31 March 2020	31 March 2019
Authorised :			
150,000,000 (31 March 2020 : 2,000,000 ; 31 March 2019 : 2,000,000) equity shares of Re.1 each. (31 March 2020 : Rs. 10 each ; 31 March 2019 : Rs. 10 each)	150.00	20.00	20.00
TOTAL	**150.00**	**20.00**	**20.00**
Issued and subscribed and paid up:			
Equity share capital			
106,218,960 (31 March 2020 : 1,327,737 ; 31 March 2019 : 1,415,727) equity shares of Re.1 each fully paid-up (31 March 2020 : Rs. 10 each fully paid-up ; 31 March 2019 : Rs. 10 each fully paid-up)	106.22	13.28	14.16
TOTAL	**106.22**	**13.28**	**14.16**

Reconciliation of number of shares outstanding at the beginning and end of the year :

Equity share :	31 March 2021	31 March 2020	31 March 2019
	Number of Shares	**Number of Shares**	**Number of Shares**
Outstanding at the beginning of the year	1,327,737	1,415,727	1,415,727
Issue of bonus shares	9,294,159	-	-
Increase due to share split	95,597,064		-
Less : Equity shares bought back during the year	-	87,990	-
Outstanding at the end of the year	**106,218,960**	**1,327,737**	**1,415,727**

* Number of shares is presented as absolute number.

(All amounts are in rupees million, unless otherwise stated)

Note on bonus issue and share split

Pursuant to the approval of shareholders granted in the extra-ordinary general meeting held on 24 December 2020, the holding Company issued and allotted fully paid-up "bonus shares" at par in proportion of seven new equity shares of Rs. 10 each for every one existing fully paid up equity share of Rs. 10 held as on the record date of 05 February 2021. Pursuant to the approval of shareholders granted in the extra-ordinary general meeting held on 25 February 2021, the holding Company undertook a stock split of 10 equity shares of Re. 1 each for one existing fully paid up equity share of Rs. 10. As a result of the above transactions, the issued, subscribed and paid up number of equity shares have been increased to 106,218,960 and the authorised number of equity shares are increased and restricted to 150,000,000.

Note on Buy-back of Shares

The Board of Directors of the holding company at its meeting held on 20 March 2020 had approved a proposal to buyback up to 87,990 equity shares of the company for an aggregate amount not exceeding INR 400 million being 6.22% of total paid up equity share capital of the holding company, at Rs. 4,546 per equity share. Letter of offer was issued to all eligible shareholders holding shares as on 31 December 2019. The period for tendering the shares for buyback was from 30 March 2020 to 31 March 2020. The holding Company bought back 87,990 equity shares for an amount of Rs. 400 million. The equity shares bought back were extinguished on 6 April 2020. Capital Redemption Reserve was created to the extent of nominal value of equity share capital extinguished of Rs. 0.88 million. Transaction costs (including tax on distributed income to shareholders) Rs. 91.17 million for the buyback have been adjusted to retained earnings.

Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares having a par value of Re. 1 per share as on 31 March 2021. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.
On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Group, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Shareholders holding more than 5% shares in the Group is set out below:

Equity shares of Re. 1 each fully paid (31 March 2020: Rs. 10 ; 31 March 2019: Rs. 10 each fully paid)	**31 March 2021**		**31 March 2020**		**31 March 2019**	
	Number of Shares	**Number of Shares %**	**Number of Shares**	**Number of Shares %**	**Number of Shares**	**Number of Shares %**
1. Mr. Ashok Boob	16,316,940	15.36%	203,963	15.36%	257,480	19.39%
2. Ms. Asha Boob	13,155,900	12.39%	164,450	12.39%	220,890	16.64%
3. Ashokkumar Ramkishan Sikchi HUF	12,093,440	11.39%	151,168	11.39%	172,876	13.02%
4. Ashok Ramnarayan Boob HUF	6,689,760	6.30%	83,622	6.30%	83,622	6.30%
5. Mr. Krishnakumar Boob	-	0.00%	-	0.00%	108,065	8.14%
6. Mr. Parth Maheshwari	6,754,000	6.36%	84,425	6.36%	-	0.00%
7. Ms. Nidhi Mohunta J/w Ashok Boob	6,754,000	6.36%	84,425	6.36%	-	0.00%

(All amounts are in rupees million, unless otherwise stated)

16 Other equity

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Reserves and surplus			
A. Retained earnings	5,247.46	3,286.58	2,575.04
B. Securities premium	-	61.04	61.04
C. General reserve	42.99	74.01	74.89
D. Capital redemption reserve	-	0.88	-
E. Equity instruments designated through other comprehensive income	-	(14.82)	(4.56)
	5,290.45	**3,407.69**	**2,706.41**

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
A. Retained earnings			
Opening balance	3,286.58	2,575.04	1,729.28
Profit for the year	1,983.80	1,396.31	976.58
Appropriations			
Interim dividend paid during the year*	(33.19)	(77.86)	(70.79)
Final dividend paid during the year**	-	(49.55)	(35.39)
Tax on dividend paid during the year	-	(26.06)	(21.90)
Buyback of equity shares	-	(399.12)	-
Transaction costs of buy back (including tax on distributed income to shareholders)	-	(91.17)	-
Transaction costs of increase in share capital (net of tax)	(1.24)		
Transfer from/to other reserves	11.61	(41.21)	(2.64)
Remeasurements of defined benefit liability / (asset)	(0.10)	0.20	(0.10)
Closing balance	**5,247.46**	**3,286.58**	**2,575.04**

***Interim dividend for 2020-21 at Rs. 25 per equity share(31 March 2020** : Interim dividend for 2019-20 at Rs. 25 per equity share & Interim dividend for 2018-19 at Rs. 30 per equity share ; **31 March 2019 :** Interim dividend for 2018-19 at Rs. 35 per equity share & Interim dividend for 2017-18 at Rs. 15 per equity share).

****Final dividend of 2019-20 paid during the year at Rs. Nil per equity share (31 March 2020 :** Final dividend of 2018-19 paid during the year at Rs. 35 per equity share ; **31 March 2019 :** Final dividend of 2017-18 paid during the year at Rs. 25 per equity share).

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
B. Securities Premium			
Opening balance	**61.04**	**61.04**	**61.04**
Issue of bonus shares	(61.04)	**-**	**-**
Closing balance	**-**	**61.04**	**61.04**
C. General Reserve			
Opening balance	74.01	74.89	74.89
Transfer to Capital redemption reserve	-	(0.88)	-
Issue of Bonus shares	(31.02)		
Closing balance	**42.99**	**74.01**	**74.89**
D. Capital redemption reserve			
Opening balance	0.88	-	-
Transfer from General Reserve	-	0.88	-
Issue of Bonus shares	(0.88)		
Closing balance	**-**	**0.88**	**-**
E. Equity instruments designated through other comprehensive income			
Opening balance	(14.82)	(4.56)	(0.76)
Transfer from/(to) other reserves	(11.61)	41.21	2.65
Add/(Less): Fair value changes during the year (net of tax)	26.43	(51.47)	(6.45)
Closing balance	**-**	**(14.82)**	**(4.56)**
	5,351.49	**3,407.69**	**2,706.41**

(All amounts are in rupees million, unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
17	**Borrowings**			
	Unsecured			
	Deposits from shareholders*	3.31	2.89	1.29
		3.31	**2.89**	**1.29**

*Deposits from shareholders are interest free and are repayable after 3 years from respective receipt of deposits.

18	**Provisions**			
	Provision for employee benefits			
	Compensated absences	3.74	3.32	2.91
		3.74	**3.32**	**2.91**
19	**Borrowings**			
	Loans repayable on demand (secured)			
	Cash credit and overdraft facilities from banks	-	18.99	24.67
	Others			
	Daimler Financial Services India Pvt Ltd	-	5.02	-
		-	**24.01**	**24.67**

a) Working capital loan from banks consist of cash credit facility from banks carrying interest rate ranging between 7.75% % to 10 % and are repayable on demand.

The details of securities for the short-term borrowings are as follows :

Primary security

(1) Hypothecation charge on stocks, stores and spares, consumables and book debts.

Collateral security

(2) Pari passu equitable mortgage charge on Office No. 503, 5th Floor, Pentagon Tower 4, Hadapsar, Pune admeasuring 5158 sq. Ft.

(3) Pari passu hypothecation charge on all current assets.

b) Term loan of Rs. Nil (31 March 2020: Rs. 50,24,016; 31 March 2019: Rs. Nil) taken from Daimler Financial Services India Private Limited for financing of new Mercedes-Benz S350d car. The last instalment has been paid in March 2021.

20	**Trade payables**			
	Trade payables			
	Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 35)**	2.37	0.98	2.03
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises*	607.52	355.89	221.38
		609.89	**356.87**	**223.41**

*Includes dues to related parties (Refer note 36)
**Refer note 35 for disclosures required under MSMED Act

(All amounts are in rupees million, unless otherwise stated)

21 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Employee benefits payable			
Salaries and benefits	11.65	8.54	7.38
Bonus payable	155.99	102.93	87.34
Payable for purchase of property, plant & equipment	110.23	27.52	13.79
MTM Loss / (Gain) on outstanding forward contract not designated as hedge	-	45.45	-
	277.87	**184.44**	**108.51**

22 Other current liabilities

Statutory dues payable			
Statutory dues including provident fund and withholding taxes			
TDS and TCS payable	119.06	79.20	52.54
Tax payable on distributed income to shareholders	-	90.58	-
Provident fund payable	0.91	0.72	0.43
ESIC payable	0.12	0.10	0.15
Professional tax payable	0.06	-	0.05
Advance from customer	10.35	2.33	0.09
	130.50	**172.93**	**53.26**

23 Provisions

Provision for employee benefits			
Compensated absences	1.50	1.08	0.54
Gratuity (Refer note 40)	-	0.41	0.73
	1.50	**1.49**	**1.27**

(All amounts are in rupees million, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
24 Revenue from operations			
Sale of products	5,069.41	4,093.38	3,848.35
Other operating revenue			
Export incentives	43.71	86.46	69.35
Scrap sale	1.16	0.56	0.74
Sale of electricity	10.00	12.60	14.26
	54.87	**99.62**	**84.35**
	5,124.28	**4,193.00**	**3,932.70**
25 Other income			
Interest income	11.51	1.36	0.87
Interest income on investments measured at amortised cost	17.94	-	-
Dividend income from investments in equity shares designated as FVTPL	29.45	20.65	12.81
Dividend income from investments in equity shares designated as FVTOCI	0.33	1.58	0.14
Net gain on account of foreign exchange fluctuations	113.53	28.23	88.63
Profit on sale of instruments designated through fair value through profit and loss (FVTPL)	31.27	40.29	2.01
Fair value gain on instruments designated through fair value through profit and loss (FVTPL)	49.25	14.44	5.31
Miscellaneous income	3.15	2.10	3.16
	256.43	**108.65**	**112.93**
26 Cost of materials consumed			
Raw materials (including purchase components & packing material consumed)			
Opening inventories	72.14	79.80	82.81
Add : Purchases	1,421.76	1,272.13	1,783.09
	1,493.90	1,351.93	1,865.90
Less : Closing inventories	115.28	72.14	79.80
	1,378.62	**1,279.79**	**1,786.10**

(All amounts are in rupees million, unless otherwise stated)

27 Changes in inventories of finished goods and work-in-progress	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening Inventories			
Finished Goods	60.06	83.93	76.01
Work-in-progress	201.29	190.01	124.03
Total (A)	**261.35**	**273.94**	**200.04**
Closing Inventories			
Finished Goods	115.94	60.06	83.93
Work-in-progress	288.20	201.29	190.01
Total (B)	**404.14**	**261.35**	**273.94**
Total (A-B)	**(142.79)**	**12.59**	**(73.90)**

28 Employee benefits expenses

Salaries, wages and bonus	420.67	299.33	239.91
Contribution to provident and other funds (Refer note 40)	7.97	6.04	4.32
Staff welfare expenses	6.93	4.76	4.34
	435.57	**310.13**	**248.57**

29 Finance costs

Interest expense on financial liabilities			
Working capital loan	0.04	0.03	0.11
Others	0.87	1.18	0.22
	0.91	**1.21**	**0.33**

30 Depreciation and amortisation expense

Depreciation of property, plant and equipment (refer note 1)	170.87	136.16	109.52
Amortisation of right-of-use asset (refer note 1)	0.33	0.23	0.21
Amortisation of intangible assets (refer note 3)	0.85	0.75	0.60
	172.05	**137.14**	**110.33**

(All amounts are in rupees million, unless otherwise stated)

31 Other expenses	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Consumption of stores and spares	8.44	7.68	10.50
Power and fuel	349.49	347.53	322.34
Water charges	9.97	16.97	8.75
Repairs and maintenance			
Buildings	19.27	11.11	3.48
Machinery	84.58	63.20	58.40
Others	19.43	14.89	10.74
Insurance	12.32	6.97	3.25
Rent	0.40	-	-
Rates and taxes	5.66	4.37	2.67
Telephone and other communication expenses	1.90	1.82	1.71
Travelling expenses	3.39	5.67	4.88
Freight, clearing and forwarding	55.02	37.06	33.72
Sales commission	68.21	43.69	10.11
Advertising and sales promotion	0.05	0.05	2.92
Manpower supply	99.41	72.79	62.49
Legal and professional fees	23.61	15.57	11.10
Payments to auditors (refer note (a) below)	2.48	1.47	0.82
CSR expenses (Refer note 46)	30.56	33.20	17.67
Bank charges	2.35	2.91	3.00
Effluent treatment plant expenses	29.28	18.71	13.46
Printing and stationary	2.83	2.34	1.75
Loss on sale of property, plant and equipments	3.12	-	1.31
Miscellaneous expenses	31.57	29.63	23.77
	863.34	**737.63**	**608.84**

(a) Payment to auditor*			
As auditor			
Statutory audit fee	0.95	0.95	0.75
In other capacity			
Other services	1.50	0.45	0.04
Reimbursement of expenses	0.03	0.07	0.03
	2.48	**1.47**	**0.82**

* Excludes Rs 7.35 million (31 March 2020 : Nil ; 31 March 2019 : Nil) towards payment made to the auditors on account of initial public offering of equity shares of face value of Re. 1 each as these expenses will be recovered from selling shareholders in the ratio of their selling shareholding pattern. Also refer note 13.

(All amounts are in rupees million, unless otherwise stated)

32 Taxes

(a) Statement of profit or loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax:			
Current income tax charge	617.51	461.19	350.78
Deferred tax	71.70	(34.34)	38.00
Income tax expense reported in the statement of profit or loss	**689.21**	**426.85**	**388.78**

(b) Other comprehensive income (OCI)

Taxes related to items recognised in OCI during in the year

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax:			
Taxes on equity instruments through other comprehensive income	(0.39)	6.12	0.30
Remeasurements gains and losses on post employment benefits	0.04	-	-
Deferred tax			
Taxes on equity instruments through other comprehensive income	(1.95)	2.54	0.86
Remeasurements gains and losses on post employment benefits		(0.07)	0.04
Income tax recognised in OCI	**(2.30)**	**8.59**	**1.20**

(c) Balance sheet

Tax assets

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Non- current tax assets	14.38	3.05	4.01
Current tax assets	-	-	-
Total tax assets	**14.38**	**3.05**	**4.01**

Current tax liabilities

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Current tax liabilities (net)	-	29.84	-
Total current tax liabilities	**-**	**29.84**	-

(All amounts are in rupees million, unless otherwise stated)

(d) Deferred tax

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Deferred tax liabilities (DTL)			
Excess of depreciation/amortisation on property plant and equipment under income tax act	141.64	121.62	129.09
MTM Gain on outstanding forward contract not designated as hedge	18.53	(20.12)	10.03
Mutual funds designated at fair value through profit and loss	14.76	5.33	1.96
	174.93	**106.83**	**141.08**
Deferred tax assets (DTA)			
Provision for employee benefits	(1.26)	(1.21)	(1.22)
Carry forward of losses	-	(1.64)	-
Bonds - Effective interest rate	-	-	-
Equity instruments measured at other comprehensive income	2.02	(1.95)	(1.02)
	0.76	**(4.80)**	**(2.24)**
Net deferred tax liability/(asset)	**175.69**	**102.03**	**138.84**

(e) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit before tax	**2,673.01**	**1,823.16**	**1,365.36**
Tax rate	**25.17%**	**25.17%**	**29.12%**
Tax as per IT Act on above (A)	**672.80**	**458.85**	**397.59**
Tax expenses			
(i) Current tax	617.51	461.19	350.79
(ii) Deferred tax	71.70	(34.34)	38.00
(B)	**689.21**	**426.84**	**388.79**
Difference	**(16.41)**	**32.01**	8.80
Tax reconciliation			
Adjustments:			
Effect of permanent adjustments	8.42	27.49	(4.68)
Exempt income	-	(19.91)	(6.07)
Effects of weighted deductions	-	-	(8.90)
Impact as a result of tax rate change	-	(8.16)	0.41
Impact as a result of capital gains included in accounting profit taxed at the applicable rates	3.96	(2.38)	(0.11)
Others	4.03	(29.04)	10.55
	-	-	-

(All amounts are in rupees million, unless otherwise stated)

(f) Movement in temporary differences:

	1 April 2020	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2021
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	**121.62**	20.02	-	**141.64**
MTM Gain on outstanding forward contract not designated as hedge	**(20.12)**	38.65	-	**18.53**
Mutual funds designated at fair value through profit and loss	**5.33**	9.43	-	**14.76**
	106.83	**68.10**	-	**174.93**
Deferred tax assets (DTA)				
Provision for employee benefits	**(1.21)**	(0.06)	-	**(1.26)**
Carry forward of losses	**(1.64)**	1.64	-	**-**
Bonds - Effective interest rate	**-**	-	-	**-**
Equity instruments measured at other comprehensive income	**(1.95)**	2.02	1.95	**2.02**
	(4.80)	**3.60**	**1.95**	**0.76**
Net deferred tax liability/(asset)	**102.03**	**71.70**	**1.95**	**175.69**

	1 April 2019	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2020
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	**129.09**	(7.47)	-	**121.62**
MTM Gain on outstanding forward contract not designated as hedge	**10.03**	(30.15)	-	**(20.12)**
Mutual funds designated at fair value through profit and loss	**1.96**	3.37	-	**5.33**
	141.08	**(34.25)**	**-**	**106.83**
Deferred tax assets (DTA)				
Provision for employee benefits	**(1.22)**	(0.06)	0.07	**(1.21)**
Carry forward of losses	**-**	(1.64)	-	**(1.64)**
Equity instruments measured at other comprehensive income	**(1.02)**	1.61	(2.54)	**(1.95)**
	(2.24)	**(0.09)**	**(2.47)**	**(4.80)**
Net deferred tax liability/(asset)	**138.84**	**(34.34)**	**(2.47)**	**102.03**

(All amounts are in rupees million, unless otherwise stated)

	1 April 2018	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2019
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	**102.08**	27.01	-	**129.09**
Tax law over depreciation / amortisation provided in books of account	**-**	-	-	**-**
MTM Gain on outstanding forward contract not designated as hedge	**0.00**	10.03	-	**10.03**
Mutual funds designated at fair value through profit and loss	**0.41**	1.55	-	**1.96**
	102.49	**38.59**	**-**	**141.08**
Deferred tax assets (DTA)				
Provision for employee benefits	**(0.59)**	(0.59)	(0.04)	**(1.22)**
Current investments	**0.00**	-	0	**0.00**
Carry forward of losses	**-**	-	0	**0.00**
Equity instruments measured at other comprehensive income	**(0.16)**	-	(0.86)	**(1.02)**
	(0.75)	**(0.59)**	**(0.90)**	**(2.24)**
Net deferred tax liability/(asset)	**101.75**	**38.00**	**(0.90)**	**138.84**

Note Section 115BAA of the Income Tax Act, 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Group has determined that it will recognize tax expense at the new reduced income tax rates after doing the benefit analysis of existing deductions as compared to reduced tax rates under the new tax regime.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

In assessing the realizability of deferred tax assets, the Group considers the extent to which it is probable that the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry - forwards become deductible. The Group considers the expected reversal of deferred tax assets, projected future taxable income including COVID - 19 in making this assessment.

33 Earnings Per Share

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Profits attributable to equity shareholders			
Profit for basic earning per share of Rs. 1 each*			
Profit for the year (in millions)	**1,983.80**	**1,396.31**	**976.58**
Basic Earnings Per Share			
Weighted average number of equity shares outstanding during the year	106,218,960	106,218,960	106,218,960
Basic EPS (Rs.)	**18.68**	**13.15**	**9.19**
Diluted Earnings Per Share			
Profit for basic earning per share of Rs. 1 each*			
Profit for the year (in millions)	**1,983.80**	**1,396.31**	**976.58**
Weighted average number of equity shares outstanding during the year for diluted EPS	106,218,960	106,218,960	106,218,960
Diluted EPS (Rs.)	**18.68**	**13.15**	**9.19**

Weighted average number of equity shares for Basic Earnings Per Share	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning and at the end of the year*	106,218,960	106,218,960	106,218,960
Weighted average number of equity shares outstanding during the year	**106,218,960**	**106,218,960**	**106,218,960**

Weighted average number of equity shares for Diluted Earnings Per Share	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning and at the end of the year*	106,218,960	106,218,960	106,218,960
Weighted average number of equity shares outstanding during the year	**106,218,960**	**106,218,960**	**106,218,960**

*Note: The equity shares and basic/diluted earnings per share for the comparative period has been presented to reflect the adjustments for issue of bonus shares and stock split in accordance with Ind AS 33 - Earnings per Share.

34 Contingent liabilities, contingent assets and commitments :

(a) Contingent liabilities

Pursuant to recent judgement by the Honorable Supreme Court dated 28 February 2019, it was held that basic wages, for the purpose of Provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to applicability of the Judgement and year from which the same applies. The Group has assessed that there was no impact of the same for current period end since provident fund was already deducted on such special allowance for current period end.
Owing the aforesaid, uncertainty and pending clarification from the authorities in this regard, the Group had not recognised any provision for the years prior to 28 February 2019.

(b) Commitments

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	104.04	189.17	192.91
	104.04	**189.17**	**192.91**

35 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid to any supplier as at the end of the year			
Trade payables	2.37	0.98	2.03
Interest due thereon remaining unpaid to any supplier as at the end of the year			
Trade payables	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	-	-	-
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	-	-	-
The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-

(All amounts are in rupees million, unless otherwise stated)

36 Related Party Disclosures

I. Disclosure post elimination of intra-group transactions:

(a) List of Related Parties and description of relationship:

Key Management Personnel (KMP)

1	Mr. Ashok Boob	Managing Director
2	Mr. Siddhartha Sikchi	Director
3	Mr. Krishnakumar Boob	Director
4	Mr. Pradeep Rathi	Non-executive Director
5	Ms. Madhu Dubhashi (appointed w.e.f 20 February 2021)	Independent Director
6	Mr. Sanjay Kothari	Non-executive Director
7	Mr. Ganapati Yadav	Non-executive Director / Independent Director
8	Mr. Keval Doshi (appointed w.e.f 25 February 2021)	Independent Director
9	Mr. Pratik Bora (appointed w.e.f 6 February 2021)	Chief Financial Officer
10	Mr. Mahesh Kulkarni (appointed w.e.f 11 March 2021)	Company Secretary

Relative of Key Management Personnel

1 Ms. Nandita Sikchi
2 Ashok Ramnarayan Boob HUF
3 Ms. Asha Boob
4 Mr. Parth Maheshwari
5 Mr. Ashok Sikchi
6 Ashokkumar Ramkishan Sikchi HUF
7 Krishnakumar Ramnarayan Boob HUF
8 Mr. Kunal Sikchi
9 Mr. Prasad Boob
10 Ms. Asha Sikchi
11 Ms. Nilima Boob
12 Ms. Nidhi Mohunta
13 Ms. Pooja Navandar
14 Ms. Shradha Boob

Other related parties:
Entities in which Key Management Personnel and / or their relatives exercise significant influence and with whom transactions were

1 Matrix Fine Sciences Private Limited
2 M/s Shree Tiles
3 M/s Shree Pavers and Tiles
4 CSTPL Foundation
5 M/s Shree Pavers
6 Anantroop Financial Advisory Services Private Limited

(b) Related party transactions:

Key management personnel compensation

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Short-term employee benefits	322.35	224.54	180.64
Director sitting fees	1.01	0.28	0.18
Total compensation	323.36	224.82	180.82

Sr. no	Nature of Transaction	For the year ended 31 March 2021			For the year ended 31 March 2020		
		Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Total	Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Total
1	Purchase of raw material, consumables and spares	-	2.16	**2.16**	0.09	0.86	**0.95**
2	Sale of goods	-	1.11	**1.11**	-	3.10	**3.10**
3	Sale of scrap	-	-	**-**	-	0.14	**0.14**
4	Sale of property plant and equipments	3.58	0.23	**3.81**	-	-	-
5	Donation	-	7.00	**7.00**	-	20.50	**20.50**
6	Remuneration to relative of key management personnel - short-term employee benefit	4.16	-	**4.16**	2.56	-	**2.56**
7	Interim dividend paid	31.49	1.63	**33.12**	73.87	3.83	**77.70**
8	Final dividend for previous year	-	-	**-**	47.01	2.44	**49.45**
9	Recoverable expenses from shareholders	51.61	2.68	**54.29**	-	-	**-**
10	Unsecured deposit received	1.71	-	**1.71**	1.60	-	**1.60**
11	Unsecured deposit (paid)	(1.29)	-	**(1.29)**	-	-	**-**
		91.26	**14.81**	**106.07**	**125.13**	**30.87**	**156.00**

(All amounts are in rupees million, unless otherwise stated)

36 Related Party Disclosures

Sr. no	Nature of Transaction	For the year ended 31 March 2019		
		Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Total
1	Purchase of raw material, consumables and spares	0.09	1.07	**1.16**
2	Sale of goods	-	9.86	**9.86**
3	Sale of scrap	-	0.49	**0.49**
4	Donation	-	11.80	**11.80**
5	Remuneration to relative of key management personnel - short-term employee benefit	2.33	-	**2.33**
6	Interim dividend paid	67.15	3.48	**70.63**
7	Final dividend for previous year	33.58	1.74	**35.32**
8	Unsecured deposit received	1.29	-	**1.29**
9	Unsecured deposit (paid)	(5.53)	-	**(5.53)**
		98.91	**28.44**	**127.35**

(c) Related party transactions more than 10% of total transactions for the year ended :

Nature of transaction	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
a. Purchase of raw material, consumables and spares			
M/s Shree Pavers and Tiles	2.16	0.86	1.05
b. Remuneration paid			
Mr. Ashok Boob	146.09	102.38	83.16
Mr. Siddhartha Sikchi	99.61	69.81	55.89
Mr. Krishnakumar Boob	74.71	52.35	41.58
c. Remuneration to relative of key management personnel			
Mr. Parth Maheshwari	4.16	2.56	2.33
d. Sale of Goods			
Matrix Fine Sciences Private Limited	1.11	3.10	9.86
e. Sale of scrap & other non operating income			
Matrix Fine Sciences Private Limited	-	0.14	0.49
f. Sale of property, plant and equipment			
Mr. Ashok Boob	0.99	-	-
Mr. Siddhartha Sikchi	1.07	-	-
Mr. Krishnakumar Boob	1.53	-	-
g. Interim dividend paid			
Mr. Ashok Boob	5.10	5.44	12.87
Ms. Asha Boob	4.11	4.52	11.04
Ashokkumar Ramkishan Sikchi HUF	3.78	5.19	8.64
h. Final dividend for previous year			
Mr. Ashok Boob	-	15.34	6.44
Ms. Asha Boob	-	12.96	5.52
Ashokkumar Ramkishan Sikchi HUF	-	11.24	4.32
i. Unsecured Deposits (paid)			
Mr. Ashok Boob	-	-	(2.10)
Mr. Krishnakumar Boob	-	-	(1.65)
Mr. Siddhartha Sikchi	(1.29)	-	(1.78)
j. Unsecured deposits received			
Mr. Siddhartha Sikchi	-	-	1.29
Mr. Ashok Boob	1.04	1.60	-
Mr. Krishnakumar Boob	0.67	-	-
k. Donation to CSTPL Foundation	7.00	20.50	11.80
l. Director Sitting Fees			
Mr. Ganapati Yadav	0.12	0.06	0.02
Mr. Pradeep Rathi	0.23	0.11	0.08
Mr. Sanjay Kothari	0.28	0.11	0.08
Mr. Kewal Doshi	0.22	-	-
Ms. Madhu Dubhashi	0.16	-	-
m. Recoverable expenses from shareholders			
Mr. Ashok Boob	8.68	-	-
Ms. Asha Boob	8.68	-	-

(All amounts are in rupees million, unless otherwise stated)

36 Related Party Disclosures

(d) Balances outstanding at the end of the year:-

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
a. Trade payables			
M/s Shree Pavers and Tiles	0.50	0.03	0.13
b. Trade receivables			
Matrix Fine Sciences Private Limited	-	0.55	1.56
c. Unsecured deposit			
Mr. Siddhartha Sikchi	-	1.29	1.29
Mr. Ashok Boob	2.64	1.60	-
Mr. Krishnakumar Boob	0.67	-	-
d. Performance bonus payable (net of TDS)			
Mr. Ashok Boob	69.85	45.94	39.32
Mr. Siddhartha Sikchi	47.65	31.21	26.66
Mr. Krishnakumar Boob	35.75	23.61	19.66
e. Directors remuneration payable (net of TDS)			
Mr. Ashok Boob	1.17	1.03	1.14
Mr. Siddhartha Sikchi	0.80	0.55	0.77
Mr. Krishnakumar Boob	0.61	0.72	0.58
Mr. Sanjay Kothari	-	0.03	-
f. Remuneration payable to relatives of KMP			
Mr. Parth Maheshwari	0.18	0.16	0.19
g. Recoverable expenses from shareholders*			
Ms. Asha Boob	8.68	-	-
Mr. Ashok Boob	8.68	-	-
Ashokkumar Ramkishan Sikchi HUF	4.84	-	-
Ms. Asha Sikchi	4.06	-	-
Mr. Krishnakumar Boob	3.23	-	-
Ms. Nilima Boob	3.23	-	-
Other related selling shareholders	21.69	-	-

* Refer note 13 for the expenses recoverable from the selling shareholders

(All amounts are in rupees million, unless otherwise stated)

36 Related Party Disclosures

II. Disclosure prior to elimination of intra-group transactions:

(a) List of Related Parties and description of relationship:

Subsidiary Companies:

1 Clean Science Private Limited
2 Clean Organics Private Limited
3 Clean Aromatics Private Limited

Key Management Personnel (KMP)

1	Mr. Ashok Boob	Managing Director
2	Mr. Siddhartha Sikchi	Director
3	Mr. Krishnakumar Boob	Director
4	Mr. Pradeep Rathi	Non-executive Director
5	Ms. Madhu Dubhashi (appointed w.e.f 20 February 2021)	Independent Director
6	Mr. Sanjay Kothari	Non-executive Director
7	Mr. Ganapati Yadav	Non-executive Director / Independent Director
8	Mr. Keval Doshi (appointed w.e.f 25 February 2021)	Independent Director
9	Mr. Pratik Bora (appointed w.e.f 6 February 2021)	Chief Financial Officer
10	Mr. Mahesh Kulkarni (appointed w.e.f 11 March 2021)	Company Secretary

Relative of Key Management Personnel

1 Ms. Nandita Sikchi
2 Ashok Ramnarayan Boob HUF
3 Ms. Asha Boob
4 Mr. Parth Maheshwari
5 Mr. Ashok Sikchi
6 Ashokkumar Ramkishan Sikchi HUF
7 Krishnakumar Ramnarayan Boob HUF
8 Mr. Kunal Sikchi
9 Mr. Prasad Boob
10 Ms. Asha Sikchi
11 Ms. Nilima Boob
12 Ms. Nidhi Mohunta
13 Ms. Pooja Navandar
14 Ms. Shradha Boob

Other related parties:
Entities in which Key Management Personnel and / or their relatives exercise significant influence and with whom transactions were carried out during the year -

1 Matrix Fine Sciences Private Limited
2 M/s Shree Tiles
3 M/s Shree Pavers and Tiles
4 CSTPL Foundation
5 M/s Shree Pavers
6 Anantroop Financial Advisory Services Private Limited

(b) Related party transactions:

Key management personnel compensation

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Short-term employee benefits	322.35	224.54	180.64
Director sitting fees	1.01	0.28	0.18
Total compensation	323.36	224.82	180.82

Sr. no	**Nature of Transaction**	**For the year ended 31 March 2021**				**For the year ended 31 March 2020**			
		Key Management Personnel (KMP)/Relative of Key Management Personnel	**Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence**	**Subsidiary Company**	**Total**	**Key Management Personnel (KMP)/Relative of Key Management Personnel**	**Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence**	**Subsidiary Company**	**Total**
1	Purchase of raw material, consumables and spares	-	2.16	-	**2.16**	0.09	0.86	-	**0.95**
2	Purchase of right-of-use asset	-	-	-	**-**	-	-	8.91	**8.91**
3	Sale of goods	-	1.11	-	**1.11**	-	3.10	-	**3.10**
4	Sale of scrap	-	-	-	**-**	-	0.14	-	**0.14**
5	Sale of property plant and equipments	3.58	0.23	-	**3.81**	-	-	-	**-**
6	Donation	-	7.00	-	**7.00**	-	20.50	-	**20.50**
7	Investment in subsidiary	-	-	-	**-**	-	-	1.00	**1.00**
8	Remuneration to relative of key management personnel- Short-term employee benefits	4.16	-	-	**4.16**	2.56	-	-	**2.56**
9	Interim dividend paid	31.49	1.63	-	**33.12**	73.87	3.83	-	**77.70**
10	Final dividend for previous year	-	-	-	**-**	47.01	2.44	-	**49.45**
11	Recoverable expenses from shareholders	51.61	2.68	-	**54.29**	-	-	-	**-**
12	Advance given to subsidiary	-	-	-	**-**	-	-	0.71	**0.71**
13	Repayment of advance given to subsidiary	-	-	0.02	**0.02**	-	-	-	**-**
14	Unsecured deposit received	1.71	-	-	**1.71**	1.60	-	-	**1.60**
15	Unsecured deposit (paid)	(1.29)	-	-	**(1.29)**	-	-	-	**-**
		91.26	**14.81**	**0.02**	**106.09**	**125.13**	**30.87**	**10.62**	**166.62**

(All amounts are in rupees million, unless otherwise stated)

36 Related Party Disclosures

Sr. no	Nature of Transaction	For the year ended 31 March 2019			
		Key Management Personnel (KMP)/Relative of Key Management Personnel	Entities where Key Management Personnel/Relative of Key Management Personnel has significant influence	Subsidiary Company	Total
1	Purchase of raw material, consumables and spares	0.09	1.07	-	**1.16**
2	Purchase of right-of-use asset	-	-	-	**-**
3	Sale of goods	-	9.86	-	**9.86**
4	Sale of scrap	-	0.49	-	**0.49**
5	Donation	-	11.80	-	**11.80**
6	Investment in subsidiary	-	-	-	**-**
7	Remuneration to relative of key management personnel- Short-term employee benefits	2.33	-	-	**2.33**
8	Interim dividend paid	67.15	3.48	-	**70.63**
9	Final dividend for previous year	33.58	1.74	-	**35.32**
10	Advance given to subsidiary	-	-	1.19	**1.19**
11	Repayment of advance given to subsidiary	-	-	-	**-**
12	Unsecured deposit received	1.29	-	-	**1.29**
13	Unsecured deposit (paid)	(5.53)	-	-	**(5.53)**
		98.91	**28.44**	**1.19**	**128.54**

(c) Related party transactions more than 10% of total transactions for the year ended :

Nature of transaction	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
a. Purchase of raw material, consumables and spares			
Matrix Fine Science Private Limited	-	0.00	-
M/s Shree Pavers	-	0.09	
M/s Shree Pavers and Tiles	2.16	0.86	1.05
b. Remuneration paid			
Mr. Ashok Boob	146.09	102.38	83.16
Mr. Siddhartha Sikchi	99.61	69.81	55.89
Mr. Krishnakumar Boob	74.71	52.35	41.58
c. Remuneration to relative of key management personnel			
Mr. Parth Maheshwari	4.16	2.56	2.33
d. Sale of Goods			
Matrix Fine Sciences Private Limited	1.11	3.10	9.86
e. Sale of scrap & other non operating income			
Matrix Fine Sciences Private Limited	-	0.14	0.49
f. Sale of property, plant and equipment			
Mr. Ashok Boob	0.99	-	-
Mr. Siddhartha Sikchi	1.07	-	-
Mr. Krishnakuma Boob	1.53	-	-
g. Interim dividend paid			
Mr. Ashok Boob	5.10	5.44	12.87
Ms. Asha Boob	4.11	4.52	11.04
Ashokkumar Ramkishan Sikchi HUF	3.78	5.19	8.64
h. Final dividend for previous year			
Mr. Ashok Boob	-	15.34	6.44
Ms. Asha Boob	-	12.96	5.52
Ashokkumar Ramkishan Sikchi HUF	-	11.24	4.32
i. Unsecured Deposits (paid)			
Mr. Ashok Boob	-	-	(2.10)
Mr. Krishnakumar Boob	-	-	(1.65)
Mr. Siddhartha Sikchi	(1.29)	-	(1.78)
j. Unsecured deposits received			
Mr. Ashok Boob	1.04	1.60	1.29
Mr. Krishnakumar Boob	0.67	-	-
k. Advance given to subsidiary			
Clean Science Private Limited	-	0.71	1.19
l. Repayment of advance given to subsidiary			
Clean Science Private Limited	0.02	-	-
m. Donation to CSTPL Foundation	7.00	20.50	11.80
n. Director Sitting Fees			
Mr. Ganapati Yadav	0.12	0.06	0.02
Mr. Pradeep Rathi	0.23	0.11	0.08
Mr. Sanjay Kothari	0.28	0.11	0.08
Mr. Kewal Doshi	0.22	-	-
Ms. Madhu Dubhashi	0.16	-	-
o. Investment in Subsidiaries			
Clean Aromatics Pvt Ltd	-	1.00	-
p. Purchase of right-of-use asset			
Clean Science Private Limited	-	8.91	-
q. Recoverable expenses from shareholders			
Mr. Ashok Boob	8.68	-	-
Ms. Asha Boob	8.68	-	-

(All amounts are in rupees million, unless otherwise stated)

36 Related Party Disclosures

(d) Balances outstanding at the end of the year:-

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
a. Trade payables			
M/s Shree Pavers and Tiles	0.50	0.03	0.13
b. Trade receivables			
Matrix Fine Sciences Private Limited	-	0.55	1.56
c. Unsecured deposit			
Mr. Siddhartha Sikchi	-	1.29	1.29
Mr. Ashok Boob	2.64	1.60	-
Mr. Krishnakumar Boob	0.67	-	-
d. Performance bonus payable (net of TDS)			
Mr. Ashok Boob	69.85	45.94	39.32
Mr. Siddhartha Sikchi	47.65	31.21	26.66
Mr. Krishnakumar Boob	35.75	23.61	19.66
e. Directors remuneration payable (net of TDS)			
Mr. Ashok Boob	1.17	1.03	1.14
Mr. Siddhartha Sikchi	0.80	0.55	0.77
Mr. Krishnakumar Boob	0.61	0.72	0.58
Mr. Sanjay Kothari	-	0.03	-
f. Remuneration payable to relatives of KMP			
Mr. Parth Maheshwari	0.18	0.16	0.19
g. Other receivables			
Clean Science Private Limited	-	3.55	2.84
Clean Organics Private Limited	-	0.02	0.02
h. Recoverable expenses from shareholders*			
Ms. Asha Boob	8.68	-	-
Mr. Ashok Boob	8.68	-	-
Ashokkumar Ramkishan Sikchi HUF	4.84	-	-
Ms. Asha Sikchi	4.06	-	-
Mr. Krishnakumar Boob	3.23	-	-
Ms. Nilima Boob	3.23	-	-
Other related selling shareholders	21.69	-	-

* Refer note 13 for the expenses recoverable from the selling shareholders

37 Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies. The board regularly meets to decide its risk management activities.
The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group's activities. The Group, 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 Group's management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board is also assisted by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

The Group has exposure to the following risks arising from financial instruments:
- credit risk - see note (a) below
- liquidity risk - see note (b) below
- interest risk - see note (c) below
- market risk - see note (d) below

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group'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 Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess impairment loss or gain. The Group 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 Group's historical experience for customers.

(i) The Group has not made any provision on expected credit loss arising on trade receivables and other financial assets, based on management estimates.

(ii) Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

(All amounts are in rupees million, unless otherwise stated)

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

The Group's treasury department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total current assets (A)	3,951.37	2,570.12	1,925.79
Total current liabilities (B)	1,019.76	769.58	411.12
Working capital (A-B)	**2,931.61**	**1,800.54**	**1,514.67**

Following is the Group's exposure to financial liabilities based on the contractual maturity as at reporting date.

	As at 31 March 2021			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	3.31	-	3.31	3.31
Trade payables	609.89	609.89	-	609.89
Other liabilities	277.87	277.87	-	277.87

	As at 31 March 2020			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	26.90	24.01	2.89	26.90
Trade payables	356.87	356.87	-	356.87
Other liabilities	184.44	184.44	-	184.44

	As at 31 March 2019			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	25.96	24.67	1.29	25.96
Trade payables	223.41	223.41	-	223.41
Other liabilities	108.51	108.51	-	108.51

(c) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group manages its interest rates by selection appropriate type of borrowings and by negotiation with the bankers.

The exposure of the borrowings (long term and short term) to interest rate changes at the end of the reporting period are as follows:

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	-	18.99	24.67
Fixed rate borrowings	-	-	-
Total borrowings	**-**	**18.99**	**24.67**

The Group had the following variable and fixed rate borrowings outstanding

	31 March 2021		
	Weighted average interest rate	**Balance**	**% of total loans**
Cash credit facility	0.00%	-	0.00%
Net exposure to cash flow interest rate risk	**0.00%**	**-**	**0.00%**

	31 March 2020		
	Weighted average interest rate	**Balance**	**% of total loans**
Cash credit facility	9.21%	18.99	100%
Net exposure to cash flow interest rate risk	**9.21%**	**18.99**	**100.00%**

	31 March 2019		
	Weighted average interest rate	**Balance**	**% of total loans**
Cash credit facility	9.11%	24.67	100%
Net exposure to cash flow interest rate risk	**9.11%**	**24.67**	**100.00%**

(d) Market risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Group'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.

(e) Foreign currency unhedged exposure :

(i) Financial assets

Financial assets	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Foreign currency	Equivalent amount in rupees (in millions)	Foreign currency	Equivalent amount in rupees (in millions)	Foreign currency	Equivalent amount in rupees (in millions)
Trade receivables						
USD	6.35	466.73	4.41	332.16	4.94	341.77
EURO	0.28	23.70	0.30	24.60	0.34	26.12
Advance paid						
USD	-	-	0.01	1.11	-	-
EURO	-	-	-	-	-	-
Balance with banks - in EEFC accounts						
USD	0.82	60.29	0.61	45.92	1.14	79.13
EURO	0.07	5.80	0.10	8.10	0.17	13.32
Cash on hand						
USD	0.00	0.16	0.00	0.03	0.00	0.05
EURO	0.00	0.17	0.00	0.12	0.00	0.13
CNY	0.00	0.01	0.00	0.01	0.00	0.04
SGD	0.00	0.01	0.00	0.01	0.00	0.01
AED	0.01	0.10	0.00	0.06	0.00	0.01
RUB	0.00	0.00	0.00	0.00	0.00	0.00
IDR	0.22	0.00	0.22	0.00	0.27	0.00
CHF	0.00	0.01	0.00	0.01	-	-
		556.98		**412.12**		**460.57**

Note: Amounts seen as (0.00) are below the disclosure threshold of the Group.

(ii) Financial liabilities

Financial liabilities	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Foreign currency	Equivalent amount in rupees (in millions)	Foreign currency	Equivalent amount in rupees (in millions)	Foreign currency	Equivalent amount in rupees (in millions)
Trade payables						
USD	1.14	83.75	0.69	52.19	0.22	15.42
EURO	0.00	0.12	0.00	0.30	0.13	9.97
		83.87		**52.49**		**25.39**

Note: Amounts seen as (0.00) are below the disclosure threshold of the Group.

(iii) Currency wise net exposure (Financial assets - Financial liabilities)

Currency wise net exposure (assets - liabilities)	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
Particulars	Foreign currency	Equivalent amount in rupees (in millions)	Foreign currency	Equivalent amount in rupees (in millions)	Foreign currency	Equivalent amount in rupees (in millions)
USD	6.03	443.43	4.34	327.04	5.86	405.52
EUR	0.34	29.54	0.39	32.51	0.38	29.60
CNY	0.00	0.01	0.00	0.01	0.00	0.04
SGD	0.00	0.01	0.00	0.01	0.00	0.01
AED	0.01	0.10	0.00	0.06	0.00	0.01
RUB	0.00	0.00	0.00	0.00	0.00	0.00
IDR	0.22	0.00	0.22	0.00	0.27	0.00
CHF	0.00	0.01	0.00	0.01	-	-
Total		**473.10**		**359.62**		**435.18**

Note: Amounts seen as (0.00) are below the disclosure threshold of the Group.

(iv) Currency wise net exposure (Financial assets - Financial liabilities) (INR)

Currency	Amount in rupees (in millions)			Sensitivity %
	31 March 2021	31 March 2020	31 March 2019	
USD	443.43	327.04	405.52	1.00%
EUR	29.54	32.51	29.60	1.00%
CNY	0.01	0.01	0.04	1.00%
SGD	0.01	0.01	0.01	1.00%
AED	0.10	0.06	0.01	1.00%
RUB	0.00	0.00	0.00	1.00%
IDR	0.00	0.00	0.00	1.00%
CHF	0.01	0.01	-	1.00%
	473.10	**359.62**	**435.18**	

Note: Amounts seen as (0.00) are below the disclosure threshold of the Group.

(v) Sensitivity analysis

	Impact on profit/equity (1% strengthening)			Impact on profit/equity (1% weakening)		
	Amount in rupees (in millions)			Amount in rupees (in millions)		
	31 March 2021	31 March 2020	31 March 2019	31 March 2021	31 March 2020	31 March 2019
USD	4.43	3.27	4.06	(4.43)	(3.27)	(4.06)
EUR	0.30	0.33	0.30	(0.30)	(0.33)	(0.30)
CNY	0.00	0.00	0.00	(0.00)	(0.00)	(0.00)
SGD	0.00	0.00	0.00	(0.00)	(0.00)	(0.00)
AED	0.00	0.00	0.00	(0.00)	(0.00)	(0.00)
RUB	0.00	0.00	0.00	(0.00)	(0.00)	(0.00)
IDR	0.00	0.00	0.00	(0.00)	(0.00)	(0.00)
CHF	0.00	0.00	-	(0.00)	(0.00)	-
Total	**4.73**	**3.60**	**4.36**	**(4.73)**	**(3.60)**	**(4.36)**

Note: Amounts seen as (0.00) are below the disclosure threshold of the Group.
*The exchange rate used by the Group is that notified by the Reserve Bank of India.

Impact of COVID - 19

The Group based on an internal assessment believes that the probability of the occurrence of their highly probable forecasted transactions is not significantly impacted by the COVID-19 pandemic. The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing the hedge effectiveness. The Group continues to believe that there is no impact on effectiveness of its hedges.

38 Capital management

The Group's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.
The Group'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 stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total liabilities	1,202.50	877.82	554.16
Less: cash and cash equivalents and bank balances	156.81	92.82	94.49
Net debt	1,045.69	785.00	459.67
Total equity	5,396.67	3,420.97	2,720.57
Debt-equity ratio	0.19	0.23	0.17

(All amounts are in rupees million, unless otherwise stated)

39 Fair value measurements

(a) Categories of financial instruments -

Particulars	As at 31 March 2021					As at 31 March 2020				
	Carrying amount	Fair values				Carrying amount	Fair values			
		FVTPL	FVTOCI	Amortised cost	Amortised cost		FVTPL	FVTOCI	Amortised cost	Amortised cost
Category		**Level 1**	**Level 1**	**Level 1**	**Level 2**		**Level 1**	**Level 1**	**Level 1**	**Level 2**
Financial assets										
Trade receivables	742.25	-	-	-	742.25	698.33	-	-	-	698.33
Cash and cash equivalents	93.44	-	-	-	93.44	92.05	-	-	-	92.05
Other bank balances	63.37	-	-	-	63.37	0.77	-	-	-	0.77
Investment in bonds	378.57	-	-	380.88	-	-	-	-	-	-
Investment in mutual funds - Quoted	1,927.60	1,927.60	-	-	-	1,272.32	1,272.32	-	-	-
Investment in equity shares - Quoted	14.96	14.96	-	-	-	57.52	-	57.52	-	-
Loans	23.49	-	-	-	23.49	14.51	-	-	-	14.51
Other financial assets	250.19	-	-	-	250.19	64.61	-	-	-	64.61
Total financial assets	**3,493.87**	**1,942.56**	**-**	**380.88**	**1,172.74**	**2,200.11**	**1,272.32**	**57.52**	**-**	**870.27**
Financial liabilities										
Borrowings	3.31	-	-	-	3.31	26.90	-	-	-	26.90
Trade payables	609.89	-	-	-	609.89	356.87	-	-	-	356.87
Other financial liabilities	277.87	-	-	-	277.87	184.44	-	-	-	184.44
Total financial liabilities	**891.07**	**-**	**-**	**-**	**891.07**	**568.21**	**-**	**-**	**-**	**568.21**

Particulars	As at 31 March 2019				
	Carrying amount	Fair values			
		FVTPL	FVTOCI	Amortised cost	Amortised cost
Category		**Level 1**	**Level 1**	**Level 1**	**Level 2**
Financial assets					
Trade receivables	597.68	-	-	-	597.68
Cash and cash equivalents	94.24	-	-	-	94.24
Other bank balances	0.25	-	-	-	0.25
Investment in mutual funds - Quoted	661.68	661.68	-	-	-
Investment in equity shares - Quoted	90.78	-	90.78	-	-
Loans	9.79	-	-	-	9.79
Other financial assets	46.83	-	-	-	46.83
Total financial assets	**1,501.25**	**661.68**	**90.78**	**-**	**748.79**
Financial liabilities					
Borrowings	25.95	-	-	-	25.95
Trade payables	223.41	-	-	-	223.41
Other financial liabilities	108.51	-	-	-	108.51
Total financial liabilities	**357.87**	**-**	**-**	**-**	**357.87**

(b) Fair value hierarchy:

As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. As illustrated above, all financial instruments of the Group which are carried at amortized cost approximates the fair value (except for which the fair values are mentioned). Investments in Mutual Funds which are designated at FVTPL & investment in shares which are classified as FVTPL and FVTOCI are at fair value.

(All amounts are in rupees million, unless otherwise stated)

40 Post-employment benefit plans

As per Indian Accounting Standard 19" Employee Benefits", the disclosures as defined are given below-

A. Defined Contribution Plans

The Group makes contributions, determined as a specific percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Group has no obligation other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund and other funds for the year aggregated to Rs. 5.94 million (31 March 2020 : Rs. 4.59 million ; 31 March 2019 : Rs. 3.26 million).

B. Defined Benefit Plans

Gratuity

The Group has defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member’s length of service and salary at retirement age. These benefits are funded with an insurance Group.

Risk exposure and asset liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1) Liability Risks

a. Asset Liability Mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Group is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) Asset Risks

All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Group has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Group has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, the funded status and amounts recognised in balance sheet for the plan.

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	2.01	1.46	1.10
Net interest (Income)/ Expense	0.02	(0.00)	(0.04)
Net benefit expense	**2.03**	**1.46**	**1.06**

Changes in the present value of the defined benefit obligation are as follows :

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Projected benefit obligation at the beginning of the year	6.56	5.35	3.96
Interest cost	0.39	0.39	0.30
Current service cost	2.01	1.46	1.10
Benefits paid	(0.23)	(0.30)	(0.13)
Remeasurements on obligation - (Gain) / Loss	0.19	(0.34)	0.12
Present value of obligation at the end of the year	**8.92**	**6.56**	**5.35**

Changes in the fair value of plan assets are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets at the beginning of the year	6.15	4.62	4.42
Interest income	0.36	0.40	0.34
Contributions	2.90	1.58	0.07
Mortality charges and taxes	(0.12)	(0.07)	(0.06)
Benefits paid	(0.22)	(0.31)	(0.13)
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	0.06	(0.07)	(0.02)
Fair value of Plan assets at end of the year	**9.13**	**6.15**	**4.62**
Actual return on plan assets	**0.42**	**0.33**	**0.32**

Re-measurements for the year (Actuarial (gain) / loss)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Experience gain / (loss) on plan liabilities	0.08	0.06	0.05
Demographic gain / (loss) on plan liabilities	-	(0.84)	(0.00)
Financial gain / (loss) on plan liabilities	0.12	0.44	0.07
Experience (gain) / loss on plan assets	(0.16)	0.06	0.01
Financial (gain) / loss on plan assets	0.10	0.01	0.01

Note: Amounts seen as (0.00) are below the disclosure threshold of the Group.

(All amounts are in rupees million, unless otherwise stated)

Amount recognised in the statement of other comprehensive income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Re-measurement for the year - obligation (gain) / loss	0.20	(0.34)	0.12
Re-measurement for the year - plan assets (gain) / loss	(0.06)	0.07	0.02
Total re-measurements cost / (credit) for the year recognised in other comprehensive income	**0.14**	**(0.27)**	**0.14**

Net Defined Benefit Liability/(Asset) for the year

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Defined Benefit Obligation	8.92	6.56	5.35
Fair value of plan assets	9.13	6.15	4.62
Closing net defined benefit liability/(asset)	**(0.21)**	**0.41**	**0.73**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Current	**(0.21)**	**0.41**	**0.73**
Non-Current	**-**	**-**	**-**

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Nature of plan assets	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Funds managed by insurer	100%	100%	100%

The principal assumptions used in determining gratuity obligations for the Group's plan are shown below:

Assumptions

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	%	%	%
Mortality table	**IALM(2012-14) ult**	**IALM(2012-14) ult**	**IALM(2012-14) ult**
Discount rate	5.70%	6.00%	7.60%
Rate of increase in compensation levels	10.00%	10.00%	10.00%
Expected rate of return on plan assets	6.00%	7.60%	7.80%
Withdrawal rate #			
Age up to 30 years	22.00%	22.00%	12.00%
Age 31 - 40 years	22.00%	22.00%	12.00%
Age 41 - 50 years	22.00%	22.00%	12.00%
Age above 50 years	22.00%	22.00%	12.00%
Expected average remaining working lives of employees (in years)	4.45 *	4.43 *	7.78*

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.
# Assumption has been revised by the Group based on their past experience and future expectations

A quantitative sensitivity analysis for significant assumption as at 31 March 2021, 31 March 2020 & 31 March 2019 is as shown below:

Assumptions	Defined benefit obligation					
	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Discount Rate						
Discount Rate	6.70%	4.70%	7.00%	5.00%	8.60%	6.60%
Amount	8.54	9.34	6.27	6.87	5.00	5.77
Salary increment rate						
Salary increment rate	11.00%	9.00%	10.00%	9.00%	11.00%	9.00%
Amount	9.23	8.63	6.79	6.34	5.69	5.05
Withdrawal rate						
Withdrawal rate	23.00%	21.00%	23.00%	21.00%	13.00%	11.00%
Amount	8.84	9.01	6.50	6.62	5.30	5.41

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Expected future benefit payments
The following benefit payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

Duration of defined benefit payments	31 March 2021	31 March 2020	31 March 2019
Less than 1 year	2.12	1.07	0.34
1 to 2 years	1.23	1.53	0.59
3 to 5 years	4.59	3.46	2.68
More than 5 years	8.94	6.37	7.16

Expected contributions for the next year
The group has contributed Rs. 2.91 million (31 March 2020 :Rs. 1.57 million; 31 March 2019: Rs. 0.06 million) to its gratuity fund during the year. The group has informed that it intends to contribute Rs. Nil (31 March 2020 :Rs. 0.06 million; 31 March 2019: Rs. 2.0 million) towards its gratuity fund in 2022.

(All amounts are in rupees million, unless otherwise stated)

Note 41: Revenue from contracts with customers

A. Revenue streams

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations			
Sale of products	**5,069.41**	**4,093.38**	**3,848.35**
Other operating revenue			
Export incentives	43.71	86.46	69.35
Scrap sale	1.16	0.56	0.74
Sale of electricity	10.00	12.60	14.26
	54.87	**99.62**	**84.35**
	5,124.28	**4,193.00**	**3,932.70**

Disaggregation of revenue streams
The Group is engaged in manufacturing of various types of chemicals mainly Ketone with other oxygen function and Ether phenol.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from contracts with customers			
Ketone with other oxygen function	499.83	491.65	461.25
Ether phenols	4,202.77	3,335.23	3,171.39
Others	366.81	266.50	215.71
Total revenue	**5,069.41**	**4,093.38**	**3,848.35**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Timing of revenue recognition			
Goods transferred at a point in time	5,069.41	4,093.38	3,848.35
Goods transferred over time	-	-	-
Total revenue	**5,069.41**	**4,093.38**	**3,848.35**

(All amounts are in rupees million, unless otherwise stated)

42 : Leases

The impact of Ind AS 116 on these changes is disclosed below :

A1. Right-of-use assets

Description	Right-of-use assets
	Leasehold land
Gross block	
Balance as at 1 April 2018	20.00
Additions	-
Deletion	-
Balance as at 31 March 2019	**20.00**
Balance as at 1 April 2019	20.00
Additions	17.60
Disposals	(9.60)
Balance as at 31 March 2020	**28.00**
Balance as at 1 April 2020	28.00
Additions	3.08
Disposals	-
Balance as at 31 March 2021	**31.08**
Accumulated depreciation	
Balance as at 1 April 2018	1.16
Depreciation for the year	0.21
Depreciation on disposals	-
Balance as at 31 March 2019	**1.37**
Balance as at 1 April 2019	1.37
Depreciation for the year	0.23
Depreciation on disposals	(0.60)
Balance as at 31 March 2020	**1.00**
Balance as at 1 April 2020	1.00
Depreciation for the year	0.34
Depreciation on disposals	-
Balance as at 31 March 2021	**1.34**
Net block	
As At 31 March 2019	**18.63**
As At 31 March 2020	**27.00**
As At 31 March 2021	**29.75**

A2. Lease liabilities

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Current	-	-	-
Non Current	-	-	-
Total	**-**	**-**	**-**

(All amounts are in rupees million, unless otherwise stated)

A3. Interest expenses on lease liabilities

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on lease liabilities	-	-	-

A4. Expenses on short term leases / low value assets

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Short-term lease	0.40	-	-
Low value assets	-	-	-

A5. Amounts recognised in the statement of cash flow

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Total cash outflow for leases	-	-	-

A6. Maturity analysis – contractual undiscounted cash flows

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Less than one year	-	-	-
One to five years	-	-	-
More than five years	-	-	-
Total undiscounted lease liabilities	**-**	**-**	**-**

Impact of COVID 19

The leases that the Group has entered with lessors majorly pertains for land taken on lease. The Group has already made payment of lease rentals and no changes in terms of those leases are expected due to the COVID-19 pandemic.

(All amounts are in rupees million, unless otherwise stated)

43 Investments made through PMS

a) Investments designated at FVTOCI comprises the following instruments

Investment in equity shares - Quoted	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Nil (31 March 2020 : 1,385 ; 31 March 2019 : 1,300) Avenue Supermarts Limited	-	3.03	1.91
Nil (31 March 2020 : 1,300 ; 31 March 2019 : 1,300) Bajaj Finance Limited	-	2.88	3.93
Nil (31 March 2020 : 2,216 ; 31 March 2019 : 2,200) Whirlpool Of India Limited	-	4.03	3.33
Nil (31 March 2020 : 267 ; 31 March 2019 : 216) Apollo Tubes Limited	-	0.33	0.31
Nil (31 March 2020 : 12,539 ; 31 March 2019 : 10,000) Balrampur Chini Mills	-	1.30	1.37
Nil (31 March 2020 : 581 ; 31 March 2019 :Nil) Century Plyboards India	-	0.06	-
Nil (31 March 2020 : 831 ; 31 March 2019 :Nil) Coromandel International	-	0.45	-
Nil (31 March 2020 : 6,000 ; 31 March 2019 : 6,000) Fortis Healthcare Limited	-	0.76	0.81
Nil (31 March 2020 : 944 ; 31 March 2019 : 1,800) ICICI Bank Limited	-	0.31	0.72
Nil (31 March 2020 : 1,729 ; 31 March 2019 : 1,729) Indoco Remedies Limited	-	0.36	0.35
Nil (31 March 2020 : 386 ; 31 March 2019 : 314) Lux Industries Limited	-	0.36	0.43
Nil (31 March 2020 : 9,450 ; 31 March 2019 : 9,450) Motherson Sumi Systems	-	0.58	1.41
Nil (31 March 2020 : 626 ; 31 March 2019 : 464) Persistent Systems Limited	-	0.34	0.29
Nil (31 March 2020 : 534 ; 31 March 2019 :Nil) Polycab India Limited	-	0.40	-
Nil (31 March 2020 :Nil ; 31 March 2019 : 23,456) Prism Johnson Limited	-	-	2.24
Nil (31 March 2020 : 62 ; 31 March 2019 :Nil) SRF Limited	-	0.17	-
Nil (31 March 2020 : 2,000 ; 31 March 2019 : 1,000) Aarti Industries Limited	-	1.53	1.58
Nil (31 March 2020 : 900 ; 31 March 2019 : 900) ABB India Limited	-	0.84	1.18
Nil (31 March 2020 : 10,000 ; 31 March 2019 : 10,000) Ashok Leyland Limited	-	0.43	0.91
Nil (31 March 2020 : 8,933 ; 31 March 2019 : 18,719) Astra Microwave Products	-	0.46	1.85
Nil (31 March 2020 : 1,500 ; 31 March 2019 : 1,500) Balkrishna Industries	-	1.19	1.49
Nil (31 March 2020 :Nil ; 31 March 2019 : 6,000) Bank Of Baroda	-	-	0.77
Nil (31 March 2020 : 24,000 ; 31 March 2019 :Nil) Cadila Healthcare Limited	-	6.41	-
Nil (31 March 2020 : 11,496 ; 31 March 2019 : 8,369) Castrol India Limited	-	1.14	1.39
Nil (31 March 2020 : 6,000 ; 31 March 2019 : 3,000) Century Enka Limited	-	0.71	0.76
Nil (31 March 2020 : 2,485 ; 31 March 2019 :Nil) Century Textiles And	-	0.74	-
Nil (31 March 2020 : 8,219 ; 31 March 2019 : 8,219) Coffee Day Enterprises	-	0.19	2.38
Nil (31 March 2020 :Nil ; 31 March 2019 : 75,000) Dhanlaxmi Bank Limited	-	-	1.30
Nil (31 March 2020 : 88,000 ; 31 March 2019 : 10,000) Granules India Limited	-	12.64	1.14
Nil (31 March 2020 : 2,975 ; 31 March 2019 : 2,975) Grasim Industries Limited	-	1.42	2.55
Nil (31 March 2020 :Nil ; 31 March 2019 : 8,000) Greaves Cotton Limited	-	-	1.11
Nil (31 March 2020 : 3,200 ; 31 March 2019 : 3,200) Hindustan Zinc Limited	-	0.50	0.89
Nil (31 March 2020 :Nil ; 31 March 2019 : 29,000) IDFC Limited	-	-	1.35
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,000) Ineos Styrolution India	-	-	0.52
Nil (31 March 2020 :Nil ; 31 March 2019 : 5,561) Jindal Saw Limited	-	-	0.48
Nil (31 March 2020 : 8,900 ; 31 March 2019 : 8,900) Laurus Labs Limited	-	2.89	3.56
Nil (31 March 2020 : 58,000 ; 31 March 2019 : 58,000) Network18 Media and	-	1.06	2.06
Nil (31 March 2020 : 4,925 ; 31 March 2019 : 1,143) Poddar Housing And	-	0.79	0.53
Nil (31 March 2020 :Nil ; 31 March 2019 : 10,000) Prime Focus Limited	-	-	0.66
Nil (31 March 2020 : 5,950 ; 31 March 2019 : 5,910) Radico Khaitan Limited	-	1.60	2.34
Nil (31 March 2020 :Nil ; 31 March 2019 : 4,350) Ramkrishna Forgings	-	-	2.28
Nil (31 March 2020 :Nil ; 31 March 2019 : 5,000) S H Kelkar And Company	-	-	0.77
Nil (31 March 2020 :Nil ; 31 March 2019 : 10,000) SMS Pharmaceuticals	-	-	0.63
Nil (31 March 2020 : 756 ; 31 March 2019 : 990) Sun Pharmaceutical	-	0.27	0.47
Nil (31 March 2020 : 3,600 ; 31 March 2019 : 3,600) Tata Communications	-	0.84	2.21
Nil (31 March 2020 : 2,500 ; 31 March 2019 : 5,654) Tata Motors Limited	-	0.18	0.71
Nil (31 March 2020 : 8,000 ; 31 March 2019 : 8,000) Titagarh Wagons Limited	-	0.20	0.56
Nil (31 March 2020 : 125 ; 31 March 2019 :Nil) Ultratech Cement Limited	-	0.41	-
Nil (31 March 2020 : 11,664 ; 31 March 2019 : 14,887) Welspun Enterprises	-	0.46	1.58
Nil (31 March 2020 : 394 ; 31 March 2019 : 511) Apar Industries Limited	-	0.11	0.34
Nil (31 March 2020 : 208 ; 31 March 2019 :Nil) Automotive Axles Limited	-	0.08	-
Nil (31 March 2020 : 1,023 ; 31 March 2019 :Nil) Bajaj Consumer Care	-	0.14	-
Nil (31 March 2020 : 120 ; 31 March 2019 :Nil) Bhagiradha Chemicals &	-	0.03	-
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,012) Deepak Fertilizers And	-	-	0.13
Nil (31 March 2020 : 3,344 ; 31 March 2019 : 3,344) Equitas Holdings Limited	-	0.14	0.46
Nil (31 March 2020 : 145 ; 31 March 2019 : 266) Godawari Power And Ispat	-	0.02	0.06
Nil (31 March 2020 : 2,729 ; 31 March 2019 : 2,729) Gujarat Ambuja Exports	-	0.29	0.60

(All amounts are in rupees million, unless otherwise stated)

43 Investments made through PMS

a) Investments designated at FVTOCI comprises the following instruments (continue)

Investment in equity shares - Quoted	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
Nil (31 March 2020 : 962 ; 31 March 2019 :Nil) MSTC Limited	-	0.08	-
Nil (31 March 2020 : 2,706 ; 31 March 2019 : 4,832) Nava Bharat Ventures	-	0.09	0.50
Nil (31 March 2020 : 3,027 ; 31 March 2019 : 3,027) Rain Industries Limited	-	0.17	0.31
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,247) Shemaroo Entertainment	-	-	0.51
Nil (31 March 2020 : 746 ; 31 March 2019 : 716) Stylam Industries Limited	-	0.19	0.56
Nil (31 March 2020 : 646 ; 31 March 2019 : 646) Vindhya Telelinks Limited	-	0.28	0.90
Nil (31 March 2020 : 4,419 ; 31 March 2019 :Nil) Welspun Corp Limited	-	0.27	-
Nil (31 March 2020 : 874 ; 31 March 2019 : 900) Axis Bank Limited	-	0.33	0.70
Nil (31 March 2020 : 1,274 ; 31 March 2019 :Nil) Bharti Airtel Limited	-	0.56	-
Nil (31 March 2020 : 261 ; 31 March 2019 :Nil) Colgate-Palmolive (India)	-	0.33	-
Nil (31 March 2020 : 1,355 ; 31 March 2019 : 1,100) Himatsingka Seide Limited	-	0.08	0.24
Nil (31 March 2020 : 1,199 ; 31 March 2019 :Nil) ICICI Prudential Life	-	0.43	-
Nil (31 March 2020 :Nil ; 31 March 2019 : 333) Interglobe Aviation Limited	-	-	0.48
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,776) ITC Limited	-	-	0.53
Nil (31 March 2020 : 2,257 ; 31 March 2019 : 821) KPIT Technologies Limited	-	0.08	0.13
Nil (31 March 2020 : 185 ; 31 March 2019 : 1,534) Larsen And Toubro Limited	-	0.15	2.13
Nil (31 March 2020 : 372 ; 31 March 2019 :Nil) Quess Corp Limited	-	0.08	-
Nil (31 March 2020 : 26 ; 31 March 2019 :Nil) Schaeffler India Limited	-	0.10	-
Nil (31 March 2020 : 1,970 ; 31 March 2019 : 1,309) Thomas Cook (I) Limited	-	0.05	0.34
Nil (31 March 2020 : 180 ; 31 March 2019 :Nil) ABB Power Products And	-	0.13	-
Nil (31 March 2020 : 985 ; 31 March 2019 :Nil) Aegis Logistics Limited	-	0.14	-
Nil (31 March 2020 : 4,165 ; 31 March 2019 : 821) Birlasoft Limited	-	0.25	0.08
Nil (31 March 2020 : 70 ; 31 March 2019 :Nil) Linde India Limited	-	0.03	-
Nil (31 March 2020 : 111 ; 31 March 2019 :Nil) Ajanta Pharma Limited	-	0.15	-
Nil (31 March 2020 : 21 ; 31 March 2019 :Nil) Bajaj Finserv Limited	-	0.10	-
Nil (31 March 2020 : 336 ; 31 March 2019 :Nil) Mphasis Limited	-	0.22	-
Nil (31 March 2020 : 746 ; 31 March 2019 :Nil) Shoppers Stop Limited	-	0.14	-
Nil (31 March 2020 :Nil ; 31 March 2019 : 5,000) Aurionpro Solutions	-	-	0.65
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,000) Century Textiles And	-	-	0.93
Nil (31 March 2020 :Nil ; 31 March 2019 : 7,200) Cox And Kings Limited	-	-	1.01
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,000) Endurance Technologies	-	-	1.16
Nil (31 March 2020 :Nil ; 31 March 2019 : 15,000) Essel Propack Limited	-	-	1.75
Nil (31 March 2020 :Nil ; 31 March 2019 : 2,000) Graphite India Limited	-	-	0.89
Nil (31 March 2020 :Nil ; 31 March 2019 : 800) Maruti Suzuki India Limited	-	-	5.34
Nil (31 March 2020 :Nil ; 31 March 2019 : 10,000) State Bank Of India	-	-	3.21
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,500) UPL Limited	-	-	1.44
Nil (31 March 2020 :Nil ; 31 March 2019 : 12,600) Ujjivan Financial Services	-	-	4.38
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,252) Federal - Mogul Goetze	-	-	0.70
Nil (31 March 2020 :Nil ; 31 March 2019 : 2,304) Prism Cement Limited	-	-	0.22
Nil (31 March 2020 :Nil ; 31 March 2019 : 3,817) Sunflag Iron And Steel	-	-	0.19
Nil (31 March 2020 :Nil ; 31 March 2019 : 5,504) Bharat Electronics Limited	-	-	0.51
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,162) Dabur India Limited	-	-	0.48
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,558) FDC Limited	-	-	0.26
Nil (31 March 2020 :Nil ; 31 March 2019 : 6,553) NBCC (India) Limited	-	-	0.43
Nil (31 March 2020 :Nil ; 31 March 2019 : 122) Piramal Enterprises Limited	-	-	0.34
Nil (31 March 2020 :Nil ; 31 March 2019 : 915) Repco Home Finance Limited	-	-	0.42
Nil (31 March 2020 :Nil ; 31 March 2019 : 1,305) Rites Limited	-	-	0.34
Total	**-**	**57.52**	**90.78**

(All amounts are in rupees million, unless otherwise stated)

43 Investments made through PMS

b) Investments designated at FVTPL comprises the following instruments

Investment in equity shares - Quoted	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
5,405 (31 March 2020 : Nil ; 31 March 2019 : Nil) Crompton Greaves Consumer	2.12	-	-
836 (31 March 2020 : Nil ; 31 March 2019 : Nil) Endurance Technologies Limited	1.22	-	-
21,875 (31 March 2020 : Nil ; 31 March 2019 : Nil) IDFC Limited	1.04	-	-
4,991 (31 March 2020 : Nil ; 31 March 2019 : Nil) SBI Cards And Payment	4.63	-	-
708 (31 March 2020 : Nil ; 31 March 2019 : Nil) SBI Life Insurance Company	0.62	-	-
921 (31 March 2020 : Nil ; 31 March 2019 : Nil) Sterlite Technologies Limited	0.18	-	-
2,088 (31 March 2020 : Nil ; 31 March 2019 : Nil) Tata Communications Limited	2.22	-	-
2,099 (31 March 2020 : Nil ; 31 March 2019 : Nil) City Union Bank Limited	0.33	-	-
527 (31 March 2020 : Nil ; 31 March 2019 : Nil) Max Financial Services Limited	0.45	-	-
5,959 (31 March 2020 : Nil ; 31 March 2019 : Nil) Equitas Holdings Limited	0.52	-	-
156 (31 March 2020 : Nil ; 31 March 2019 : Nil) Schaeffler India Limited	0.85	-	-
3,084 (31 March 2020 : Nil ; 31 March 2019 : Nil) Birlasoft Limited	0.78	-	-
Total	**14.96**	**-**	**-**

(All amounts are in rupees million, unless otherwise stated)

44 Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

Pursuant to the resolutions passed by the Board on 20 March 2021 and Shareholders on 27 March 2021, Clean Science and Technology Limited (erstwhile known as "Clean Science and Technology Private Limited") (‘the holding company’) has adopted the “Clean Science and Technology Limited Employee Stock Option Scheme 2021 (“CSTL ESOS 2021” or “Scheme”). The CSTL ESOS 2021 is in compliance with the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations").
In accordance with CSTL ESOS 2021, the holding company may grant up to 100,000 options to the eligible employees of the holding company, in one or more tranches, exercisable into not more than 100,000 equity shares. In accordance with CSTL ESOS 2021, with each such option conferring a right upon such employee to apply for one equity share, in accordance with the terms and conditions as may be decided under the CSTL ESOS 2021. No options have been granted under CSTL ESOS 2021 till 31 March 2021. The CSTL ESOS 2021 contemplates a statutory minimum vesting period of one year to maximum of four years from the date of grant of options. The Nomination and Remuneration Committee administers the CSTL ESOS 2021 and is designated by the holding company as the compensation committee as envisaged under the SEBI SBEB Regulations.

45 Operating Segment

(a) The Group is exclusively engaged in the business of manufacturing of organic chemicals. These in the context of the Ind AS 108 Operating Segment, are considered to constitute one single primary segment.

Sales revenue	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
India	1,647.10	1,309.88	1,089.79
Rest of the World	3,477.18	2,883.12	2,842.91
	5,124.28	**4,193.00**	**3,932.70**
Carrying amount of assets*			
India	251.83	341.57	229.79
Rest of the World	490.42	356.76	367.89
	742.25	**698.33**	**597.68**
*Segment assets represent trade receivables			
Additions to property, plant and equipment, right of use assets and intangible assets			
India	382.32	532.11	358.47
	382.32	**532.11**	**358.47**

(b) **Information about major customers (external customers):**
The following is the transactions by the Group with external customers individually contributing 10 per cent or more of the Group's revenue from operations:

(i) For the year ended 31 March 2021, revenue from operations of one customer of the Group represented approximately 13.28% of the Group’s revenue from operations.
(ii) For the year ended 31 March 2020, revenue from operations of one customer of the Group represented approximately 11.44% of the Group’s revenue from operations.
(iii) For the year ended 31 March 2019, revenue from operations of none of the customers of the Group represented more than 10% or more of the Group’s revenue from operations.

(All amounts are in rupees million, unless otherwise stated)

46 Corporate social responsibility

As per the provisions of section 135 of Companies Act 2013, the group was required to spend Rs. 25.93 million (31 March 2020 : Rs. 18.32 million ; 31 March 2019 : Rs. 12.07 million). being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act. However, the group has spent Rs. 30.56 million (31 March 2020 : Rs. 33.20 million ; 31 March 2019 : Rs. 17.67 million) towards Corporate Social Responsibility activities. Below are the details of the amount spent during the year :

Particulars	CSR activities	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
(i) CSTPL Foundation	Promoting education , health care and environment	7.00	20.50	11.80
(ii) Krishnashray Foundation	Promoting education	1.50	-	3.10
(iii) SMBT Sevabhavi Trust	Promoting healthcare including preventive healthcare	-	-	1.10
(iv) Pimpri Chinchwad Education Trust	Promoting education	2.50	2.50	1.10
(v) Rotary Club	Promoting education	0.28	0.50	0.32
(vi) Vanvasi Kalyan Ashram Maharashtra	Promoting education	-	-	-
(vii) Friends Of Tribals Society	Promoting education	0.33	0.22	0.20
(viii) Prime Minister Relief Fund	Contribution to the Prime Minister's national relief fund	-	2.50	-
(ix) Katariya Memorial Charity Trust	Promoting education	0.05	-	0.05
(x) Maheshwari Vidya Pracharak	Promoting education	4.90	5.10	-
(xi) Shri Prayag Dham	Promoting healthcare including preventive healthcare	-	1.23	-
(xii) Sakal Social Foundation	Promoting healthcare including preventive healthcare	-	0.15	-
(xiii) Sangamner Medical Foundation and research	Promoting healthcare including preventive healthcare	12.50	-	-
(xiv) Pethvadgaon Shikshan Prasarak Mandal	Promoting education	0.50	-	-
(xv) Neha Foundation	Promoting healthcare including preventive healthcare	1.00	0.50	-
	Total	**30.56**	**33.20**	**17.67**

(All amounts are in rupees million, unless otherwise stated)

47 : Explanation of transition to Ind AS

The Financial Statements for the year ended 31 March 2020 were Company's first financial statements prepared in accordance with Indian Accounting Standards (ind AS) as notified under Companies (Indian Accounting Standards) Rules, 2015.The Restated Ind AS financial information as at 1 April 2018 have been prepared in accordance with requirements of SEBI Circular dated 31 March 2016 and Guidance Note on Reports in Company Prospectuses issued by ICAI. In preparing the financial statements for the year ended 31st March, 2019 and balance sheet as at 1st April, 2018 (date of transition), the Group has adjusted amounts reported previously in financial statements prepared in accordance with Indian GAAP. This note explains the principal adjustments made by the group in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2018 and the financial statements for the year ended 31st March, 2019.

A. Exemptions availed
Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has elected to apply the following exemptions:

1. Deemed cost : Property, plant and equipment and intangible assets

The Group has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in its Indian GAAP financials as deemed cost at the transition date.

2. Designation of previously recognised financial instruments

Financial assets and financial liabilities are classified at fair value based on facts and circumstances as at the date of transition to Ind AS. Financial assets and liabilities are recognised at fair value as at the date of transition to Ind AS i.e. 1 April 2018 and not from the date of initial recognition.

3. Leases

Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. According to Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However the Group has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as the date of transition.

B. Exceptions applied

1. Estimates

The estimates at 1 April 2018 and at 31 March 2019 are consistent with those made for the same dates in accordance with Indian GAAP. The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions as at 1 April 2018, the date of transition to Ind AS and as of 31 March 2019.

2. Derecognition of financial assets and liabilities

Ind AS 101, requires first-time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements of Ind AS 109, retrospectively from a date of the Group's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities de-recognised as a result of past transaction was obtained at the time of initial accounting of transactions.
The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from date of transition to Ind AS.

3. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets, on the basis of the facts and circumstances that exist at the transition date to Ind AS.

C. Explanation of transition to Ind AS

An explanation of how the transition from Indian GAAP to Ind AS has affected the Group's financial position, financial performance and cash flow is set out in the following tables and notes that accompany the tables. The reconciliations include-
i) Reconciliation of equity as at 1 April 2018 and 31 March 2019
ii) Reconciliation of total comprehensive income for the year ended 31 March 2019;
There are no material adjustments to the cash flow statements.

D. Statement of reconciliation of total equity and profit and loss as per previous GAAP and Ind AS

Reconciliation of total equity as at 31 March 2019, 1 April 2018 :

Particulars	Note	31 March 2019	1 April 2018
Equity as per Indian GAAP		**2,710.82**	**1,873.34**
Adjustments to retained earnings			
Fair valuation of Mutual funds - FVTPL	**a**	7.03	2.00
Fair valuation of equity shares - FVTOCI	**b**	12.96	5.68
Deferred tax impact	**d**	(5.67)	(1.65)
Total of Ind AS adjustment to retained		**14.32**	**6.03**
Adjustments to other components of			
Fair valuation of Equity shares - FVTOCI (net of tax)	**b**	(4.57)	(0.76)
Total of Ind AS adjustments to other		**(4.57)**	**(0.76)**
Equity as per Ind AS		**2,720.57**	**1,878.61**

(All amounts are in rupees million, unless otherwise stated)

Reconciliation of total comprehensive income for the year ended 31 March 2019:

Particulars	Note	Year ended 31 March 2019
Net profit as per Indian GAAP		**965.56**
Adjustments to net profit		
Fair valuation of mutual funds - FVTPL	**a**	5.31
Reclassification of profit on shares to Other Comprehensive Income	**b**	2.94
Employee benefit actuarial Gain/(losses)	**c**	0.14
Reversal of diminution in value of current investments	**a,b**	6.99
Current tax impact	**d**	(0.30)
Deferred tax impact	**d**	(4.06)
Total of Ind AS adjustments to net profit		**11.02**
Net Profit as per Ind AS		**976.58**
Adjustments to other comprehensive income		
Actuarial gains and losses (net of tax)		(0.10)
Fair valuation of equity shares - FVTOCI		(7.61)
Deferred tax impact on investments		1.16
Total of Ind AS adjustments to other comprehensive income		**(6.55)**
Total comprehensive income as per Ind AS		**970.03**

Notes to the reconciliations:

a) Investment in mutual funds
Under Indian GAAP, long-term investments are valued at cost less provision for other than temporary diminution in the value of such investments. Under Ind AS, investment in mutual funds are classified as 'Fair value through profit and loss' are measured at fair value at each reporting date. The subsequent changes in the fair value of such investments are recognised in statement of profit and loss.

b) Investment in equity instruments
Under Indian GAAP, long-term investments are valued at cost less provision for other than temporary diminution in the value of such investments. Under Ind AS, investment in equity shares classified as 'Fair value through other comprehensive income' are measured at fair value at each reporting date (other than Investment in subsidiaries, associate and joint ventures which are accounted at cost). The subsequent changes in the fair value and realised gains / losses if any of such investments are recognised in other comprehensive income. Further, gains or losses recognised in other comprehensive income are never reclassified from equity to statement of profit and loss.

c) Employee benefit expenses - actuarial gains and losses and return on plan assets
Under Indian GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised immediately in statement of profit and loss. Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.

d) Income tax
Under Indian GAAP, deferred taxes are recognised using income statement approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period. Under Ind AS, deferred taxes are recognised using balance sheet approach i.e. reflecting the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the income tax rates enacted or substantively enacted at reporting date. Further under Ind AS, income tax is recognised in the same statement in which underlying item is recorded.

48 Details of subsidiaries

The following subsidiary companies are considered in the consolidated financial statements

Sr. No.	Name of Subsidiary	Country of incorporation	% holding As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	Direct Subsidiary				
1	Clean Science Private Limited	India	100%	100%	100%
2	Clean Aromatics Private Limited	India	100%	100%	-
3	Clean Organics Private Limited	India	100%	100%	100%

49 Additional Information Pursuant To Para 2 of General Instructions for the Preparation of Consolidated Financial Statements

As at 31 March 2021

Sr. No.	Name of Subsidiary	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Rs. Millions	As % of consolidated (profit) or loss	Rs. Millions	As % of consolidated other comprehensive income	Rs. Millions	As % of consolidated total comprehensive income	Rs. Millions
	Parent Company								
1	Clean Science and Technology Limited	100.06%	5,400.15	100.00%	1,983.75	100%	26.33	100.00%	2,010.08
	Domestic Company								
1	Clean Science Private Limited	-0.06%	(3.30)	0.01%	0.12	0%	-	0.01%	0.12
2	Clean Aromatics Private Limited	0.00%	(0.07)	0.00%	(0.03)	0%	-	0.00%	(0.03)
3	Clean Organics Private Limited	0.00%	(0.11)	0.00%	(0.04)	0%	-	0.00%	(0.04)
	Total	**100.00%**	**5,396.67**	**100.00%**	**1,983.80**	**100.00%**	**26.33**	**100.00%**	**2,010.13**

As at 31 March 2020

Sr. No.	Name of Subsidiary	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Rs. Millions	As % of consolidated (profit) or loss	Rs. Millions	As % of consolidated other comprehensive income	Rs. Millions	As % of consolidated total comprehensive income	Rs. Millions
	Parent Company								
1	Clean Science and Technology Limited	100.10%	3,424.51	100.01%	1,396.51	100%	(51.27)	100.01%	1,345.24
	Domestic Company								
1	Clean Science Private Limited	-0.10%	(3.42)	-0.01%	(0.13)	0%	-	-0.01%	(0.13)
2	Clean Aromatics Private Limited	0.00%	(0.04)	0.00%	(0.05)	0%	-	0.00%	(0.05)
3	Clean Organics Private Limited	0.00%	(0.08)	0.00%	(0.02)	0%	-	0.00%	(0.02)
	Total	**100.00%**	**3,420.97**	**100.00%**	**1,396.31**	**100.00%**	**(51.27)**	**100.00%**	**1,345.04**

As at 31 March 2019

Sr. No.	Name of Subsidiary	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Rs. Millions	As % of consolidated (profit) or loss	Rs. Millions	As % of consolidated other comprehensive income	Rs. Millions	As % of consolidated total comprehensive income	Rs. Millions
	Parent Company								
1	Clean Science and Technology Limited	100.12%	2,723.93	100.15%	978.00	100%	(6.55)	100.15%	971.45
	Domestic Company								
1	Clean Science Private Limited	-0.12%	(3.30)	-0.14%	(1.40)	0.00%	-	-0.14%	(1.40)
2	Clean Aromatics Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
3	Clean Organics Private Limited	0.00%	(0.06)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
	Total	**100.00%**	**2,720.57**	**100.00%**	**976.58**	**100.00%**	**(6.55)**	**100.00%**	**970.03**

50 **(a)** Pursuant to the approval of shareholders granted in the extra-ordinary general meeting held on 15 January 2021, registered address of the Company has been changed to Office No. 503, Pentagon Tower P-4, Magarpatta City, Hadapsar, Pune - 411013, Maharashtra, India from Shubham, Navin Nagar Road, Vidyanagar, Sangamner - 422605, Maharashtra, India.

(b) The Board of Directors of the Company have appointed Mr. Pratik Bora as a Chief Financial Officer vide board resolution dated 06 February 2021.

(c) The Company is converted from Private Company to a Public Limited Company vide SRN T07168925 dated 04 March 2021. Accordingly, name of the Company is changed to Clean Science and Technology Limited from Clean Science and Technology Private Limited. Futher, Corporate Identification Number (CIN) of the Company is changed from U24114PN2003PTC018532 to U24114PN2003PLC018532.

(d) The Board of Directors of the Company have appointed Mr. Mahesh Kulkarni (Membership No. 19364) as a whole time Company Secretary vide board resolution dated 11 March 2021.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration no. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune
Date : 12.06.2021
ICAI UDIN : 21113896AAAADM4749

For **and on behalf of the Board of Directors of**
Clean Science and Technology Limited

Ashok Boob
Managing Director
DIN : 410740

Krishnakumar Boob
Director
DIN : 410672

Pratik Bora
Chief Financial Officer

Place : Pune
Date : 12.06.2021

Mahesh Kulkarni
Company Secretary
Membership No: 19364

Place : Pune
Date : 12.06.2021

Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')
Annexure VII - Statement of Adjustments to the Restated Consolidated Financial Information
(All amounts are in rupees million, unless otherwise stated)

Summarised below are the restatement adjustments made to the equity of the Audited Consolidated Financial Statements of the Group for the years ended 31 March 2021, 31 March 2020, 31 March 2019 and their consequential impact on the equity of the Group:

Particulars	Notes reference	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
A. Total Equity as per Audited Consolidated Financial Statements		5,396.67	3,420.97	2,710.82
B. Adjustment:				
Material restatement Adjustment:				
(i) Audit qualifications	1	-	-	-
(ii) Adjustment for conversion from Indian GAAP to Ind AS	2	-	-	15.42
(iii) Adjustments due to prior period items / other adjustments	3	-	-	-
(iv) Deferred tax impact on adjustments in (i), (ii) & (iii) as applicabl	2	-	-	(5.67)
C. Total impact of adjustments (i + ii + iii + iv)		-	-	9.75
D. Total equity as per Restated Consolidated Financial Information (A+C)		5,396.67	3,420.97	2,720.57

Summarised below are the restatement adjustments made to the net profit of the audited Consolidated financial statements of the Group for the years ended 31 March 2021, 31 March 2020, 31 March 2019 and their impact on the profit of the Group:

Particulars	Notes reference	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Net Profit after tax as per Audited Consolidated Financial Statements		1,983.80	1,396.31	965.56
B. Adjustment:				
Material restatement Adjustment:				
(i) Audit qualifications	1	-	-	-
(ii) Adjustment for conversion from Indian GAAP to Ind AS	2	-	-	15.08
(iii) Adjustments due to prior period items / other adjustments	3			
(iv) Deferred tax impact on adjustments in (i), (ii) & (iii) as applicabl	2	-	-	(4.06)
C. Total impact of adjustments (i + ii + iii + iv)		-	-	11.02
D. Net Profit after tax as per Restated Consolidated Financial Information (A+C)		1,983.80	1,396.31	976.58

Clean Science and Technology Limited (Erstwhile known as 'Clean Science and Technology Private Limited')
Annexure VII - Statement of Adjustments to the Restated Consolidated Financial Information
(All amounts are in rupees million, unless otherwise stated)

1. Adjustments for audit qualification : None

2. Adjustment for conversion from Indian GAAP to Ind AS
The audited financial statements of the Group as at and for the year ended 31 March 2019 were prepared in accordance with accounting principles generally accepted in India including the Companies Accounting Standards Rules, 2006 (as amended) specified under Section 133 of the Act, Companies (Accounts) Rules, 2014 (as amended). The same have been converted into Ind AS to confirm with the accounting policies generally accepted in India including Indian Accounting Standards ("Ind AS" specified under section 133 of the Act, Read with the Companies (Indian Accounting Standards) Rules, 2015,as amended. For further details, refer Annexure VI-Note 47 for Ind AS adjustments of total comprehensive income for year ended 31 March 2019 and for Equity as at 31 March 2019 and 1 April 2018 .

3. Adjustments due to prior period items / other adjustments : None

4. Material regrouping :
Appropriate regroupings have been made in the Restated Consolidated balance sheet, Restated Consolidated Statement of Profit and Loss and Restated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per Ind AS financial information of the Group for the period ended 31 March 2021 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

Non-adjusting items
1. Audit Qualifications in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Consolidated Financial Information

Financial year 2018-2019
Clause (vii)(a)
According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Value added tax Sales tax, Service tax, Duty of Customs, Duty of Excise, Goods and Service tax and any other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been a slight delay in few cases.
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Value added tax, Sales tax, Service tax, Duty of Excise, Duty of Customs, Goods and Service tax, Cess as and when applicable and other statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

Financial year 2019-2020
Clause (vii)(a)
According to the information and explanations given to us and on the basis of our examination of the records, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Service Tax, and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities though there have been slight delay in few cases.
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Service Tax, and any other statutory dues were in arrears as at the 31 March 2020, for a period of more than six months from the date they became payable.

Financial year 2020-2021
Clause (vii)(a)
According to the information and explanations given to us and on the basis of our examination of the records, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Service Tax, and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities though there have been slight delay in few cases.
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Service Tax, and any other statutory dues were in arrears as at the 31 March 2021, for a period of more than six months from the date they became payable.

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(*in ₹ million*)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Restated profit for the year/ period (A) (₹ in million)	1,983.80	1,396.31	976.58
Weighted average number of equity shares in calculating basic EPS (B) (number in million)	106.22	106.22	106.22
Weighted average number of equity shares in calculating diluted EI(C) (number in million)	106.22	106.22	106.22
Basic Earnings per share (in ₹) (D = A/B)	**18.68**	13.15	9.19
Diluted Earnings per share (in ₹) (E = A/C)	**18.68**	13.15	9.19
Total Equity (A) (₹ in million)	5,396.67	3,420.97	2,720.57
Restated Profit for the year/ period (B) (₹ in million)	1,983.80	1,396.31	976.58
Return on net worth (C = B/A) (%)	**36.76**	40.82	35.90
Total Equity (A) (₹ in million)	5,396.67	3,420.97	2,720.57
Number of equity shares (B) (number in million)	106.22	106.22	106.22
Net Asset Value per Equity Share (C = A/B) (in ₹)	50.81	32.21	25.61
Adjusted EBITDA (₹ in million)	**2,589.54**	1,852.86	1,363.09
Adjusted EBITDA Margin (%)	**50.53**	44.19	34.66
EBITDA (₹ in million)	**2,845.97**	1,961.51	1,476.02
EBITDA Margin (%)	**55.54**	46.78	37.53

* *Numbers have not been annualized.*

The ratios have been computed as under:

1. *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) post effect of bonus and sub-division of Equity Shares.*
2. *Return on Net Worth ratio: Profit/ (loss) for the period attributable to equity shareholders of the company divided by the Total Equity of the Company at the end of the year/period.*
3. *Adjusted EBITDA: Aggregate of restated profit/(loss) after tax, tax expense, finance cost and depreciation and amortisation less the other income for the year/ period.*
4. *EBITDA: Aggregate of restated profit/(loss) after tax, tax expense, finance cost and depreciation and amortisation for the year/ period.*
5. *Net Asset Value per equity share represents total equity as at the end of the fiscal year, as restated, divided by the number of Equity Shares outstanding as on March 31, 2021.*

The audited standalone financial statements of our Company as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019, and the reports thereon dated June 12, 2021, November 11, 2020 and August 16, 2019, respectively ("**Audited Financial Statements**") are available at http://www.cleanscience.co.in/financial-reports. Our Company is providing a link to this website solely to comply with the requirements specified under the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a 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 in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any Book Running Lead Managers, 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.

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 Financial Year 2021, Financial Year 2020, and Financial Year 2019, see "*Restated Financial Statements – Annexure VI - Note 36: – Related Party Disclosure*" on page 223.

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of its business for the purposes of working capital and for general corporate purposes. For the borrowing powers of our Board of Directors, see *Our Management - Borrowing powers of our Board of Directors* on page 152. For more information, see "Risk Factors – *We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows*" on page 39. Our Company has obtained no-objections for the Offer from the relevant lenders of our Company, as required under respective financing agreements.

The following table sets forth details of the aggregate outstanding borrowings of our Company, on a consolidated basis, as on March 31, 2021:

Category of borrowing	Sanctioned Amount (in ₹ million)	Outstanding amount (in ₹ million)*
Secured		
Fund based[(1)]	100.00	Nil
Non-fund based	50.00	81.30
Unsecured		
Fund-based [(2)]	Nil	Nil
Treasury Exposure	30.00	Nil
Total	180.00	81.30

** As certified by M/s Daga & Chaturmutha, Chartered Accountants pursuant to the certificate dated June 30, 2021.*

(1) The fund-based limits are interchangeable with non-fund based limits pursuant to the sanction letters issued by the relevant lenders.

(2) This excludes interest free deposits received from Ashok Ramnarayan Boob (amounting to ₹2,641,000) and Krishnakumar Ramnarayan Boob (amounting to ₹ 672,000) which are repayable after three years from the respective dates of receipt.

(3) As on March 31, 2021, the Subsidiaries of the Company have not availed any borrowings.

Principal terms of the borrowings availed by our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. ***Interest:*** Interest rate charged by the lenders ranges from 6M K-MCLR + 1.60% to 7.75% or as mutually agreed by the parties. The penal interest rate shall be as mutually agreed between our Company and the lenders.

2. ***Tenor:*** The tenor of the working capital limits (including overdraft, letter of credit, buyers' credit, bank guarantee, cash credit) typically ranges from being payable on demand to 36 months (including the claim period of 12 months). The facilities are typically available for a period of 12 months and are subject to periodic review.

3. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to:

   (a) create charge on stocks and book debts;

   (b) charge on all existing and future current assets of the Company.

   This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. ***Prepayment:*** The lender may charge prepayment premium at such rate as may be advised by the lender at time of request for prepayment of outstanding principal amount together with interest due in full or in part before the due dates.

5. ***Re-payment:*** The working capital facilities are typically repayable on demand or within 90 days.

6. ***Key covenants:***

   In terms of our facility agreements and sanction letters, we are required to:

   (a) utilize the facilities sanctioned by the lenders solely for the purpose for which the facilities are sanctioned;

   (b) not invest in any stock exchange and/or in the capital market or for investments in subsidiaries, acquisition or real estate;

   (c) intimate the lenders if any person makes or files or initiates any application/proceedings under the Insolvency and Bankruptcy Code, 2016 against the Company;

   (d) take prior consent of the lenders to diversify into non-core areas of business;

(e) take prior consent of the lenders for change in capital structure, change in shareholding pattern and management control in the Company;

(f) take prior consent from the lenders for entering into any scheme for merger, amalgamation, compromise or reconstruction;

(g) take prior consent of lenders before modification / amendment in the constitutional documents of our Company or change in constitution of the Company;

(h) take prior consent of lenders before effecting dividend payout, capital withdrawal, in case of delays in debt servicing or breach of financial covenants; and

(i) take prior written permission for any reduction or change in promoter shareholding or change in promoter directorship resulting in change of management control.

7. ***Events of Default:***

In terms of the facility agreements, sanction letters and continuing master indemnity deed, the following, among others, constitute as events of default:

(a) failure and/or breach of Company to perform any of the obligations or terms or conditions applicable under the deed/other documents/any other agreement with any person including non-payment in full of any part of the obligations when due or when demanded by the lender;

(b) any misrepresentation or misstatement under the agreement;

(c) deterioration or impairment of security or any part thereof which causes the security in judgment of the lender to become unsatisfactory;

(d) event of death, winding up, failure in business, insolvency, bankruptcy, or initiations of any proceedings/actions/notices for any of them including insolvency and bankruptcy under IBC/actions/notices, change or termination of employment/profession/business for any reason whatsoever or change in constitution, management or existing ownership or control of the obligor including by reason of liquidation, amalgamation, merger, reconstruction;

(e) if it is certified by an independent chartered accountant or valuer that the liabilities of the obligor exceed the obligor's assets or that the obligor is carrying on business at a loss;

(f) if there is any tax attachments/demand/notice in respect of any assets of obligor's including fixed deposits;

(g) failure and/or breach on obligor's part to perform any of the underlying commitments or any part thereof including non-delivery of goods or services;

(h) inability of the borrower to repay debts to any person or any steps being taken by any person, accelerating the payment obligations of the borrower or declaration by any person of an event of default under their respective agreement with the Company;

(i) issuance of any demand notice by any of the creditors (whether operational or financial) under the IBC.

8. ***Consequences of occurrence of events of default:***

In terms of the facility agreements and sanction letters, in case of occurrence of events of default set out above, our lenders may, among others:

(a) declare that the dues and all obligations shall immediately become due and payable irrespective of any agreed maturity;

(b) enforce their security; and

(c) convert, at their option, whole or part of outstanding due amounts under the facility into equity shares of the Company at face value and/or formulate mechanism for resolution of the stressed asset.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2021, on the basis of our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Information*" and "*Risk Factors*" beginning on pages 255, 172 and 20, respectively.

(in ₹ million, unless indicated otherwise)

Particulars	Pre-Offer as at March 31, 2021	As adjusted for the proposed Offer
Total Borrowings		
Current Borrowings*	-	[●]
Non-current borrowings* (A)	3.31	[●]
Current maturities of long term debt* (B)	-	[●]
Total Borrowings (C)	**3.31**	[●]
Total Equity		
Equity share capital*	106.22	[●]
Other equity*	5,290.45	[●]
Total Equity (D)	**5,396.67**	[●]
Ratio: Non-current borrowings (including current maturities of borrowings)(A+B) / Total Equity (D)	0.0006	[●]
Ratio: Total Borrowings(C) / Total Equity (D)	0.0006	[●]

* *These terms shall carry the meaning as per Schedule III of the Companies Act.*

Notes:

1. *Our Company has allotted 9,294,159 equity shares of face value of ₹10 each on February 6, 2021 by way of bonus issue to its shareholders and consequently, the paid-up equity share capital of our Company was increased to ₹ 106,218,960.*
2. *Pursuant to a resolution passed by our Shareholders on February 25, 2021, our Company sub-divided the face value of its equity shares from ₹10 each to ₹1 each. Therefore, the cumulative number of issued, subscribed and paid-up equity shares pursuant to sub-division is 106,218,960 Equity Shares of face value of ₹1 each.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Financial Statements on page 172.

This Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 19. Also read "Risk Factors" and "- Significant Factors Affecting our Results of Operations" on pages 20 and 257, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021 included herein is derived from the Restated Financial Statements, included in this Red Herring Prospectus. For further information, see "Restated Financial Statements" on page 172.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Clean Science and Technology Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Clean Science and Technology Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled "Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated March 2021, supplemented by report titled "Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated June 2021 further supplemented by report titled "Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications" dated June, 2021 (collectively, the "**F&S Reports**"), prepared and released by Frost & Sullivan and exclusively commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Reports and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Industry information included in this Red Herring Prospectus has been derived from the F&S Reports prepared by Frost & Sullivan, and exclusively commissioned and paid for by our Company for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 44. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 17.*

OVERVIEW

We are among the few companies globally focused entirely on developing newer technologies using in-house catalytic processes, which are eco-friendly and cost competitive (*Source: F&S Reports*). This has enabled us to emerge as the largest manufacturer globally of certain specialty chemicals in terms of installed manufacturing capacities as of March 31, 2021 (*Source: F&S Reports*). Some of these technologies have been developed and commercialized for the first time globally (*Source: F&S Reports*). Our continued focus on product identification, process innovation, catalyst development, significant scale of operations as well as our measures towards strategic backward integration have all contributed to our success as one of the fastest growing and among the most profitable specialty chemical companies globally (*Source: F&S Reports*).

We manufacture functionally critical specialty chemicals such as Performance Chemicals (i.e. MEHQ, BHA and AP), Pharmaceutical Intermediates (i.e. Guaiacol and DCC), and FMCG Chemicals (i.e. 4-MAP and Anisole). Within 17 years of incorporation, we have grown to be the largest manufacturer globally of MEHQ, BHA, Anisole and 4-MAP, in terms of installed manufacturing capacities as of March 31, 2021 (*Source: F&S Reports*).

Our Company's name was changed to 'Clean Science and Technology Private Limited' in 2006, to reflect our vision of focusing on sustainable chemistry led by innovative technology and lower effluents. We continue to exemplify our name by designing and implementing 'clean' chemistries based on catalytic technology developed in-house. As a result, most of our current production processes are either zero liquid discharge or release only water as discharge. Our focus on sustainable practices has been conceived, developed and implemented by our Promoters over the years. Our Promoters Ashok Ramnarayan Boob, Siddhartha Ashok Sikchi, both alumni of the Institute of Chemical Technology, Krishnakumar Ramnarayan Boob, and Parth Ashok Maheshwari, are all career-technocrats with a combined experience of over 60 years in the chemicals industry, and we benefit from their collective vision, experience and technical understanding.

Our specialty chemicals have a wide range of applications that cater to a diverse base of customers across industries. Our customers include manufacturers and distributors in India as well as other regulated international markets including China, Europe, the United States of America, Taiwan, Korea, and Japan. In Fiscal 2021, revenue from operations for sales outside

India represented 67.86% of our total revenue from operations, respectively. The table below sets forth certain information on our key products, their applications, and the industries such products are used in:

Product	Application	Industry	Category as per F&S Reports
MEHQ	Polymerization inhibitor in the manufacturing of various monomers such as acrylics, methacrylics and other acrylates, vinyl acetate monomers, along with unsaturated polyesters. Also used as a stabilizer for cosmetics, liquid detergents, and cellulose materials.	Acrylic fibers, inks, agro-chemicals, cosmetics, topical drugs.	Agrochemicals and fertilizers, home and personal care, paints and coatings additives, and textile chemicals
Guaiacol	Pre-curser for vanillin production, and in the synthesis of pharmaceuticals. Majorly used as a reducing co-substance for COX reactions, as an expectorant and antiseptic.	Pharmaceuticals, flavours and fragrances, and agriculture.	Pharma API, flavours and fragrances ingredients
BHA	Used as a synthetic antioxidant	Food packaging, animal feed, rubber, cosmetics and petroleum products.	Home and personal care, others
4-MAP	Spice, medicine and make-up intermediate, ingredient for UV filters, cigarette additive and flavouring in food	Personal care (cosmetics), flavors and fragrance industry	Home and personal care, flavours and fragrances ingredients
DCC	Powerful dehydrating agent commonly used for the preparation of amides, esters, and anhydrides. Also used as a reagent in anti-retroviral drugs	Pharmaceuticals	Pharma API
Ascorbyl Palmitate	Anti-oxidant properties for anti-aging products	Personal care, topical drugs in dermatology to prevent hyperpigmentation and photo-aging	Home and personal care, pharma API
Anisole	Precursor to perfumes, insect pheromones, and pharmaceuticals.	Cosmetics, pharmaceutical and agrochemicals	Home and personal care, agrochemicals and fertilizers, pharma API

(*Source: F&S Reports*)

Our products are used as key starting level materials, as inhibitors, or as additives, by customers, for products sold in regulated markets. Key customers include Bayer AG, SRF Limited, Gennex Laboratories Limited, Nutriad International NV and Vinati Organics Limited. Our customer relationships have been strengthened over a long period, based on our ability to consistently deliver quality products at competitive prices. Some of our customers have also been associated with us for over 10 years as of May 31, 2021.

We have two certified production facilities in India strategically located at Kurkumbh (Maharashtra), in close proximity to the JNPT port from where we export majority of our products. Each facility has an on-site R&D unit, quality control department, warehouse, and effluent treatment system that treats effluent, to make our facilities zero liquid discharge facilities. Our facilities have dedicated production lines for our products, with a combined installed capacity of 29,900 MTPA as of March 31, 2021, and capacity utilization rates of 71.94% for Fiscal 2021. We have also recently set-up a third facility adjacent to our existing facilities at Kurkumbh (Maharashtra), and have recently been allotted land for the construction of a fourth facility at Kurkumbh (Maharashtra). For further information, see "- *Strategies – Expand manufacturing capacities of existing products and set up additional capacities for new products*" on page 127.

Our Company has grown organically, and its revenues and profitability have consistently increased, to emerge as one of the most profitable specialty chemical companies globally (*Source: F&S Reports*). Our total revenue from operations have grown at a CAGR of 14.15% between Fiscal 2019 and Fiscal 2021. In Fiscals 2019, 2020 and 2021, our PAT Margin was 24.83%, 33.30% and 38.71%, respectively, EBITDA Margin was 37.53%, 46.78% and 55.54% respectively, and Adjusted EBITDA Margin was 34.66%, 44.19% and 50.53%, respectively. As of March 31, 2019, 2020 and 2021, our ROCE was 50.75%, 58.48% and 73.89%, respectively, and ROE was 35.90%, 40.82% and 36.76%, respectively. Net cash from operating activities was ₹ 847.38 million, ₹ 1,601.03 million and ₹ 1,928.45 million, respectively, in Fiscals 2019, 2020 and 2021.

Due to the ongoing COVID-19 global pandemic, and as a result of the nationwide lockdown imposed in India to control the spread of the virus, we were required to cease our operations for two weeks in 2020. While our operations were subject to limited availability of labour, logistics and supply chain constraints, our revenue from operations Fiscal 2021 was ₹ 5,124.28 million, compared to ₹ 4,193.00 million in Fiscal 2020. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in "*Risk Factors – Internal Risk Factors – The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance*" on page 36 and "*Risk Factors – External Risk Factors – Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business*" on page 47.

PRESENTATION OF FINANCIAL INFORMATION

Our restated consolidated balance sheet as at March 31, 2021, March 31, 2020, and March 31, 2019, the related restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, and the restated consolidated statement of cash flows for the years ended March 31, 2021, March 31, 2020, and March 31, 2019, and the significant accounting policies and restated consolidated other financial information (collectively, the "**Restated Financial Statements**"), have been compiled from:

- Audited consolidated financial statements as at and for years ended March 31, 2021 and March 31, 2020 (being comparative period for the financials for the 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.

- Audited consolidated financial statements as at and for the years ended March 31, 2020 and March 31, 2019 (being comparative period for the financials for the year ended March 31, 2020), prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India. The financial statements for the year ended March 31, 2020 and March 31, 2019 (being comparative period for the financials for the year ended March 31, 2020) are the first financial statements prepared in accordance with Ind AS. The date of transition is April 1, 2018. The transition to Ind AS has been carried out from accounting standards notified under Section 133 of the Act read with Companies (Accounts) Rules 2014 (as amended), which is considered as the Indian GAAP, for purposes of Ind AS 101, First-time adoption of Ind AS. For further information on transition to Ind AS, see "*Restated Financial Statements – Annexure VI – Note 47: Explanation of Transition to Ind AS*" on page 245.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Volatility in cost of raw materials consumed

Our key expense is our cost of raw materials. The primary raw materials used in the manufacture of our products include phenol, hydrogen peroxide, acetic anhydride, tertiary butyl alcohol, acetone, methanol, and cyclohexylamine. In Fiscals 2019, 2020 and 2021, cost of materials consumed amounted to ₹ 1,786.10 million, ₹ 1,279.79 million, and ₹ 1,378.62 million, respectively, and represented 45.42%, 30.52%, and 26.90%, respectively, of our revenue from operations in such periods.

Our competitiveness, costs and profitability depend, in part, on our ability to source and maintain a steady and sufficient supply of raw material at competitive prices. As a majority of our raw materials comprise derivatives of crude oil, the volatility and fluctuations in the price of crude oil, impacts the cost of our raw materials. However, owing to our vertically integrated and catalytic processes, we have been able to optimize the consumption of raw materials involved in our operations. Our raw materials therefore predominantly comprise bulk chemicals that are widely available unlike conventionally used diphenols such as hydroquinone and catechol that are susceptible to increased price volatility due to controlled supply.

We typically purchase raw materials on a purchase order basis, which subjects us to price volatility. We are subject to raw material price volatility caused by various factors including commodity market fluctuations, currency fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic as well as international government policies, and regulatory and trade sanctions. For further information on procurement of our raw materials, see "*Our Business*" beginning on page 122. As a result, we may not be able to effectively offset increases in raw material prices with increases in the prices of our products, which may affect our margins. Similarly, any significant decline in the price of our raw materials may enable us to generate higher margins on sales of our products.

Relationship with key customers

We have historically derived, and may continue to derive, a significant portion of our revenues from our top 10 customers. Revenue generated from sales to our top 10 customers represented 50.53%, 44.77%, and 47.90% of our revenue from operations in Fiscals 2019, 2020 and 2021, respectively. Any reduction in orders from our top 10 customers would adversely affect our results of operations. The demand from our customers is in turn dependent on demand from their customers, as well as general trends in the global specialty chemicals industry.

We have typically experienced high customer retention and have been servicing certain customers for over 10 years. Our sales with such customers are conducted on the basis of purchase orders that they place with us from time to time. Customers with whom we do not have long-term arrangements may choose to cease sourcing their raw materials from us. In the event a customer ceases to use us as its preferred supplier for certain products, we may not successfully market those products to another customer. We are therefore exposed to risks of lower sales volume or lower price realization on such volumes depending on prevailing market conditions, as a result of such short-term arrangements.

Capacity utilization and capacity expansion

Capacity utilization is affected by the demand and supply balance, which in turn affects our profit margin. Our ability to maintain our profitability depends on our ability to optimize the product mix to support high-margin products and the demand and supply balance of our products in the end markets. High capacity utilization allows us to optimize costs, resulting in a high profit margin. Manufacturing levels are affected by the number of lost days due to scheduled and unscheduled plant shutdowns on account of maintenance or otherwise. Our actual production levels and utilization rates may differ from the estimated manufacturing capacities of our facilities.

The following table sets forth certain information relating to our capacity utilization of our manufacturing facilities calculated on the basis of total installed production capacity and actual production as of/ for the periods indicated below:

Location	**Installed Production Capacity and Capacity Utilization as at and for the year ended (in metric tonnes)(1) (2) (3) (4)**								
	March 31, 2019			**March 31, 2020**			**March 31, 2021**		
	Installed Capacity(1)	**Actual Production(2)**	**% Utilization(3)**	**Installed Capacity(1)**	**Actual Production(2)**	**% Utilization(3)**	**Installed Capacity(1)**	**Actual Production(2)**	**% Utilization(3)**
Performance Chemicals	8,580	4,804	55.99%	8,680	5,363	61.79%	9,640	7,081	73.46%
Pharmaceutical Intermediates	3,060	2,143	70.04%	3,780	1,942	51.37%	4,060	2,602	64.08%
FMCG Chemicals	9,600	7,471	77.83%	15,600	10,360	66.41%	16,200	11,826	73.00%
Total	**21,240**	**14,418**	**67.88%**	**28,060**	**17,665**	**62.95%**	**29,900**	**21,509**	**71.94%**

The information relating to the estimated annual installed capacities and the capacity utilization of our manufacturing facilities included above is based on a number of assumptions and estimates of our management, including expected operations, availability of raw materials, expected plant utilization levels, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. In particular, the following assumptions have been made in the calculation of the estimated annual installed capacities of our manufacturing facilities included above and elsewhere in this DRHP, as certified by Kishor Sharad Deshpande, Chartered Engineer, pursuant to their certificate dated June 21, 2021, issued to us: (i) the facilities operate for a period of 365 days in a year; (ii) the facilities operate for 3 shifts of 8 hours each in a 24 hour day; and (iii) the facilities are subject to 8 days of schedule preventive maintenance. The installed capacity calculation does not take into account seasonality, demand or other factors affecting production. Actual production levels may therefore vary from the estimated installed capacities of our manufacturing facilities. Undue reliance should therefore not be placed on the estimated installed capacity information for our existing manufacturing facilities included in this Red Herring Prospectus. Also see, "*Risk Factors – Information relating to the installed manufacturing capacity of our manufacturing facilities included in this Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary*." on page 44.

We are in the process of setting up a new facility to expand capacities of some of our existing products and add capacities for some new products. Our expansion plans remain subject to various uncertainties, including increased costs of equipment and any unforeseen delays in implementing such expansion plans. These factors could lead to a delay in the implementation of our capacity expansion plans and planned commercial production schedules for such expanded capacities, and could also cause us to exceed our budgets. Our ability to profitably expand our capacities is therefore dependent on our ability to efficiently manage our corresponding increase in expenditures and achieve timely completion and commissioning of the proposed facility.

Research and Development

Our business depends to a large extent on our R&D capabilities. Our R&D activities are focused on developing innovative and eco-friendly processes that are aimed at enhancing atom economy, optimizing use of toxic starting materials, and improving the commercial viability of our finished products. Our R&D efforts therefore enable us to generate higher volumes of our product, while controlling input raw materials and optimizing costs for effluent treatment, making our R&D activities critical to controlling manufacturing and operating costs.

In the event competitors are able to successfully design differentiated technologies to manufacture products in our existing product portfolio, it may erode our market share and adversely affect our operating results. We may consequently be compelled to expend resources to re-design our existing processes to continue to effectively compete and maintain our market share and position in the industry.

In order to successfully expand our product portfolio, we consistently seek to design more innovative processes through our R&D team. The success of such R&D efforts are subject to various factors and may not achieve expected results within the anticipated timelines, or at all. As a result, our investment in R&D could result in higher costs without a proportionate increase in revenues. Further, once we commercialize new processes, obtaining relevant regulatory approvals and registrations may lead to additional expenses.

Foreign currency fluctuation

Our customer base currently comprises a number of multinational corporations located outside India. In Fiscals 2019, 2020 and 2021, revenue from exports amounted to ₹ 2,842.91 million, ₹ 2,883.12 million, and ₹ 3,477.18 million, respectively, and represented 72.29%, 68.76%, and 67.86%, respectively, of our revenue from operations, in such periods. Our results of operations are therefore influenced by exchange rate fluctuations between foreign currencies of the markets in which we sell our products and the Indian Rupee. Depreciation of the Indian Rupee increases the revenue from export sales, and conversely, an appreciation of the Indian Rupee decreases the revenue from export sales.

We import a portion of our raw materials. In Fiscals 2019, 2020 and 2021, expenses towards raw materials imported represented 16.98%, 9.40%, and 7.70% of our revenue from operations, respectively. As a result, an appreciation of the Indian Rupee decreases the prices of imported raw materials, and conversely, depreciation of the Indian Rupee increases the prices of imported raw materials.

Significant currency exchange rate fluctuations and currency devaluations could have an adverse effect on our results of operations. As we export our products and import some of our raw materials, our exposure to foreign currency fluctuations are hedged to a certain extent. In addition, we enter into hedging contracts based on our internal assessments. However, a significant devaluation of any of the foreign currencies against the Indian Rupee may not be fully managed by our hedging efforts, and may result in reduction of our margins.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Presentation

The Restated Financial Statements comprise of the Restated Consolidated Balance Sheet as at March 31, 2021, March 31, 2020, and March 31, 2019, the related Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, and the Restated Consolidated Statement of Cash Flows for the years ended March 31, 2021, March 31, 2020, and March 31, 2019, and the Significant Accounting Policies and Restated Consolidated Other Financial Information

These Restated Financial Statements have been prepared as required under the SEBI ICDR Regulations for the purpose of inclusion in this Red Herring Prospectus, prepared in terms of the requirements of: (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act"); (b) relevant provisions of the 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) (the "Guidance Note").

Basis of Measurement

The Restated Financial Statements have been prepared on a historical cost basis, except for 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 defined benefit obligations.

Use of Judgements, Estimates and Assumptions

The preparation of the Restated Financial Statements in conformity with Ind AS requires us to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, and disclosure of the contingent liabilities at the end of each reporting period. Such estimates are on a reasonable and prudent basis considering all available information, however, due to uncertainties about these judgments, estimates and assumptions, actual results could differ from estimates. Information about each of these estimates and judgements is included in relevant notes.

Judgements

For information on judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Restated Financial Statements, see "*Restated Financial Statements – Annexure VI – Note 39: Fair Value Measurements*" on page 234.

Assumptions and Estimation Uncertainties

For information on assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment, see Notes 1, 3, 7, 32, 34, 37 and 40 in the "*Restated Financial Statements – Annexure VI*" on pages 203, 205, 206, 218, 222, 229 and 235, respectively.

Going Concern Assumption

This Restated Financial Statements have been prepared on a going concern basis. We have, given the significant uncertainties arising out of the outbreak of COVID 19, as explained in note below, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of this Restated Financial Statements. Based on this evaluation, we believe that we will be able to continue as a 'going concern' in the foreseeable future and for a period of at least twelve months from the date of this Restated Financial Statements based on (i) expected future operating cash flows based on business projections, and (ii) available credit facilities with its bankers.

Based on the above factors, we have concluded that the "going concern" assumption is appropriate. Accordingly, the Restated Financial Statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should we be unable to continue as a going concern.

Estimation of Uncertainties relating to Global Health Pandemic from COVID-19

The World Health Organisation in February 2020 declared COVID-19 as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, our manufacturing plants and offices were closed down for a brief period of time, during Fiscal 2021. As a result of the lockdown, the revenue during the period has been slightly impacted. We are monitoring the situation closely taking into account directives from the Government.

We believe we have taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdown in the preparation of the Restated Financial Statements including the assessment of recoverable values of property, plant and equipment, capital work-in-progress and intangible assets and the net realizable values of other assets. We started operations and had a smooth recovery phase post lockdown. However, given the effect of these lockdowns on the overall economic activity in India, the impact assessment of COVID-19 on the Restated Financial Statements is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from that estimated as at the date of approval of the Restated Financial Statements. We will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

Principles of Consolidation

Control is achieved when we are exposed, or have rights, to variable returns from involvement with the investee and have the ability to affect those returns through power over the investee. Specifically, we control an investee if and only if we have: (i) power over the investee (i.e. existing rights that give us the current ability to direct the relevant activities of the investee), (ii) exposure, or rights, to variable returns from our involvement with the investee; and (iii) the ability to use our power over the investee to affect returns.

Restated Financial Statements were prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Restated Financial Statements to ensure conformity with the Group's accounting policies.

The Restated Financial Statements of all entities used for the purpose of consolidation are drawn up to same period end date as that of the our Company. The subsidiaries considered in the Restated Financial Statements are summarized below:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest
Subsidiaries		
Clean Science Private Limited	India	100%
Clean Aromatics Private Limited	India	100%
Clean Organics Private Limited	India	100%

In preparing the Restated Financial Statements, we have used the following key consolidation procedures:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognised in the Restated Financial Statements at the acquisition date.

- Offset (eliminate) the carrying amount of the holding company's investment in each subsidiary and the holding company's portion of equity of each subsidiary. Business combinations policy explains accounting for any related goodwill.

- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the Restated Financial Statements. Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

- Profit and loss and each component of other comprehensive income ('OCI') are attributed to the equity holders of the holding company of the group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

- A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If we lose control over a subsidiary, we deconsolidate the subsidiary from the date it ceases control.

- Non-controlling interests in the results and equity of subsidiaries are shown separately in the Restated Consolidated Statement of Profit and Loss, Restated Consolidated Statement of Changes in Equity and Restated Consolidated Balance Sheet respectively.

- Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the share of the post-acquisition profits or losses of the investee in profit and loss, and the share of other comprehensive income of the investee in other comprehensive income.

- Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Revenue Recognition

Sales are recognised when control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from sale of solar electricity power is recognised on a point in time basis when solar electrical power is transmitted to Alternating Current Distribution Board (ACDB).

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 asset or the amortised cost of the financial liability.

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Group and that the amount of the dividend can be measured reliably.

Inventories

Inventories are valued at cost or net realisable value whichever is lower after providing for cost of obsolescence. Cost is determined on a FIFO formula.

Raw materials are valued at cost of purchase net of duties (credit availed with respect to taxes and duties) and includes all expenses incurred in bringing the materials to location of use. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials. Finished goods are valued at lower of cost and net realizable value. The net realizable value of the finished goods is determined with reference to the selling prices of related finished goods.

Cost of finished goods and work-in-progress comprises cost of raw material and appropriate fixed production overheads which are allocated on the basis of normal capacity of production facilities and variable production overheads on the basis of actual production of material and after deduction of the realisable value of the by-product.

Raw materials, components, stores, and spares cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Obsolete and slow-moving inventories are identified and wherever necessary, such inventories are written off/provided during the year.

Property, Plant and Equipment

Recognition and measurement. Property, plant and equipments are carried at cost which includes capitalised borrowing costs, less accumulated depreciation and impairment loss, if any. Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and/ or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. We identify and determine the cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

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 us and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of 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 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. Depreciation on tangible assets is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013 (except of assets as mentioned below). Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Solar power plants are depreciated over the period of 5 to 15 years.

Impairments of Non-Financial Assets

We assess 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. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any such indication exists, the Group 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 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 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.

Intangible Assets

Recognition and measurement. Intangible assets are recognised when the asset is identifiable, is within our control, it is probable that the future economic benefits that are attributable to the asset will flow to us 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 us 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.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and we intend to complete development and to use or sell the asset.

Intangible assets which comprise of the development expenditure incurred on new product and expenditure incurred on acquisition of user licenses for computer software are recorded at their acquisition price.

Subsequent measurement. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets i.e., computer software is amortized on a straight-line basis over the period of expected future benefits commencing from the date the asset is available for its use.

The management has estimated the useful life for computer software as five years. Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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 recognized in the statement of profit and loss when the asset is derecognized.

Employee Benefits

Short-term employee benefits. The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognised in the period in which the employee renders the related service. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if we have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

The employees are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. We record an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Post-employment benefits

Defined contribution plans. Contributions to the provident fund and superannuation schemes which is defined contribution scheme, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due. Contributions are made in accordance with the rules of the statute and are recognised as expenses when employees render service entitling them to the contributions. The Group has no obligation, other than the contribution payable to the provident fund.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans. The employees' gratuity scheme is a defined benefit plan which is administered by a trust formed for this purpose through the group schemes of Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. We determine the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

In case of funded plans, the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Other long-term employee benefits. The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits. Termination benefits are expensed at the earlier of when we can no longer withdraw the offer of those benefits and when we recognize costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Income Taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income (OCI).

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 tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where we operate and generate 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 recognised 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 we are 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 utilised, 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currency 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.

Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Government Grants and Subsidies

Grants that compensate us for expenses incurred are recognised in Statement of Profit and Loss as other operating income on a systematic basis in the periods in which such expenses are recognized.

Export Incentives

Export incentives under various schemes notified by the government are recognised when no significant uncertainties as to the amount of consideration that would be derived and that the Group will comply with the conditions associated with the grant and ultimate collection exist.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company have been identified as being the chief operating decision maker by us.

Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of not more than three months, which are subject to an insignificant risk of changes in value.

Cash Flow Statement

Cash Flows are reported using the indirect method, whereby net Profit before tax is adjusted for the effects of transactions of a non-cash nature, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. In the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above net of outstanding bank overdrafts as they are considered as integral part of our cash management.

Recent Accounting Pronouncements

Ministry of Corporate Affairs ("**MCA**") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Restated Financial Statements is required to be disclosed.

CHANGES IN ACCOUNTING POLICIES

The financial statements for the year ended March 31, 2020 are the first financial statements prepared in accordance with Ind AS. Other than as required for the preparation of our Restated Financial Statements, there have been no changes in our accounting policies during Fiscals 2019, 2020 and 2021.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprises (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations comprises (i) sale of products, and (ii) other operating revenue, such as export incentives, scrap sales and sale of electricity.

Other Income

Other income primarily includes (i) interest income; (ii) interest income on investments measured at amortised cost; (iii) dividend income from investments in equity shares designated as FVTPL; (iv) dividend income from investments in equity shares designated as FVTOCI; (v) net gain on account of foreign exchange fluctuations; (vi) profit on sale of instruments designated through FVTPL; (vii) fair value gain on instruments designated through FVTPL; and (viii) miscellaneous income such as interest on VAT refund.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) changes in inventories of finished goods and work-in-progress; (iii) excise duty; (iv) employee benefits expenses; (v) finance costs; (vi) depreciation and amortisation expenses; and (vii) other expenses.

Costs of Materials Consumed

Costs of materials consumed refers to costs of raw materials including purchase components and packing materials consumed. It includes the opening stock of our raw materials at the begninng of the year, increased by the pruchases of raw materials during the year and offset by the closing stock of raw materials at the end of the year.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress comprises increase or decrease in our inventory of finished goods and work-in-progress. It is calculated based on the opening inventory of finished goods and work-in-progress adjusted for closing inventory of finished goods and work-in-progress.

Excise Duty

Excise duty paid on sale of finished goods. Revenue from operations for periods up to June 30, 2017 includes excise duty, and revenue from operations for periods commencing July 1, 2017 onwards exclude excise duty, due to the introduction of the Goods and Service Tax (GST) which is not included in revenue from operations.

Employee Benefits Expenses

Employee benefits expenses comprises (i) salaries, wages and bonus; (ii) contribution to provident and other funds; and (iii) staff welfare expenses.

Finance Costs

Finance cost refers to interest expense on financial liabilities from (i) working capital loan; and (ii) others.

Depreciation and Amortisation Expenses

Depreciation and amortization expenses comprises (i) depreciation of property, plant and equipment; (ii) amortisation of right-of-use assets; and (iii) amortisation of intangible assets.

Other Expenses

Other expenses primarily comprises (i) comsumption of stores and spares; (ii) power and fuel; (iii) water charges; (iv) repairs and maintenance; (v) insurance; (vi) rates and taxes; (vii) telephone and other communication expenses; (viii) travelling expenses; (ix) freight, clearing and forwarding; (x) sales commission; (xi) advertising and sales promotion; (xii) manpower supply; (xiii) legal and professional fees; (xiv) payment to auditors; (xv) CSR expenses; (xvi) bank charges; (xvii) effluent treatment plant expenses; (xviii) printing and stationary; (xix) loss on sale of property, plant and equipments; and (xx) miscellaneous expenses.

Key components of other expenses are set forth below:

- Repairs and maintenance incurred towards our manufacturing facilities;
- Power and fuel expenses incurred in operating our manufacturing facilities;
- Manpower supply which includes wages paid to contractual labours;
- Sales commissions which includes commission paid to distributors.

NON-GAAP MEASURES

Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("EBITDA")/ EBITDA Margin and Adjusted EBITDA/ Adjusted EBITDA Margin

EBITDA and Adjusted EBITDA presented in this Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA and Adjusted EBITDA are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ 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, IFRS or US GAAP. In addition, EBITDA and Adjusted EBITDA are not standardised terms, hence a direct comparison of EBITDA and Adjusted EBITDA between companies may not be possible. Other companies may calculate EBITDA and Adjusted EBITDA differently from us, limiting its usefulness as a comparative measure. Although EBITDA and Adjusted EBITDA is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance.

Reconciliation of EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin to Restated Profit for the Period

The table below reconciles restated profit for the period to EBITDA and Adjusted EBITDA. EBITDA is calculated as restated profit for the period plus tax expense, finance cost, depreciation and amortization expenses, while EBITDA Margin is the percentage of EBITDA divided by revenue from operations.

Adjusted EBITDA is calculated as restated profit for the period plus tax expense, finance cost, depreciation and amortization expenses, less other income, while Adjusted EBITDA Margin is the percentage of Adjusted EBITDA divided by revenue from operations.

Particulars	Fiscal		
	2019	2020	2021
	(₹ million)		
Profit for the period (A)	**976.58**	**1,396.31**	1,983.80
Tax Expense (B)	388.78	426.85	689.21
Profit before tax (C=A+B)	**1,365.36**	**1,823.16**	**2,673.01**
Adjustments:			
Add: Finance Costs (D)	0.33	1.21	0.91
Add: Depreciation and Amortization (E)	110.33	137.14	172.05
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) (F= C+D+E)	1,476.02	1,961.51	2,845.97
Less: Other income (G)	112.93	108.65	256.43
Adjusted EBITDA (H=F-G)	**1,363.09**	**1,852.86**	**2,589.54**
Revenue from operations (I)	3,932.70	4,193.00	5,124.28
EBITDA Margin (EBITDA as a percentage of Revenue from operations) (J = F/I)	37.53%	46.78%	55.54%
Adjusted EBITDA Margin (Adjusted EBITDA as a percentage of Revenue from operations) (K=H/I)	**34.66%**	**44.19%**	**50.53%**

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscals 2019, 2020 and 2021:

Particulars	Fiscal					
	2019		2020		2021	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
Income						
Revenue from operations	3,932.70	97.21%	4,193.00	97.47%	5,124.28	95.23%
Other income	112.93	2.79%	108.65	2.53%	256.43	4.77%
Total Income	**4,045.63**	**100.00%**	**4,301.65**	**100.00%**	**5,380.71**	**100.00%**
Expenses						
Cost of materials consumed	1,786.10	44.15%	1,279.79	29.75%	1,378.62	25.62%
Changes in inventories of finished goods and work-in progress	(73.90)	(1.83)%	12.59	0.29%	(142.79)	(2.65)%
Excise duty	-	-	-	-	-	-
Employee benefits expenses	248.57	6.14%	310.13	7.21%	435.57	8.10%
Finance costs	0.33	0.01%	1.21	0.03%	0.91	0.02%
Depreciation and amortisation expenses	110.33	2.73%	137.14	3.19%	172.05	3.20%
Other expenses	608.84	15.05%	737.63	17.15%	863.34	16.05%
Total expenses	**2,680.27**	**66.25%**	**2,478.49**	**57.62%**	**2,707.70**	**50.32%**
Profit before tax	**1,365.36**	**33.75%**	**1,823.16**	**42.38%**	**2,673.01**	**49.68%**
Tax Expense						
(a) Current tax	350.78	8.67%	461.19	10.72%	617.51	11.48%
(b) Deferred tax	38.00	0.94%	(34.34)	(0.80)%	71.7	1.33%
Total tax expense	**388.78**	**9.61%**	**426.85**	**9.92%**	**689.21**	**12.81%**
Profit for the period (A)	**976.58**	**24.14%**	**1,396.31**	**32.46%**	**1,983.80**	**36.87%**
Other comprehensive income / (loss)						
Items that will not be reclassified subsequently to profit or loss						
Remeasurements of defined benefit liability / (asset)	(0.14)	0.00%	0.27	0.01%	(0.14)	0.00%
Income tax related to remeasurements of defined benefit liability/ (asset)	0.04	0.00%	(0.07)	0.00%	0.04	0.00%
Equity instruments designated through other comprehensive income	(7.61)	(0.19)%	(60.13)	(1.40)%	28.77	0.53%
Income tax related to equity instruments designated through other comprehensive income	1.16	0.03%	8.66	0.20%	(2.34)	(0.04%)
Total other comprehensive income (B)	**(6.55)**	**(0.16)%**	**(51.27)**	**(1.20)%**	**26.33**	**0.49%**
Total comprehensive income for the period (A + B)	**970.03**	**23.98%**	**1,345.04**	**31.27%**	**2,010.13**	**37.36%**

FISCAL 2021 COMPARED TO FISCAL 2020

Key Developments

- Expansion of manufacturing capacity for manufacturing certain Pharmaceutical Intermediates, FMCG Chemicals and Performance Chemicals in Fiscal 2021.

Income

Total income increased by 25.08% from ₹ 4,301.65 million in Fiscal 2020 to ₹ 5,380.71 million in Fiscal 2021 primarily on account of an increase in revenue from operations.

Revenue from Operations

Revenues from operations increased by 22.21% from ₹ 4,193.00 million in Fiscal 2020 to ₹ 5,124.28 million in Fiscal 2021, primarily due to an increase in sale of Performance Chemicals.

Sale of Products

Sale of products increased by 23.84% from ₹ 4,093.38 million in Fiscal 2020 to ₹ 5,069.41 million in Fiscal 2021.

The following table provides the reconciliation of amount of revenue from sale of products with the contracted price, for the years indicated:

Particulars	Fiscal	
	2020	2021
	(₹ million)	
Revenue from Contracts with Customers		
Ketone with other oxygen functions (1)	491.65	499.83
Ether phenols (2)	3,335.23	4,202.77
Others (3)	266.50	366.81
Total Revenue	**4,093.38**	**5,069.41**

Note:

(1) Ketone with other oxygen functions includes 4-MAP (FMCG Chemical segment).

(2) Ether phenols include MEHQ and BHA (Performance Chemicals) and Guaiacol (Pharmaceutical Intermediate)

(3) Others include DCC, AP, Anisole and co-products

The increase in sale of products by 23.84% from ₹ 4,093.38 million in Fiscal 2020 to ₹ 5,069.41 million in Fiscal 2021 was primarily led by increase in revenue from sale of Ether Phenols and Others. Revenue from sale of Ether Phenols increased by 26.01% from ₹ 3,335.23 million in Fiscal 2020 to ₹ 4,202.77 million in Fiscal 2021, primarily due to increase in sales of Performance Chemicals, which was attributable to an increase in volume and sales. Revenue from sale of Others increased by 37.64% from ₹ 266.50 million in Fiscal 2020 to ₹ 366.81 million in Fiscal 2021, primarily due to increase in sales of Pharmaceutical Intermediates.

Other Operating Revenue

Other operating revenue decreased by 44.92% from ₹ 99.62 million in Fiscal 2020 to ₹ 54.87 million in Fiscal 2021 primarily due to a decrease in export incentives by 49.44% from ₹ 86.46 million in Fiscal 2020 to ₹ 43.71 million in Fiscal 2021, on account of decrease in incentives under MEIS.

Other Income

Other income increased from ₹ 108.65 million in Fiscal 2020 to ₹ 256.43 million in Fiscal 2021. The increase was primarily due to an increase in net gain on account of foreign exchange fluctuations due to forward contracts, by 302.16% from ₹ 28.23 million in Fiscal 2020 to ₹ 113.53 million in Fiscal 2021, and increase in fair value gain of investments designated through FVTPL from ₹ 14.44 million in Fiscal 2020 to ₹ 49.25 million in Fiscal 2021 . The increase was partially offset by a decrease in profit on sale of instruments designated through FVTPL from ₹ 40.29 million in Fiscal 2020 to ₹ 31. 27 million in Fiscal 2021.

Expenses

Total expenses increased by 9.25% from ₹ 2,478.49 million in Fiscal 2020 to ₹ 2,707.70 million in Fiscal 2021, primarily due to an increase in employee benefits expenses, depreciation and amortization expenses, and other expenses.

Cost of Materials Consumed

Cost of materials consumed increased by 7.72% from ₹ 1,279.79 million in Fiscal 2020 to ₹ 1,378.62 million in Fiscal 2021, and represented 30.52% and 26.90% of our revenue from operations in Fiscal 2020 and Fiscal 2021, respectively, as a result of change in product mix, and reduction in key raw material prices.

Changes in Inventories of Finished Goods and Work-in-progress

Changes in inventories of finished goods and work-in-progress changed from ₹ 12.59 million in Fiscal 2020 to ₹ (142.79) million in Fiscal 2021 primarily due to an increase in closing inventories for finished goods and work-in-progress.

Employee Benefits Expenses

Employee benefits expenses increased by 40.45% from ₹ 310.13 million in Fiscal 2020 to ₹ 435.57 million in Fiscal 2021, primarily due to an increase in salaries, wages and bonus by 40.54% from ₹ 299.33 million in Fiscal 2020 to ₹ 420.67 million in Fiscal 2021. The increase in salaries, wages and bonus was primarily driven by profit linked performance incentives paid to certain employees.

Finance Costs

Finance costs decreased from ₹ 1.21 million in Fiscal 2020 to ₹ 0.91 million in Fiscal 2021.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 25.46% from ₹ 137.14 million in Fiscal 2020 to ₹ 172.05 million in Fiscal 2021, primarily due to increase in depreciation of property, plant and equipment, by 25.49% from ₹ 136.16 million in Fiscal

2020 to ₹ 170.87 million in Fiscal 2021, on account of commissioning of a product line at Facility II for manufacturing certain Pharmaceutical Intermediates and Performance Chemical, and commissioning of our captive solar plant at Kurkumbh (Maharashtra).

Other Expenses

Other expenses increased by 17.04% from ₹ 737.63 million in Fiscal 2020 to ₹ 863.34 million in Fiscal 2021, primarily due to an increase in expenses incurred towards manpower supply, sales commission, and repairs and maintenance expense, as described below:

- Manpower supply expenses increased by 36.57% from ₹ 72.79 million in Fiscal 2020 to ₹ 99.41 million in Fiscal 2021 on account of additional labour hired for increased production and increase in wages.

- Repairs and maintenance – machinery increased by 33.83% from ₹ 63.20 million in Fiscal 2020 to ₹ 84.58 million in Fiscal 2021 on account of increase in production volumes.

- Sales commission increased by from ₹ 43.69 million in Fiscal 2020 to ₹ 68.21 million in Fiscal 2021 on account of increased sale of products.

Restated Profit before Tax

For the reasons discussed above, restated profit before tax increased by 46.61% from ₹ 1,823.16 million in Fiscal 2020 to ₹ 2,673.01 million in Fiscal 2021.

Tax Expense

Current tax expenses increased from ₹ 461.19 million in Fiscal 2020 to ₹617.51 million in Fiscal 2021, primarily on account of an increase in restated profit before tax. There was also an increase in deferred tax from ₹ (34.34) million in Fiscal 2020 to ₹ 71.70 million in Fiscal 2021. As a result, our total tax expense increased by 61.46% from ₹ 426.85 million in Fiscal 2020 to ₹ 689.21 million in Fiscal 2021.

Restated Profit for the Year

For the various reasons discussed above, restated profit increased by 42.07% from ₹ 1,396.31 million in Fiscal 2020 to ₹ 1,983.80 million in Fiscal 2021.

Restated Total Comprehensive Income for the Year

Restated total comprehensive income increased from ₹ 1,345.04 million in Fiscal 2020 to ₹ 2,010.13 million in Fiscal 2021.

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)

EBITDA increased from ₹ 1,961.51 million in Fiscal 2020 to ₹ 2,845.97 million in Fiscal 2021, while EBITDA Margin (EBITDA as a percentage of our revenue from operations) increased from 46.78% in Fiscal 2020 to 55.54% in Fiscal 2021.

Adjusted EBITDA increased from ₹ 1,852.86 million in Fiscal 2020 to ₹ 2,589.54 million in Fiscal 2021, while Adjusted EBITDA Margin (Adjusted EBITDA as a percentage of our revenue from operations) increased from 44.19% in Fiscal 2020 to 50.53% in Fiscal 2021.

FISCAL 2020 COMPARED TO FISCAL 2019

Key Developments

- Construction of a product line at Facility II for manufacturing certain FMCG Chemicals was completed and commissioned in Fiscal 2019

- Construction of a product line at Facility II for manufacturing certain Pharmaceutical Intermediates and Performance Chemicals was completed and commissioned in Fiscal 2020.

Income

Total income increased by 6.32% from ₹ 4,045.63 million in Fiscal 2019 to ₹ 4,301.65 million in Fiscal 2020 primarily on account of an increase in revenue from operations.

Revenue from Operations

Revenues from operations increased by 6.62% from ₹ 3,932.70 million in Fiscal 2019 to ₹ 4,193.00 million in Fiscal 2020, primarily due to an increase in sale of Performance Chemicals.

Sale of Products

Sale of products increased by 6.37% from ₹3,848.35 million in Fiscal 2019 to ₹4,093.38 million in Fiscal 2020.

The following table provides the reconciliation of amount of revenue from sale of products with the contracted price, for the years indicated:

Particulars	Fiscal	
	2019	2020
	(₹ million)	
Revenue from Contracts with Customers		
Ketone with other oxygen functions (1)	461.25	491.65
Ether phenols (2)	3,171.39	3,335.23
Others (3)	215.71	266.50
Total Revenue	**3,848.35**	**4,093.38**

Note:

(4) Ketone with other oxygen functions includes 4-MAP (FMCG Chemical segment).

(5) Ether phenols include MEHQ and BHA (Performance Chemicals) and Guaiacol (Pharmaceutical Intermediate)

(6) Others include DCC, AP, Anisole and co-products

The increase in sale of products by 6.37% from ₹3,848.35 million in Fiscal 2019 to ₹4,093.38 million in Fiscal 2020 was primarily led by increase in revenue from Ether Phenols. Revenue from sale of Ether Phenols increased by 5.17% from ₹3,171.39 million in Fiscal 2019 to ₹3,335.23 million in Fiscal 2020, primarily due to increase in sales of Performance Chemicals, which was attributable to an increase in volume and sales.

Other Operating Revenue

Other operating revenue also increased by 18.10% from ₹ 84.35 million in Fiscal 2019 to ₹ 99.62 million in Fiscal 2020 primarily due to an increase in export incentives by 24.67% from ₹ 69.35 million in Fiscal 2019 to ₹ 86.46 million in Fiscal 2020, on account of increase in incentives under MEIS.

Other Income

Other income marginally decreased by 3.79% from ₹ 112.93 million in Fiscal 2019 to ₹ 108.65 million in Fiscal 2020. The decrease was primarily due to a decrease in net gain on account of foreign exchange fluctuations, by from ₹ 88.63 million in Fiscal 2019 to ₹ 28.23 million in Fiscal 2020 on account of forward contracts. The decrease was significantly offset by an increase in profit on sale of instruments designated through FVTPL from ₹ 2.01 million in Fiscal 2019 to ₹ 40.29 million in Fiscal 2020 on account of profit from redemption of mutual funds.

Expenses

Total expenses decreased by 7.53% from ₹ 2,680.27 million in Fiscal 2019 to ₹ 2,478.49 million in Fiscal 2020, primarily due to a decrease in cost of materials consumed. This was offset by an increase in employee benefits expenses and other expenses.

Cost of Materials Consumed

Cost of materials consumed decreased by 28.35% from ₹ 1,786.10 million in Fiscal 2019 to ₹ 1,279.79 million in Fiscal 2020, and represented 45.42% and 30.52% of our revenue from operations in Fiscal 2019 and Fiscal 2020, respectively, as a result of change in product mix, increased production of Anisole from vapour-phase technology compared to liquid-phase technology, and reduction in key raw material prices.

Changes in Inventories of Finished Goods and Work-in-progress

Changes in inventories of finished goods and work-in-progress changed from ₹ (73.90) million in Fiscal 2019 to ₹ 12.59 million in Fiscal 2020 primarily due to an increase in opening inventories for work-in-progress.

Employee Benefits Expenses

Employee benefits expenses increased by 24.76% from ₹ 248.57 million in Fiscal 2019 to ₹ 310.13 million in Fiscal 2020, primarily due to an increase in salaries, wages and bonus by 24.77% from ₹ 239.91 million in Fiscal 2019 to ₹ 299.33 million in Fiscal 2020. The increase in salaries, wages and bonus was primarily driven by profit linked performance incentives paid to certain employees.

Finance Costs

Finance costs increased from ₹ 0.33 million in Fiscal 2019 to ₹ 1.21 million in Fiscal 2020.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 24.30% from ₹ 110.33 million in Fiscal 2019 to ₹ 137.14 million in Fiscal 2020, primarily due to increase in depreciation of property, plant and equipment, by 24.32% from ₹ 109.52 million in Fiscal 2019 to ₹ 136.16 million in Fiscal 2020, on account of capitalized assets in Fiscal 2020.

Other Expenses

Other expenses increased by 21.15% from ₹ 608.84 million in Fiscal 2019 to ₹ 737.63 million in Fiscal 2020, primarily due to an increase in power and fuel, manpower supply, repairs and maintenance, and sales commission expense:

- Power and fuel expenses increased by 7.81% from ₹ 322.34 million in Fiscal 2019 to ₹ 347.53 million in Fiscal 2020 on account of increased production.
- Manpower supply expenses increased by 16.48% from ₹ 62.49 million in Fiscal 2019 to ₹ 72.79 million in Fiscal 2020 on account of additional labour hired for increased production and increase in wages.
- Repairs and maintenance – machinery increased by 8.22% from ₹ 58.40 million in Fiscal 2019 to ₹ 63.20 million in Fiscal 2020 on account of increase in production volumes.
- Sales commission increased by from ₹ 10.11 million in Fiscal 2019 to ₹ 43.69 million in Fiscal 2020 on account of increased sale of products.

Restated Profit before Tax

For the reasons discussed above, restated profit before tax increased by 33.52% from ₹ 1,365.36 million in Fiscal 2019 to ₹ 1,823.16 million in Fiscal 2020.

Tax Expense

Current tax expenses increased from ₹ 350.78 million in Fiscal 2019 to ₹ 461.19 million in Fiscal 2020, primarily on account of an increase in restated profit before tax. This was partially offset by a decrease in deferred tax from ₹ 38.00 million in Fiscal 2019 to ₹ (34.34) million in Fiscal 2020, due to a decrease in the applicable rate of tax. As a result, our total tax expense increased by 9.79% from ₹ 388.78 million in Fiscal 2019 to ₹ 426.85 million in Fiscal 2020.

Restated Profit for the Year

For the various reasons discussed above, restated profit increased by 42.98% from ₹ 976.58 million in Fiscal 2019 to ₹ 1,396.31 million in Fiscal 2020.

Restated Total Comprehensive Income for the Year

Restated total comprehensive income increased from ₹ 970.03 million in Fiscal 2019 to ₹ 1,345.04 million in Fiscal 2020.

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)

EBITDA increased from ₹ 1,476.02 million in Fiscal 2019 to ₹ 1,961.51 million in Fiscal 2020, while EBITDA Margin (EBITDA as a percentage of our revenue from operations) increased from 37.53% in Fiscal 2019 to 46.78% in Fiscal 2020.

Adjusted EBITDA increased from ₹ 1,363.09 million in Fiscal 2019 to ₹ 1,852.87 million in Fiscal 2020, while Adjusted EBITDA Margin (Adjusted EBITDA as a percentage of our revenue from operations) increased from 34.66% in Fiscal 2019 to 44.19% in Fiscal 2020.

LIABILITIES

Total liabilities amounted to ₹ 554.16 million, ₹ 877.82 million, and ₹ 1,202.50 million as of March 31, 2019, 2020 and 2021, respectively.

As of December 31, 2020, the total non-current and current borrowings of the Company (on a consolidated basis) were ₹ 3.31 million and ₹ 1.26 million respectively, and the Company (on a consolidated basis) had cash and cash equivalents of ₹ 152.52 million and investments of ₹ 2,042.22 million. There has therefore been no material adverse impact on account of COVID-19 on the Company's liquidity/ solvency position, including ability to service its debt.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through funds generated from our operations. From time to time, we may obtain loan facilities to finance our short-term working capital requirements.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Fiscal		
	2019	2020	2021
	(₹ million)		
Net cash from/ (used in) operating activities	847.38	1,601.03	1,928.45
Net cash from/ (used in) investing activities	(949.95)	(1,062.82)	(1,867.72)
Net cash from/ (used in) financing activities	(107.98)	(554.34)	(58.93)
Net (decrease)/ increase in cash and cash equivalents	(210.54)	(16.13)	1.80
Cash and cash equivalents at the end of the period/ year	94.24	92.05	93.44

Operating Activities

Fiscal 2021

In Fiscal 2021, net cash from operating activities was ₹ 1,928.45 million and profit before tax was ₹ 2,673.01 million. The main adjustments to reconcile profit before tax to net cash flows primarily consisted of increase in trade payables of ₹ 253.52 million, increase in inventories of ₹ 183.10 million and net income tax paid of ₹ 659.06 million.

Fiscal 2020

In Fiscal 2020, net cash from operating activities was ₹ 1,601.03 million and profit before tax was ₹ 1,823.16 million. The main adjustments to reconcile profit before tax to net cash flows primarily consisted of increase in trade receivables of ₹ 79.19 million, increase in other current financial assets of ₹ 17.54 million, and net income tax paid of ₹ 424.20 million.

Fiscal 2019

In Fiscal 2019, net cash from operating activities was ₹ 847.38 million and profit before tax was ₹ 1,365.36 million. The main adjustments to reconcile profit before tax to net cash flows primarily consisted of increase in trade receivables of ₹ 201.08 million, increase in inventories of ₹ 79.87 million and net income tax paid of ₹ 355.41 million.

Investing Activities

Fiscal 2021

Net cash used in investing activities was ₹ 1,867.72 million in Fiscal 2021, primarily on account of purchase of current investments of ₹ 3,140.46 million, and purchase of property, plant and equipment, right-of-use asset, intangible assets and CWIP (net of capital creditors and advances) of ₹ 844.24 million. This was partially offset by proceeds from sale of investments of ₹ 2,276.41 million.

Fiscal 2020

Net cash used in investing activities was ₹ 1,062.82 million in Fiscal 2020, primarily on account of purchase of current investments of ₹ 3,980.48 million, and purchase of property, plant and equipment, right-of-use asset, intangible assets and CWIP (net of capital creditors and advances) of ₹ 502.87 million. This was partially offset by proceeds from sale of investments of ₹ 3,418.25 million.

Fiscal 2019

Net cash used in investing activities was ₹ 949.95 million in Fiscal 2019, primarily on account of purchase of current investments of ₹ 1,359.46 million, and purchase of property, plant and equipment, right-of-use asset, intangible assets and CWIP (net of capital creditors and advances) of ₹ 388.46 million. This was partially offset by proceeds from sale of investments of ₹ 786.25 million.

Financing Activities

Fiscal 2021

Net cash used in financing activities was ₹ 58.93 million in Fiscal 2021, primarily on account of interim dividend paid of ₹ 33.19 million, and repayment of short term borrowings of ₹ 24.01 million.

Fiscal 2020

Net cash used in financing activities was ₹ 554.34 million in Fiscal 2020, primarily on account of buyback of equity shares of ₹ 491.18 million, interim dividend paid of ₹ 77.86 million, final dividend paid of ₹ 49.55 million, and tax on dividend paid of ₹ 26.06 million. This was partially offset by a tax on buyback of equity shared of ₹ 90.58 million.

Fiscal 2019

Net cash used in financing activities was ₹ 107.98 million in Fiscal 2019, primarily on account of interim dividend paid of ₹ 70.79 million, final dividend paid of ₹ 35.39 million, and tax on dividend paid of ₹ 21.90 million.

INDEBTEDNESS

As of March 31, 2021, we had total borrowings (consisting of non-current borrowings and current borrowings) of ₹ 3.31 million, in the form of an interest free deposit from shareholders (and not a term loan). For further information on our indebtedness, see "*Financial Indebtedness*" on page 252. There have been no defaults by us in relation to any of the loans or borrowings availed by us in Fiscals 2019, 2020, and 2021.

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2021, we did not have any contingent liabilities that have not been accounted for in our financial statements. Pursuant to recent judgement by the Honorable Supreme Court dated February 28, 2019, it was held that basic wages, for the purpose of Provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to applicability of the Judgement and year from which the same applies. The Group has assessed that there was no impact of the same for current period end since provident fund was already deducted on such special allowance for current period end. Owing the aforesaid, uncertainty and pending clarification from the authorities in this regard, we had not recognised any provision for the years prior to February 28, 2019.

For further information on our contingent liabilities, see "*Restated Financial Statements – Annexure VI – Note 34: Contingent Liabilities, Contingent Assets and Commitments*" on page 222.

Except as disclosed in the Restated Financial Statements or elsewhere in this Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2021, aggregated by type of contractual obligation:

Particulars	**As of March 31, 2021**				
	Payment due by period				
	Total	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
	(₹ million)				
Contractual obligations					
Long-term debt obligations	-	-	-	-	-
Capital (finance) lease obligations	-	-	-	-	-
Operating lease obligations	-	-	-	-	-
Purchase obligations	104.04	104.04	-	-	-
Other long-term liabilities	-	-	-	-	-
Lease arrangements	-	-	-	-	-
Total	104.04	104.04	-	-	-

For further information on our capital and other commitments, see "*Restated Financial Statements*" on page 172.

CAPITAL EXPENDITURES

In Fiscals 2019, 2020, and 2021, our capital expenditure towards additions to fixed assets (property, plant and equipment's, capital work-in-progress, right-of-use assets and other intangibles) were ₹ 397.75 million, ₹ 566.27 million, and ₹ 1,112.09 million, respectively.

The following table sets forth the net block of our fixed assets for the periods indicated:

Particulars	As of March 31,		
	2019	2020	2021
	(₹ million)		
Property, plant and equipment	1,248.72	1,626.25	1,826.04
Right-of-use Assets	18.63	27.00	29.75
Capital Work in Progress	39.28	34.15	549.92
Other Intangibles	2.44	2.51	2.68
Total	**1,309.07**	**1,689.91**	**2,408.39**

For further information, see "*Restated Financial Statements – Annexure VI – Note 1: Property, Plant and Equipment*" on page 203.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include remuneration to executive Directors and Key Managerial Personnel. For further information relating to our related party transactions, see "*Restated Financial Statements – Annexure VI – Note 36: Related Party Disclosures*" on page 223.

AUDITOR's OBSERVATIONS

There have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our statutory auditors in their auditor's reports on the audited financial statements as of and for the years ended March 31, 2019, 2020 and 2021.

However, the auditors have included a statement on certain matters specified in the Companies (Auditors Report) Order 2016, as amended ("**CARO**"), in their reports included as an annexure to the auditor's report on our audited consolidated financial statements as of and for the years ended March 31, 2019, 2020 and 2021. For further information, see "*Restated Financial Statements – Annexure VII – Statement of Adjustments to the Restated Consolidated Financial Information*" on page 249.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various types of market risks during the normal course of business. Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect our income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Our principal market risks include commodity price risk and foreign currency fluctuation risk. We may also be affected by credit risk.

Commodity price risk

Commodity prices have a significant impact on our results of operations. Commodity prices are influenced by demand-supply balance, global socio-economic conditions and commodity specific industry cycle.

Foreign currency fluctuation risk

As majority of our sales are in the form of exports, we are exposed to foreign currency fluctuation risk. We partially hedge our net foreign currency exposure, however, any adverse change in foreign exchange rates may adversely affect our results of operations.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our debt obligations with floating interest rates. We manage our interest rates by selecting appropriate type of borrowings and by negotiation with the bankers.

Credit Risk

Credit risk is the risk of financial loss to if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from our receivables from customers. In Fiscals 2019, 2020 and 2021, our trade receivables were ₹ 597.68 million, ₹ 698.33 million, and ₹ 742.25 million, respectively. There has been no significant impact on the Company's receivables due to non-fulfilment of the obligations of any existing contracts/ agreements by any party on account of COVID-19, and there are no existing contracts/agreements where non-fulfilment of the obligations by any party may lead to a significant impact on the Company.

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 our customer base, including the default risk associated with the industry and country in which customers operate.

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 arising on trade receivables and other financial assets, based on management 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 we will encounter difficulty in meeting the obligations associated with our 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 is responsible for liquidity and funding. In addition, policies and procedures relating to such risks are overseen by the management. Our principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

Inflation

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

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.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT 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 "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 257 and 20, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 257 and 20, respectively. To our knowledge, except as discussed in this Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 20, 122 and 255 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCT SEGMENTS

Except as set out in this Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new product segments. For further information, see "*Our Business – Strategies*" on page 126.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 122, 94 and 20, respectively, for further details on competitive conditions that we face across our various business segments.

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 last three Fiscals are as described in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2021 compared to Fiscal 2020*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2020 compared to Fiscal 2019*" above on pages 268 and 270, respectively.

TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT IN WHICH THE ISSUER OPERATED

Other than as disclosed in "*Restated Financial Statements – Annexure VI – Note 45: Operating Segment*" on page 243, we do not follow any other segment reporting.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Revenues from any particular customer may vary between financial reporting periods depending on the demand for our products. In Fiscals 2019, 2020 and 2021, revenue generated from our top customer represented 8.16%, 11.44% and 13.48% of our revenue from operations, respectively, and revenue generated from our top 10 customers represented 50.53%, 44.77%, and 47.90%, respectively, of our total revenues from operations in such periods. For further information, see "*Risk Factors – We depend on the success of our relationships with our customers. A significant portion of our revenue is generated from certain key customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows*." on page 22 and "*Restated Financial Information – Annexure VI – Note 45: Operating Segment*" on page 243.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not subject to seasonality or cyclicality. For further information, see "*Industry Overview*" and "*Our Business*" on pages 94 and 122, respectively.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2021 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed in this Red Herring Prospectus, there have been no significant developments after March 31, 2021, which materially and adversely affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months. For details of issuance of ESOPs, please see "*Capital Structure*" beginning on page 69.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) litigation involving claims related to direct and indirect taxes (disclosed in a consolidated manner); and (iv) other pending litigation as determined to be material as per the materiality policy adopted by our Board pursuant to a circular resolution dated June 22, 2021, in each case involving our Company, its Subsidiaries, Promoters and Directors ("**Relevant Parties**").*

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation to be disclosed by our Company in this Red Herring Prospectus adopted by our Board pursuant to a circular resolution dated June 22, 2021.

All outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings, actions taken by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including any outstanding action and litigation involving claims related to direct and indirect taxes, would be considered 'material' if: (i) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of profit after tax of our Company for the last completed Fiscal as per the Restated Financial Statements i.e. 1% of the restated profit after tax of our Company for the Fiscal 2021 (being ₹ 19.838 million); or (ii) where monetary liability is not quantifiable, the outcome of any such pending proceedings which may have a material bearing on the business, operations, performance, prospects or reputation of our Company.

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties (excluding statutory/ regulatory/ tax authorities or notices threatening criminal action), have not been considered as litigation until such time that the Relevant Parties are not impleaded as a defendant in the litigation proceedings before any judicial/ arbitral forum.

Further, except as disclosed in this section, there are (i) no disciplinary actions including penalties imposed by the SEBI or the stock exchanges against our Promoters in the last five Financial Years including any outstanding action; or (ii) pending litigation involving our Group Companies which may have a material impact on our Company.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors, by way of its resolution dated March 27, 2021. In terms of this materiality policy, outstanding dues to any creditor of our Company having a monetary value which exceeds 5% of the trade payables of our Company for the Fiscal ended March 31, 2021, as set out in the Restated Financial Statements, shall be considered as 'material'. Accordingly, for the purposes of this Red Herring Prospectus, any outstanding dues as on March 31, 2021, exceeding ₹30.49 million have been considered as material outstanding dues.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder.

Litigation involving our Company

Litigation against our Company

Criminal Litigation

1. Pandit Sampatrao Manjare filed a First Information Report ("**FIR**") against the Company before the Pune Gramin Police Station, Daund, Pune on January 30, 2016, in relation to the death of a contractual worker engaged by the Company, allegedly owing to a chemical pipe explosion. The FIR has been registered under sections 34, 202, 304A and 338 of the Indian Penal Code, 1850 ("**IPC**") on the grounds of negligence by the Company's management and supervisor. The matter is currently pending.

2. Ramesh Laxman Gaikwad filed a First Information Report ("**FIR**") against the Company, before the Pune Gramin Police Station, Daund, Pune on January 28, 2016, in relation to the injuries caused to a contractual, machine operator engaged by the Company, allegedly owing to a chemical pipe explosion while working. The FIR has been registered under sections 202 and 338 of the Indian Penal Code, 1850 ("**IPC**") on the grounds of negligence by the Company's management and supervisor. The matter is currently pending.

Civil Litigation

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Civil/ Criminal Litigation by our Company

Nil

Litigation involving our Promoters

Civil/ Criminal Litigation by our Promoters

Nil

Civil/ Criminal Litigation against our Promoters

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Litigation involving our Directors

Litigation against our Directors

Criminal Litigation

1. A criminal complaint bearing no. COMA/0000016/2018 was filed by the Insecticides Inspector at JMFC Malerkotla, Punjab against Sudarshan Chemical Industries Limited ("**SCIL**") and its board of directors, under the Insecticides Act, 1968 ("**Insecticides Act**") in relation to the declaration of 'Cogent' (a product of SCIL) as a misbranded product by the Department of Agriculture, Punjab. The complaint was filed for offences under Section 29 of the Insecticides Act. Pradeep Ramwilas Rathi, director of SCIL, was summoned by the Malerkotla Court (Judicial Magistrate First Class) as he was in-charge of the operations of the pesticides department of SCIL, and was granted bail. SCIL had approached the Hon'ble High Court at Chandigarh under Section 482 of the Criminal Procedure Code requesting the High Court to dismiss the complaint. Accordingly, a stay order was passed by the High Court of Chandigarh. The matter is currently pending.

2. A criminal complaint No. 404987/2011 was filed by Anilkumar Phoolchand Sanghvi in the Court of Hon'ble JMFC Pune *inter alia,* against Chandrakant Phoolchand Sanghvi, Mina Chandrakant Sanghvi, Rishi Chandrakant Sanghvi and the board of directors of Sanghvi Movers Limited ("**SML**"), which includes, Pradeep Ramwilas Rathi. The complaint was filed against the said persons for, *inter alia,* allegedly entering into criminal conspiracy for the transfer of 14.5 million shares of SML. The case has been filed for offences under Sections 120 (B), 406, 420, 467, 468, 471, 34 read with Section 109 of the IPC. The independent directors on the board of SML, including Pradeep Ramwilas Rathi had filed criminal writ applications no. 1332 of 2011 and 50/2012 before the Hon'ble High Court of Bombay to quash the criminal complaint against the said directors. The High Court granted *ad interim* relief to the said directors and granted protection from any coercive action in this matter. The matters are currently pending.

Civil Litigation

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Civil/ Criminal Litigation by our Directors

Nil

Litigation involving our Subsidiaries

Civil/ Criminal Litigation by our Subsidiaries

Nil

Civil/ Criminal Litigation against our Subsidiaries

Nil

Actions taken by Regulatory or Statutory Authorities

Nil

Litigation involving our Group Companies

Our Group Companies are not party to any pending litigations which will have a material impact on our Company.

Tax Claims

Except as disclosed below, there are no outstanding litigations involving claims related to direct and indirect taxes involving our Company. Further, there are no outstanding litigations involving claims related to direct and indirect taxes involving our Subsidiaries, Directors and/ or Promoters.

Nature of case		Number of cases	Amount involved (in ₹ million)*
Litigation involving our Company			
Direct Tax		Nil	Nil
Indirect Tax		1	2.38#

**To the extent quantifiable, excluding interest and penalty thereon.*

 # Out of which ₹237,692 has been paid against the total liability imposed in relation to the classification of the impugned goods under the Customs Tariff Act, 1975.

Outstanding dues to Creditors

As of March 31, 2021, our Company has 395 creditors, and the aggregate outstanding dues to these creditors by our Company are ₹ 609.89 million. Further, our Company owes an amount of ₹2.37 million to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Details of outstanding dues owed to micro, small and medium enterprises and other creditors as of March 31, 2021 are set out below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises	11	2.37
Other Creditors	384	607.52
Total Outstanding Dues	395	609.89

As per the materiality policy, creditors of our Company to whom our Company owes an amount having a monetary value exceeding 5% of the total trade payables of our Company as of March 31, 2021, (i.e., an amount exceeding ₹ 30.49 million) have been considered as 'material'. As of March 31, 2021, there are three material creditors to whom our Company owes an aggregate amount of ₹ 234.69 million.

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at http://www.cleanscience.co.in/material-creditors.

It is clarified that such details available on our website do not form a part of this Red Herring Prospectus and investors should not make any investment decision based on information available on the website of our Company. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

Material Developments

Other than as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 255, there have not arisen, since the date of the last financial statement disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our trading, our profitability or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Offer, and our Company can undertake its business activities. Other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business activities. In addition, certain of our key approvals may have expired or may expire in the ordinary course of business, from time to time and our Company has either already made an application to the appropriate authorities for renewal of such key approvals or is in the process of making such renewal applications. In relation to the business activities and operations of our Company we have disclosed below the approvals applied for but not received. For details in connection with the applicable regulatory and legal framework, see "Key Regulations and Policies" on page 135.

I. Incorporation details

For details in relation to the incorporation of the Company, see "*History and Certain Corporate Matters*" on page 141.

II. Approvals in relation to the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see *"Other Regulatory and Statutory Disclosures – Authority for the Offer"* on page 283.

III. Tax related approvals of our Company

Our Company has obtained registrations under various central and state specific tax laws such as the Income Tax Act, 1961, goods and service tax acts, and professional tax acts. Our Company has obtained the necessary licenses and approvals from the appropriate regulatory and governing authorities in relation to such tax laws.

IV. Key approvals in relation to our business

Approvals in relation to Facility I, Facility II and Facility III

In order to operate our manufacturing facilities, our Company requires various approvals and/or licenses under various state and central laws, rules and regulations. These approvals and/or licenses, *inter alia*, include occupancy certificate from the MIDC, licenses under the Maharashtra Fire Prevention and Life Safety Measures Act, 2006, Factories Act, 1948, Boilers Act, 1923, Legal Metrology Act, 2009 and rules made thereunder, Petroleum Act, 1934 and rules made thereunder, Narcotic Drugs and Psychotropic Substances Act, 1985, Poisons Act, 1919 and the Maharashtra Poisons Rules, 1972, environmental clearance from the State Environmental Impact Assessment Authority, and approvals from the central and state and pollution control board under the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, Hazardous and Other Wastes (Management, Transboundary Movement) Rules, 2016.

Approvals in relation to solar power plants

In order to operate our solar power plants, our Company has received approvals from Maharashtra State Electricity Distribution Company Limited, Industry Energy and Labour Department and Maharashtra Energy Development Agency.

Approvals in relation to our raw materials

In order to store our raw materials, our Company has obtained license retention letter for methanol (POI) issued by Office of the Assistant Commissioner, Food & Drugs Administration, Pune under Poisons Act, 1919 and the Maharashtra Poisons Rules, 1972, no objection certificate for the import of precursor chemicals (acetic anhydride) issued by Department of Revenue, Central Bureau of Narcotics and license to import and store petroleum in an installation issued by the Petroleum and Explosives Safety Organisation under Ministry of Commerce and Industry.

V. Labour related approvals

Our Company has obtained registrations under various employee and labour related laws including the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948, the Contract Labour (Regulations and Abolition Act), 1970, Maharashtra Labour Welfare Fund Act, 1953 and Maharashtra Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2017.

VI. Other approvals and registrations

Our Company has obtained various registrations including Certificate of Importer-Exporter Code, advance authorisation license from the directorate General of Foreign Trade, UN Certificate from the Indian Institute of

Packaging, registration under Food Safety & Standards Act, 2006 and Food Safety & Standards (Licensing and Registration of Food Businesses) Regulation, 2011, recognition of in-house R&D units issued by the Department of Scientific and Industrial Research and employer registration issued by the Commissionerate of Skill, Development, Employment and Entrepreneurship.

VII. Approvals applied for but not received

Except as set out below, there is no approvals applied for which has not been received by our Company:

(i) License for approval of factory layout under Factories Act, 1948 dated March 3, 2018 for Facility III;

(ii) Applications for registration of boiler/economiser for Facility III;

(iii) Application for renewal of consent to operate and consent to establish under the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, Hazardous and Other Wastes (Management, Transboundary Movement) Rules, 2016 dated December 8, 2020 for Facility I;

(iv) Application for renewal of consent to operate and consent to establish under the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, Hazardous and Other Wastes (Management, Transboundary Movement) Rules, 2016 dated February 18, 2021 for Facility II; and

(v) Application to merge the environmental clearance obtained from SEIAA dated June 30, 2020, for Facility II and Facility III.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to the resolution passed at its meeting held on March 20, 2021. The Draft Red Herring Prospectus was approved pursuant to a resolution passed by the Board on April 6, 2021. This Red Herring Prospectus has been approved by our Board pursuant to a resolution passed on June 30, 2021.

Each of the Selling Shareholders has, severally and not jointly, confirmed and approved its participation in the Offer for Sale in relation to its portion of Offered Shares. For details, see "*The Offer*" on page 55.

The Selling Shareholders, severally and not jointly, confirms that they have authorised and consented to participate in the Offer for Sale, and to offer such number of Equity Shares aggregating up to ₹ 15,466.22 million, as part of the Offer for Sale. For further details, see "*The Offer*" beginning on page 55.

Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated April 6, 2021 and the IPO Committee has taken on record the revised approvals received from the Selling Shareholders by way of its resolution dated June 22, 2021.

Prohibition by SEBI or other Governmental Authorities

Our Company, Promoters, members of our Promoter Group, Directors, persons in control of our Company, and Selling Shareholders are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters or 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.

Each Selling Shareholder, severally and not jointly, confirms that it has not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other governmental authority in India.

Directors associated with the Securities Market

None of our Directors are associated with securities market related business, in any manner.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, members of our Promoter Group, and each of the Selling Shareholders are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹ 30 million, calculated on a restated and consolidated basis, in each of the preceding three full financial years, i.e., as on and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019;

- Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three full financial years, i.e. financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, with operating profit in each of these preceding three financial years;

- Our Company has a net worth of at least ₹ 10 million, calculated on a restated and consolidated basis in each of the preceding three full financial years, i.e. financial years ended March 31, 2021, March 31, 2020 and March 31, 2019; and

- our Company has not changed its name in the last one year.

Our Company's operating profit, net worth and net tangible assets derived from the Restated Financial Statements included in this Red Herring Prospectus as at, and for the financial years ended March 31, 2021, 2020 and 2019 are set forth below:

Derived from our Restated Financial Statements:

(₹ in million)

S. No.	Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
A.	Net tangible assets[1]	5,539.93	3,493.49	2,838.34
B.	Net worth[2]	5,396.67	3,420.97	2,720.57
C.	Operating profits[3]	2,417.49	1,715.72	1,252.76

Notes:

1. *"Net tangible assets" means the sum of all the net assets of our Company excluding intangible assets and intangible assets under development and right of use assets reduced by total liabilities excluding deferred tax liability (Net) of our Company.*
2. *"Net worth" means aggregate of share capital and other equity.*
3. *"Operating profit" means restated net profit before tax excluding other income and finance cost. The average operating profit of the Company for the preceding three financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 is ₹1,795.32 million.*

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, our Promoters, members of our Promoter Group, the Selling Shareholders and our Directors are not debarred from accessing the capital markets by SEBI;

(ii) The companies with which our Promoters or our Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;

(iii) Neither our Company, nor any of our Promoters, or Directors is a wilful defaulter (as defined in the SEBI ICDR Regulations);

(iv) None of our Promoters or Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(v) Other than the employee stock options granted pursuant to the ESOS 2021, there are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Red Herring Prospectus;

(vi) Our Company along with Registrar to the Offer has entered into tripartite agreements dated December 5, 2016 and February 26, 2021 with NSDL and CDSL respectively, for dematerialisation of the Equity Shares;

(vii) The Equity Shares of our Company held by our Promoters are in the dematerialised form;

(viii) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus;

(ix) Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters April 22, 2021 and April 29, 2021, respectively; and

(x) Our Company has appointed BSE as the Designated Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING AXIS CAPITAL LIMITED, JM FINANCIAL LIMITED AND KOTAK MAHINDRA CAPITAL COMPANY LIMITED ("BRLMs"), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. 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 THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 6, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V

(FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY 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 BRLMS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013 and at the time of filing of the Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, our Directors, the Selling Shareholders and BRLMs

Our Company, the Selling Shareholders, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company's website https://www.cleanscience.co.in/, or the respective websites of any affiliate of our Company would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement, and as will be provided for in the Underwriting Agreement.

All information shall be made available by our Company, Selling Shareholders and the BRLMs 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.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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 any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, its Subsidiaries, the Selling Shareholders, their respective affiliates or associates or third parties 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, its Subsidiaries, the Selling Shareholders, their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, 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) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Red Herring Prospectus does not constitute an offer 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 Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only. This 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 this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this 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 other applicable law of 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 applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Red Herring Prospectus as "QIBs".

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.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act if such an offer for sale is made otherwise than in compliance with Section 4(a)(2) or Rule 144A or another available exemption from registration under the U.S. Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of this Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Company, the Selling Shareholders and the BRLMs that it has received a copy of this Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly 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;

3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a U.S. QIB with respect to which it exercises sole investment discretion;

4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

8. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

10. Our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

11. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with our Company, the Selling Shareholders and the BRLMs that it has received a copy of this Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly 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;

3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

7. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY

SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

10. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

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 pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

European Economic Area

In relation to each European Economic Area State that has implemented the Prospectus Directive (Directive 2003/71/EC) and amendments thereto, including Directive 2010/73/EU and to the extent applicable, Prospectus Regulation (EU) 2017/1129 (each, a "**Relevant Member State**"), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Regulation, if they have been implemented in that Relevant Member State:

a. to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

b. to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Directive), subject to obtaining the prior consent of the BRLMs; or

c. in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for our Company, the Selling Shareholders or any BRLM to publish a prospectus pursuant to pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 23 of the Prospectus Directive.

For the purposes of this paragraph, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Directive" means Regulation (EU) 2017/1129.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Offer to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the Financial Conduct Authority is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc. (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

a. to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;

b. to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of BRLMs for any such offer; or

c. in any other circumstances falling within Section 86 of the FSMa.

provided that no such offer of Equity Shares shall result in a requirement for our Company, the Selling Shareholders or any BRLM to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

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 the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company is as set out below.

"*BSE Limited ("the Exchange") has given vide its letter dated April 22, 2021 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -*

a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever".

Disclaimer Clause of NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company is as set out below.

"*As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1010 dated April 29, 2021 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares offered through this Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Legal Counsel to the Company as to Indian Law, Legal Counsel to the Book Running Lead Managers as to Indian Law, International

Legal Counsel to the Book Running Lead Managers, Bankers to our Company, the Book Running Lead Managers, Registrar to the Offer, Statutory Auditors, Independent Chartered Accountant and Chartered Engineer, in their respective capacities, have been obtained, and such consents have not been withdrawn up to the time of delivery of this Red Herring Prospectus. Further, consents in writing of the Syndicate Members, Share Escrow Agent, Escrow Collection Bank(s)/Refund Bank(s)/ Public Offer Account/ Sponsor Bank, to act in their respective capacities, will be obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Red Herring Prospectus for filing with the RoC.

Expert to the Offer

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

Our Company has received written consent dated June 21, 2021 from our Statutory Auditors namely, B S R & Co. LLP, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their name in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated June 12, 2021 on our Restated Financial Statements; and (ii) their report dated June 21, 2021 on the statement of possible special tax benefits included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

In addition, our Company has received written consent dated June 21, 2021 from Kishor Sharad Deshpande, Chartered Engineer, as chartered engineer to include his name as an "expert" under Section 2(38) of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 in his capacity as a 'chartered engineer', in respect of the certificate dated June 21, 2021, and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entities during the last three years

Other than as disclosed in "*Capital Structure*" on page 69, our Company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus.

Our Company does not have any listed Group Companies, Subsidiaries or associates.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

No sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the last five years.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public issue or rights issue in the five years preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

Our Company does not have any listed Subsidiaries or Promoters.

Price information of past issues handled by the BRLMs

1) Axis Capital Limited

1. Price information of past issues handled by Axis Capital Limited

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited.

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹	Listing date	Opening price on listing date (in ₹)	+/- % 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	Krishna Institute Of Medical Sciences Limited!	21,437.44	825.00	28-Jun-21	1,009.00	-	-	-
2	Dodla Dairy Limited	5,201.77	428.00	28-Jun-21	550.00	-	-	-
3	Shyam Metalics And Energy Limited@	9,085.50	306.00	24-Jun-21	380.00	-	-	-
4	Macrotech Developers Limited	25,000.00	486.00	19-April-21	436.00	+30.22%, [+5.21%]	-	-
5	Barbeque – Nation Hospitality Limited	4,528.74	500.00	07-April-21	489.85	+18.77%, [-0.64%]	-	-
6	Suryoday Small Finance Bank Limited$	5,808.39	305.00	26-Mar-21	292.00	-18.38%, [-1.14%]	-26.87%, [+8.13%]	-
7	Kalyan Jewellers India Limited#	11,748.16	87.00	26-Mar-21	73.95	-24.60%, [-1.14%]	-7.07%, [+8.13%]	-
8	Craftsman Automation Limited	8,236.96	1,490.00	25-Mar-21	1,359.00	-13.82%, [+0.11%]	+16.81%, [+10.11%]	-
9	Laxmi Organic Industries Limited	6,000.00	130.00	25-Mar-21	155.50	+37.85%, [+0.11%]	+71.96%, [+10.11%]	-
10	Anupam Rasayan India Limited^	7,600.00	555.00	24-Mar-21	520.00	-0.11%, [-0.98%]	+30.49%, [+8.23%]	-

Source: www.nseindia.com
$ Offer Price was ₹ 275.00 per equity share to Eligible Employees
 # Offer Price was ₹ 79.00 per equity share to Eligible Employees
^ Offer Price was ₹ 500.00 per equity share to Eligible Employees
@ Offer Price was ₹ 291.00 per equity share to Eligible Employees
! Offer Price was ₹ 785.00 per equity share to Eligible Employees

Notes:

a. *Issue Size derived from Prospectus/final post issue reports, as available.*
b. *The CNX NIFTY is considered as the Benchmark Index.*
c. *Price on NSE is considered for all of the above calculations.*
d. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.*
e. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. Summary statement of price information of past issues handled by Axis Capital Limited:

Financial Year	Total no. of IPOs	Total funds raised (` in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	5	65,253.45	-	-	-	-	1	1	-	-	-	-	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	-	-	2	1	1
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.
Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2) JM Financial Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited.

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % 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.	Shyam Metalics and Energy Limited[7]	9,085.50	306.00	June 24, 2021	380.00	Not Applicable	Not Applicable	Not Applicable
2.	Sona BLW Precision Forgings Limited	55,500.00	291.00	June 24, 2021	301.00	Not Applicable	Not Applicable	Not Applicable
3.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [5.21%]	Not Applicable	Not Applicable
4.	Anupam Rasayan India Limited[8]	7,600.00	555.00	March 24, 2021	520.00	-0.11% [-0.98%]	30.49%[8.23%]	Not Applicable
5.	Easy Trip Planners Limited	5,100.00	187.00	March 19, 2021	212.25	-7.27% [-0.86%]	124.68%[6.94%]	Not Applicable
6.	MTAR Technologies Limited	5,964.14	575.00	March 15, 2021	1050.00	69.45% [-2.84%]	78.83% [5.83%]	Not Applicable
7.	Stove Kraft Limited	4,126.25	385.00	February 05, 2021	498.00	30.68% [0.09%]	28.92% [-2.05%]	Not Applicable
8.	Burger King India Limited	8,100.00	60.00	December 14, 2020	112.50	146.50% [7.41%]	135.08% [10.86%]	168.25% [16.53%]
9.	Equitas Small Finance Bank Limited	5,176.00	33.00	November 02, 2020	31.10	5.45% [12.34%]	19.55% [16.84%]	68.18% [25.38%]
10.	UTI Asset Management Company Limited	21,598.84	554.00	October 12, 2020	500.00	-10.43% [5.87%]	-0.60% [20.25%]	5.81% [24.34%]

Source: www.nseindia.com for price information and prospectus/basis of allotment for issue details
Notes:

1. *Opening price information as disclosed on the website of NSE.*
2. *Change in closing price over the issue/offer price as disclosed on NSE.*
3. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30^{th} calendar day has been taken as listing date plus 29 calendar days; 90^{th} calendar day has been taken as listing date plus 89 calendar days; 180^{th} calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of 4.90 % on the Offer Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion (**"Employee Discount"**) equivalent to ₹ 15 per Equity Share.*
8. *A discount of ₹.55 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *Not Applicable – Period not completed*

2. Summary statement of price information of past issues handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised (` Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022	3	89,585.50	-	-	-	-	1	-	-	-	-	-	-	-
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	2	1	1
2019-2020	4	36,400.83**	-	-	1	-	1	2	-	1	1	-	1	1

***Spandana Sphoorty Financial Limited raised Rs. 11,898.49 million as against the issue size of Rs. 12,009.36 million*

3) Kotak Mahindra Capital Company Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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.	Krishna Institute of Medical Sciences Limited	21,437.44	825[1]	June 28, 2021	1,009.00	-	-	-
2.	Sona BLW Precision Forgings Limited	55,000.00	291	June 24, 2021	301.00	-	-	-
3.	Macrotech Developers Limited	25,000.00	486	April 19, 2021	436.00	+30.22%[+5.21%]	-	-
4.	Home First Finance Company India Limited	11,537.19	518	February 3, 2021	618.80	+4.98%[+1.97%]	-5.64%[-1.05%]	-
5.	Indigo Paints Limited	11,691.24	1,490[2]	February 2, 2021	2,607.50	+75.72%[+4.08%]	+55.40%[-0.11%]	-
6.	Burger King India Limited	8,100.00	60	December 14, 2020	115.35	+146.50%[+7.41%]	+135.08%[+10.86%]	+168.25%[+16.53%]
7.	Gland Pharma Limited	64,795.45	1,500	November 20, 2020	1,710.00	+48.43%[+7.01%]	+57.27%[+18.27%]	+104.17%[+17.49%]
8.	UTI Asset Management Company Limited	21,598.84	554	October 12, 2020	500.00	-10.43%[+5.87%]	-0.60%[+20.25%]	+5.81%[+24.34%]
9.	Computer Age Management Services Limited	22,421.05	1,230[3]	October 1, 2020	1,518.00	+5.43%[+2.37%]	+49.52%[+23.04%]	+43.80%[+26.65%]
10.	SBI Cards And Payment Services Limited	103,407.88	755[4]	March 16, 2020	661.00	-33.05%[-2.21%]	-21.79%[+8.43%]	+12.50%[+24.65%]

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

Notes:

1. *In Krishna Institute of Medical Sciences Limited, the issue price to eligible employees was ₹ 785 after a discount of ₹ 40 per equity share*
2. *In Indigo Paints Limited, the issue price to eligible employees was ₹ 1,342 after a discount of ₹ 148 per equity share*
3. *In Computer Age Management Services Limited, the issue price to eligible employees was ₹ 1,108 after a discount of ₹ 122 per equity share*
4. *In SBI Cards and Payment Services Limited, the issue price to eligible employees was ₹ 680 after a discount of ₹ 75 per equity share*
5. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
6. *The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.*
7. *Nifty is considered as the benchmark index except for Computer Age Management Services Limited where SENSEX is considered as benchmark index.*
8. *Restricted to last 10 equity initial public issues.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			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%
2021-22	3	101,437.44	-	-	-	-	1	-	-	-	-	-	-	-
2020-21	6	140,143.77	-	-	1	2	1	2	-	-	-	2	1	1
2019-20	4	136,362.82	-	1	-	-	1	2	-	-	1	-	1	2

Notes:

1. *The information is as on the date of this Red Herring Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the 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 on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular 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 SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount for the period of such delay.

All grievances 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, UPI ID, PAN, 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.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. 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.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

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 three 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 and Subsidiaries have not received any investor grievances in the last three Financial Years prior to the filing of the Draft Red Herring Prospectus and up to the date of this Red Herring Prospectus. As at the date of the Draft Red Herring Prospectus and this Red Herring Prospectus there are no outstanding investor grievances.

Our Company has also appointed Mahesh Arvind Kulkarni, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, see "*General Information*" on page 61.

Our Company has constituted a Stakeholders' Relationship Committee comprising of Madhu Dubhashi**,** Siddhartha Ashok Sikchi and Sanjay Kothari as members. For details, see "*Our Management - Stakeholders' Relationship Committee*" on page 156.

SECTION VII: OFFER 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, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, Listing Regulations, the terms of this Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares transferred in the Offer shall be *pari passu* with the existing Equity Shares in all respects including dividends. For further details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 318.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" on pages 171 and 318, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹1 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 size for the Offer will be decided by our Company in consultation with the BRLMs, and advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and regional edition of Loksatta, a Marathi national daily newspaper, Maharashtra being the regional language of Maharashtra, where our Registered 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 the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination for the Equity Shares.

The Offer

The Offer comprises an Offer for Sale by the Selling Shareholders.

Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer – Offer related expenses*" on page 85.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, 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 surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the Listing Regulations and the Articles of Association of our Company.

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 318.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form 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 December 5, 2016 amongst our Company, NSDL and Registrar to the Offer; and
- Tripartite agreement dated February 26, 2021 amongst our Company, CDSL 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 the Offer will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

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 investors

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. 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 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 and Corporate 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, the 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, the 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.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/OFFER OPENS ON	Wednesday, July 7, 2021[(1)]
BID/OFFER CLOSES ON	Friday, July 9, 2021[(2)]

(1) Our Company in consultation with the BRLMs, shall 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) UPI mandate end time and date shall be at 12.00 p.m. on July 12, 2021.

An indicative timetable in respect of the Offer is set out below:

Event	**Indicative Date**
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, July 14, 2021
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Thursday, July 15, 2021
Credit of Equity Shares to demat accounts of Allottees	On or about Friday, July 16, 2021
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Monday, July 19, 2021

** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed 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 by the SCSB responsible for causing such delay in unblocking 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 by the SCSB responsible for causing such delay in unblocking 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 post Offer BRLMs 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. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, our Selling Shareholders or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 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 by our Company in consultation with the BRLMs, 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 laws. Each Selling Shareholder confirms that it shall extend such reasonable support and co-operation required by our Company and the BRLMs for 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 such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within 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 12.00 p.m. on July 12, 2021*

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 RIBs.

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 BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to 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. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, 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 Working Days, during the Bid/ Offer Period.

Our Company, in consultation with the BRLMs reserves the right to revise the Price Band during the Bid/Offer Period. 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.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLMs, 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 Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members and by intimation to the Designated Intermediaries. In case of revision of Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

As this is an offer for sale by the Selling Shareholders, the requirement of minimum subscription of 90% of the Fresh Issue under the SEBI ICDR Regulations is not applicable to this Offer. However, if our Company does not receive the minimum subscription in the Offer as specified under the terms of Rule 19(2)(b) of the SCRR, as applicable, on the date of closure of the Offer or withdrawal of applications; or after technical rejections; or if the listing or trading permission are not obtained from the Stock Exchanges for the Equity Shares so offered under the Offer document, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and every Director of our Company, who is an officer in default, shall pay interest at the rate as prescribed under the applicable law.

Further, our Company and the Selling Shareholders shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations, failing which, the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws. In case of an undersubscription in the Offer, the Equity Shares proposed for sale by each Selling Shareholder shall be in proportion to the Offered Shares by such Selling Shareholder.

The Selling Shareholders shall reimburse, in proportion to their respective Offered Shares, any expenses and interest incurred by our Company on behalf of the Selling Shareholders for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the respective Selling Shareholder.

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.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, lock-in of our Promoters' minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 69 and except as provided under the Articles of Association, 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 Articles of Association. For details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 318.

OFFER STRUCTURE

Initial public offer of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share aggregating up to ₹ 15,466.22 million through an Offer of Sale by the Selling Shareholders.

The face value of the Equity Shares is ₹1 each. The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment or allocation*(2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment or allocation	Not more than 50% of the Offer being available for allocation to QIB Bidders. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows: (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to [●] 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	Proportionate	The allotment to each Retail Individual Bidder 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 further details, see "*Offer Procedure*" beginning on page 303.
Mode of Bid	Through ASBA Process only (except in case of Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000.	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply(3)	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled	Resident Indian individuals, Eligible NRIs, HUFs (in the	Resident Indian individuals, Eligible NRIs and HUFs (in the

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	commercial banks, multilateral and bilateral development financial institutions, Mutual Funds, Eligible FPIs (other than individuals corporate bodies and family offices), VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹ 250 million, pension funds with minimum corpus of ₹ 250 million, National Investment Fund set up by the GoI, 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	name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices.	name of the karta)
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form		

* *Assuming full subscription in the Offer*

(1) *Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price. 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 details, see "Offer Structure" on 300.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.*

(3) *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. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *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.*

(5) *The Bids by FPIs with certain structures as described under "Offer Procedure - Bids by FPIs" on page 306 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categorises at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, on a proportionate basis.

Withdrawal of the Offer

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Offer, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would 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 SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Company, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be.

If our Company, in consultation with the Book Running Lead Managers 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. 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) the final RoC approval of the Prospectus after it is filed with the RoC.

OFFER PROCEDURE

All Bidders should read 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 BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

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 CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date and (xii) 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 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021 and the provisions of this circular are deemed to form part of this Red Herring Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modified the process timelines and extended the implementation timelines for certain measures introduced by the March 16 Circular.*

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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 this Red Herring Prospectus and the Prospectus.

Further, our Company and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

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 allocated on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs, 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-allotment 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 on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer 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.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors 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 RIBs 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 rematerialized subsequent to Allotment of the Equity Shares in the Offer, in compliance with Applicable Law.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a 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. 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. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

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 and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

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 RIBs can additionally Bid through the UPI Mechanism.

RIBs Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Bidders (not using the UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

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. RIBs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, 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 Form for the 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	White
Non-residents including Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	White**

**Excluding electronic Bid cum Application Forms*
*** Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Managers.*

Notes:
(1) *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE* (www.bseindia.*com)*
(2) *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs*

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 RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than RIBs using 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 RIBs using UPI mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, 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 RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, 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 an issue. The Book Running Lead Managers shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

Participation by Promoters and members of the Promoter Group of the Company, the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis 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 BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associates of the BRLMs) nor (ii) any "person related to our Promoters/ Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to our

Promoters/ Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with our Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, 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 BRLMs.

Our Promoters and members of our Promoter Group will not participate in the Offer, except in their capacity as Selling Shareholders tendering Equity Shares in the Offer for Sale.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs 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.

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 NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible 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 to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. 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 Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 316. Participation of Eligible NRIs shall be subject to the FEMA Non-debt Instruments Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by FPIs

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.

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.

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 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).

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, *inter alia*, the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for FPIs and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmations. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

For details of investment by FPIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 316. Participation of FPIs shall be subject to the FEMA Non-debt Instruments Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations till the existing fund or scheme managed by the fund is wound up. The holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF of FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, 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.

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 or the BRLMs 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 in consultation with the BRLMs reserves 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 RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with applicable law, including the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with* *investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in the Offer 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, subject to applicable laws, with minimum corpus of ₹250 million, 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 BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, 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 law) 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 in consultation with the BRLMs reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs 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 the terms and conditions that our Company in consultation with the BRLMs may deem fit.

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 and a net worth certificate from its statutory auditor, and (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 BRLMs, reserves the right to reject any Bid without assigning any reason thereof. 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.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 regulation or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of this 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. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

4. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct ASBA Account number if you are not an RIB using the UPI Mechanism in the Bid cum Application Form and if you are an RIB 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;

5. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;

8. RIBs using UPI Mechanism, may submit their ASBA Forms with the Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. 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;

12. RIBs 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 RIBs 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;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;

15. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or 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, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

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 no. MRD/DoP/Cir-20/2008 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;

20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents

are submitted;

21. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

22. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, 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, PAN and UPI ID, if applicable, available in the Depository database;

23. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

24. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

25. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

26. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

28. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

29. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) 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).

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 Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.

8. 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 a Bidder;

9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

10. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;

11. Anchor Investors should not Bid through the ASBA process;

12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

16. 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;

17. 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);

18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

19. Do not submit a Bid using UPI ID, if you are not a RIB;

20. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

21. Do not Bid for Equity Shares in excess of what is specified for each category;

22. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus;

23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

25. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

26. 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 RIBs using the UPI Mechanism;

27. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs Bidding using the UPI Mechanism;

28. Do not submit a Bid cum Application Form with a third-party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism);

29. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned in the list provided on the SEBI website is liable to be rejected; and

30. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see "*General Information*" on page 61.

For helpline details of the BRLMs pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information -Book Running Lead Managers*" on page 62.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

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 through this Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company in consultation with the BRLMs, 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 Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "Clean Science And Technology Limited- IPO- Anchor Resident Account"

(b) In case of Non-Resident Anchor Investors: "Clean Science And Technology Limited- IPO- Anchor Non Resident Account"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a pre- Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and regional edition of Loksatta a Marathi national daily newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located, each with wide circulation.

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, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders 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 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 the RoC Filing

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. 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;
- 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, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the 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;
- except for Equity Shares that may be allotted pursuant to the exercise of employee stock options granted under the ESOS 2021, no further issue of the Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
- Our Company in consultation with the BRLMs, reserves the right not to proceed with the Offer, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would 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 SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed.
- If our Company in consultation with the BRLMs 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.

Undertakings by each of the Selling Shareholders

Each of the Selling Shareholders confirm and undertakes in respect of itself as a 'selling shareholder' and its respective portion of the Equity Shares offered by it in the Offer for Sale that:

- They are the legal and beneficial owner of the Offered Shares, and hold clear and marketable title to their respective portions of the Offered Shares;
- the Equity Shares offered for sale by each of the 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;
- the Equity Shares being offered for sale by the 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 dematerialised form at the time of transfer;
- 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 BRLMs 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 cooperation to our Company 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 decisions with respect to the Price Band, Offer Size, Offer Price (including the Anchor Investor Offer Price), allocation to Anchor Investors and the Bid/Offer Period will be taken by our Company in consultation with the BRLMs.

Utilisation of Offer Proceeds

Our Board of Directors certifies and declares that all monies received out of the Offer 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. Each of the Selling Shareholders, severally and not jointly, specifically undertake that all monies received out of the Offer 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.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020 consolidated and superseded all previous press notes, press releases, circulars and clarifications on FDI issued by 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.

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.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

Foreign Exchange Laws

The foreign investment in our Company is governed by *inter alia* the FEMA, as amended, the FEMA Non-debt Instruments Rules, the FDI Policy issued and amended by way of press notes.

Our Company is engaged in the manufacturing of speciality chemicals. Currently, foreign direct investment in the manufacturing sector is up to 100% under the automatic route. In terms of the FEMA Non-debt Instruments Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

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 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. 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 in writing about such approval along with a copy thereof within the Offer Period.

Investment by Eligible NRIs

In accordance with the FEMA Non-Debt Instruments 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, on a repatriation or non-repatriation basis, 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.

Our Company has, pursuant to a Board resolution dated February 20, 2021 and Shareholders resolution dated February 25, 2021, increased the limit of investment of NRIs on a repatriation basis under Schedule III of the FEMA Non-Debt Instruments Rules to up to 24% of the paid-up equity share capital of our Company, provided that the shareholding of each NRI in the Company shall not exceed 5% of the equity share capital or such other limit as may be stipulated by the RBI.

Investment by FPIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an 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 our post-Offer equity share capital. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up equity share capital of our Company and the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%), as prescribed under the FEMA Non-debt Instruments Rules.

In case the total holding of an FPI increases beyond 10% of the total paid-up equity share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of 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 applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Red Herring Prospectus as "QIBs".

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.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Authorised Share Capital

The authorised share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of applicable law for the time being in force.

Sub-division, Consolidation and Cancellation of Share

Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

a. increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

b. divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;

c. cancel shares which at the date of such General Meeting 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;

d. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

e. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

Shares at the Disposal of the Directors

Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares 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 General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit.

Further Issue of Shares

(1) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

(A)

(i) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;

(ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;

(iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;

(B) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or

(C) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to compliance with the applicable conditions of Chapter III of the Act and any other conditions as may be prescribed under the Act and the rules made thereunder;

(2) Nothing in sub-clause (iii) of Clause (1)(A) shall be deemed:

(i) To extend the time within which the offer should be accepted; or

(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the Company in a General Meeting.

(4) Notwithstanding anything contained in Article 11(3) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

Company's Lien on Shares/ Debentures

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid share / debenture) 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 that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid-up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

Issue of Certificate

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 the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary and the common seal it shall be affixed in the presence of the persons required to sign the certificate.

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 is 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 this Article shall be issued upon payment of such fees for each certificate as may be specified by the Board (which fees shall not exceed the maximum amount permitted under the applicable law). 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 provision of this Article shall *mutatis mutandis* apply to debentures of the Company.

Instrument of Transfer

(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

(b) The Board may decline to recognize any instrument of transfer unless-

   (i) the instrument of transfer is in the form prescribed under the Act;

   (ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

   (iii) the instrument of transfer is in respect of only one class of shares.

(c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Transmission of Shares

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

Rights on Transmission

A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.

Borrowing Powers

(a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans (as defined under Section 180(1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company, its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

(b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

(c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and he same shall be in the interests of the Company.

(d) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

General Meetings

Annual General Meetings

(a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.

(b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

Extraordinary General Meetings

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

Extraordinary Meetings on Requisition

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

Notice for General Meetings

All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

Shorter Notice Admissible

Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

Meetings of the Board

(a) The Board of Directors shall meet at least once in every three (3) months with a maximum gap of four (4) months between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

(b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

(c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.

(d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

Managing Director(s) and/ or Whole Time Directors

(a) The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the managing director and/ or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

(b) The Directors may from time to time resolve that there shall be either one or more managing directors and/ or whole-time directors.

(c) In the event of any vacancy arising in the office of a managing director and/or whole time director, the vacancy shall be filled by the Board of Directors subject to the approval of the Members.

(d) If a managing director and/or whole time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.

(e) The managing director shall not be liable to retirement by rotation as long as he holds office as managing director.

Appointment of Directors

Additional Directors

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

Alternate Directors

(a) The Board may, appoint a person, not being a person holding any alternate directorship for any other director in the Company or holding directorship in the Company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the "Original Director").

(b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

Appointment Of Director To Fill A Casual Vacancy

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

Vote of Members

Voting Rights of Members

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands every Member holding Equity Shares and present in person shall have one vote.

(b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up equity share capital.

(c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

Proxy

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

Instrument of Proxy

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (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.

Dividend

Company in General Meeting may Declare Dividend

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Interim Dividends

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

Dividends to be Apportioned

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Dividends not to bear interest

No dividends shall bear interest against the Company.

Right to Dividend and Unpaid or Unclaimed Dividend

(a) Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.

(b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of Clean Science and Technology Limited".

(c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act.

(d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

(e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

Winding Up

Subject to the applicable provisions of the Act–

(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.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

Indemnity

Director's and Others' Right to Indemnity

Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

Insurance

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

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 or contracts entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus/ 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 and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of this Red Herring Prospectus until the Bid/ Offer Closing Date.

Any of the contracts or documents mentioned in this 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 April 6, 2021 between our Company, Selling Shareholders and the Book Running Lead Managers, as amended on June 22, 2021.

b) Registrar Agreement dated April 5, 2021 between our Company, Selling Shareholders and the Registrar to the Offer, as amended on June 21, 2021.

c) Cash Escrow and Sponsor Bank Agreement dated June 30, 2021 between our Company, Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members and the Bankers to the Offer.

d) Syndicate Agreement dated June 30, 2021 between our Company, Selling Shareholders, the Book Running Lead Managers, and Syndicate Members.

e) Share Escrow Agreement dated June 30, 2021 between our Company, Selling Shareholders and the Share Escrow Agent.

f) Underwriting Agreement dated [●] between our Company, Selling Shareholders and the Underwriters.

b) **Material Documents**

a) Certified copies of the updated Memorandum and Articles of Association of our Company as amended from time to time.

b) Certificate of incorporation dated November 7, 2003 upon incorporation, fresh certificate of incorporation dated August 25, 2006 consequent upon name change and a fresh certificate of incorporation dated March 4, 2021 consequent upon conversion to a public limited company.

c) Resolution of the Board dated March 20, 2021, authorising the Offer and other related matters.

d) Board resolution dated April 6, 2021 approving the Draft Red Herring Prospectus.

e) Board resolution dated June 30, 2021 approving this Red Herring Prospectus.

f) Copies of the annual reports of our Company for the Fiscals 2021, 2020 and 2019.

g) Consent letter dated June 21, 2021 from our Statutory Auditors namely B S R & Co. LLP. Chartered Accountants, to include their name in this Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the examination report dated June 12, 2021 issued by it on our Restated Financial Statements, and the statement of possible special tax benefits dated June 21, 2021 included in this Red Herring Prospectus.

h) The examination report of the Statutory Auditor dated June 12, 2021 on the Restated Financial Statements.

i) The statement of possible special tax benefits dated June 21, 2021 from the Statutory Auditors.

j) Consent letters of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the Book Running Lead Managers, the Syndicate Members, Legal Counsel to our Company as to Indian Law, Legal Counsel to the Book Running Lead Managers as to Indian Law, International Legal Counsel to the

Book Running Lead Managers as to International Law, Registrar to the Offer, Independent Chartered Accountant, Escrow Collection Banks, Public Offer Banks, Refund Banks, Sponsor Bank, Company Secretary and Compliance Officer, to act in their respective capacities.

k) Report titled "*Independent Market Report on Speciality Chemicals used in Pharmaceuticals & Personal Care Application*" dated March 2021 supplemented by report titled "*Independent Market Report on Specialty Chemicals used in Pharmaceuticals & Personal Care Applications*" dated June 2021 further supplemented by report titled "*Supplementary Market Report Speciality Chemicals used in Pharmaceuticals & Personal Care Applications*" dated June, 2021, issued by Frost & Sullivan.

l) Consent letter dated March 31, 2021 of Frost & Sullivan in respect of the Industry Report read with supplemental consent dated June 21, 2021 and supplementary consent dated June 29, 2021.

m) Letter dated January 19, 2021 for commissioning the Industry Report from Frost & Sullivan.

n) Consent letter dated June 21, 2021 from Kishor Sharad Deshpande, Chartered Engineer, as chartered engineer to include his name as an "expert" as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013 in his capacity as a 'chartered engineer', in respect of the certificate dated June 21, 2021 received from him.

o) Employment letter executed between our Company and Siddhartha Ashok Sikchi on April 7, 2021.

p) Employment letter executed between our Company and Krishnakumar Ramnarayan Boob on April 7, 2021.

q) Certificate dated June 21, 2021 issued by Kishor Sharad Deshpande, Chartered Engineer.

r) Due diligence certificate dated April 6, 2021 addressed to SEBI from the Book Running Lead Managers.

s) In principle listing approvals dated April 22, 2021 and April 29, 2021, issued by BSE and NSE, respectively.

t) SEBI observation letter bearing reference number SEBI/HO/CFD/DIL2/P/W/2021/12163/1 dated June 14, 2021.

u) Tripartite agreement between our Company, CDSL and the Registrar to the Offer dated February 26, 2021.

v) Tripartite agreement between our Company, NSDL and the Registrar to the Offer dated December 5, 2016.

Any of the contracts or documents mentioned in this 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 our Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

Pradeep Ramwilas Rathi
Chairman and Non-Executive Director

Ashok Ramnarayan Boob
Managing Director

Siddhartha Ashok Sikchi
Wholetime Director

Krishnakumar Ramnarayan Boob
Wholetime Director

Sanjay Kothari
Non-Executive Director

Ganapati Dadasaheb Yadav
Non-Executive, Independent Director

Keval Navinchandra Doshi
Non-Executive, Independent Director

Madhu Dubhashi
Non-Executive, Independent Director

SIGNED BY CHIEF FINANCIAL OFFICER

Pratik Abhaykumar Bora

Place: Pune

Date: June 30, 2021

DECLARATION

Each of the Selling Shareholders, acting through the undersigned, confirms and certifies that all statements and undertakings specifically made or confirmed by it in this Red Herring Prospectus about or in relation to itself, as a Selling Shareholder and its portion of the Offered Shares, are true and correct. Each of the Selling Shareholders assumes no responsibility as a Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Red Herring Prospectus.

Signed on behalf of each of the Selling Shareholders by Krishnakumar Ramnarayan Boob as the power of attorney holder for each of the Selling Shareholder**s**

Name: Krishnakumar Ramnarayan Boob

Place: Pune

Date: June 30, 2021