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VAHH CHEMICALS LIMITED



CORPORATE IDENTITY NUMBER: U24110GJ2019PLC111346

DRAFT PROSPECTUS

Dated: December 03, 2025

Please read Section 26 of the Companies Act, 2013

Fixed Price Issue

REGISTERED OFFICE		CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Plot 2/5198 ETC, 5th Floor,5003, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India		Shivani Parth Kothari	Tel. No: +91 26 1234 4045 Email Id: <a href="mailto:info@vahhchemicals.com">info@vahhchemicals.com</a>	<a href="http://www.vahhchemicals.com">www.vahhchemicals.com</a>
PROMOTER OF OUR COMPANY: HIREN INDRAVADAN DESAI, HETAL HIRENBHAI DESAI & AAYUSH HIREN DESAI				
DETAILS OF THE ISSUE				
TYPE	FRESH ISSUE SIZE (in ₹ lakhs)	ISSUE FOR SALE	TOTAL ISSUE SIZE (in ₹ lakhs)	ELIGIBILITY AND SHARE RESERVATION AMONGST QIBS, NIIS AND RIIS
Fresh Issue	22,42,000 Equity Shares aggregating to ₹ 1,188.26 lakhs	Not Applicable	22,42,000 Equity Shares aggregating to ₹1,188.26 lakhs	The issue is being made in accordance with Regulation 229 (1) and 253(1) & (2) of the SEBI ICDR Regulations. For further details, see “Other Regulatory and Statutory Disclosures - Eligibility of the Issue” on page 260 For details in relation to share reservation among QIBs, NIIs and RIIs, see “Issue Structure” on page 283.
DETAILS OF THE ISSUE FOR SALE				
NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES ISSUED/ AMOUNT (IN ₹ lakhs)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)	
Not Applicable				
RISK 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 ₹10 (Rupees Ten Only) each. Issue Price is 5.3 times of the face value of the Equity Shares. The Issue Price determined and justified by our Company in consultation with the Lead Manager as stated in the section titled “Basis for Issue Price” on page no 100 of this Draft Prospectus and should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.				
GENERAL RISKS				
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue 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 Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on 28 of this Draft Prospectus.				
COMPANY’S ABSOLUTE RESPONSIBILITY				
The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.				
LISTING				
The Equity Shares Issued through this Draft Prospectus are proposed to be listed on SME Platform of BSE Limited (“BSE SME”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received “in-principle” approval letter [●] dated [●] from [●] for using its name in the Prospectus for listing of our shares on the BSE SME. For the purpose of this Issue, the Designated Stock Exchange will be the BSE SME.				
LEAD MANAGER TO THE ISSUE				
NAME AND LOGO		CONTACT PERSON	EMAIL AND TELEPHONE	
 MARWADI CHANDARANA GROUP Marwadi Chandarana Intermediaries Brokers Private Limited		Radhika Maheshwari / Jigar Desai	E-mail: <a href="mailto:mb@marwadichandarana.com">mb@marwadichandarana.com</a> Telephone: 022-69120027	
REGISTRAR TO THE ISSUE				
NAME AND LOGO		CONTACT PERSON	EMAIL AND TELEPHONE	
 KFINTECH EXPERIENCE TRANSFORMATION KFin Technologies Limited		M Murali Krishna	Email: <a href="mailto:vcl.ipo@kfintech.com">vcl.ipo@kfintech.com</a> Tel. No: +91 40 6716 2222 /18003094001	
ISSUE PERIOD				
ISSUE OPENS ON: [●]			ISSUE CLOSES ON: [●] <sup>#</sup>	



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to view the draft prospectus)

**DRAFT PROSPECTUS**  
**Dated: December 03, 2025**  
Please read Section 26 of the Companies Act, 2013  
**Fixed Price Issue**



**VAHH CHEMICALS LIMITED**  
**CORPORATE IDENTITY NUMBER: U24110GJ2019PLC111346**

Our Company was originally incorporated and registered as a Public Limited Company under Companies Act, 2013 under the name and style of “Vahh Chemicals Limited” vide certificate of incorporation dated December 11, 2019 bearing Corporate Identification Number U24110GJ2019PLC111346 issued by the Registrar of Companies, Central Registration Centre.

**Registered Office:** Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India

**Website:** [www.vahhchemicals.com](http://www.vahhchemicals.com) **E-Mail:** [info@vahhchemicals.com](mailto:info@vahhchemicals.com) **Tel. No:** +91 26 1234 4045

**Company Secretary and Compliance Officer:** Shivani Parth Kothari

<b>PROMOTERS OF OUR COMPANY: HIREN INDRAVADAN DESAI, HETAL HIRENBHAI DESAI &amp; AAYUSH HIREN DESAI</b>	
<p><b>INITIAL PUBLIC ISSUE OF 22,42,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF THE COMPANY FOR CASH AT A PRICE OF ₹ 53/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 43/- PER EQUITY SHARE) AGGREGATING UPTO ₹ 1188.26 LAKHS (“THE ISSUE”), OUT OF WHICH 1,14,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AGGREGATING TO ₹ 60.42 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E.; ISSUE OF 21,28,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ 53/- PER EQUITY SHARE FOR CASH, AGGREGATING TO ₹ 1127.84 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.99% AND 25.62% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.</b></p>	
<b>THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS 5.3 TIMES OF THE FACE VALUE</b>	
<p>In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Regulation 229(1) of Chapter IX and other applicable provisions of SEBI ICDR Regulations, wherein a minimum 50% of the Net Issue is allocated for Individual Investors who apply for minimum application size and the balance shall be Issued to individual investors who apply for minimum application size and other investors including body corporates or institutions. Provided that the unsubscribed portion in either categories may be allocated to applicants in the other category. For further details please refer the section titled “Issue Information” beginning on page no. 273 of this Draft Prospectus.</p>	
<p>In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015 and the all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks (“SCSBs”) for the same. Further pursuant to SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, for implementation of Phased II for UPI facility, which is effective from July 01, 2019, all potential Applicants (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts or UPI ID (in case of IIs), in which the corresponding Application Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. For details, please refer chapter titled “<i>Issue Procedure</i>” beginning on Page no. 286 of this Draft Prospectus. A copy of the Prospectus will be filed with the Registrar of Companies as required under Section 26 and Section 28 of the Companies Act, 2013.</p>	
<b>RISK IN RELATION TO THE FIRST ISSUE</b>	
<p>This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹10/- per Equity Shares and the Issue Price should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.</p>	
<b>GENERAL RISKS</b>	
<p>Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue 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 Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on Page 28 of this Draft Prospectus.</p>	
<b>COMPANY’S ABSOLUTE RESPONSIBILITY</b>	
<p>The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.</p>	
<b>LISTING</b>	
<p>The Equity Shares Issued through this Draft Prospectus are proposed to be listed on SME Platform of BSE Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. our Company has received “in-principle” approval letter dated [●] from BSE Limited for using its name in the Prospectus for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE SME.</p>	
<b>LEAD MANAGER</b>	<b>REGISTRAR TO THE ISSUE</b>
 <p><b>MARWADI CHANDARANA GROUP</b> <b>Marwadi Chandarana Intermediaries Brokers Private Limited</b> X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India <b>Telephone:</b> 022-69120027 <b>E-mail:</b> <a href="mailto:mb@marwadichandarana.com">mb@marwadichandarana.com</a> <b>Investors Grievance e-mail:</b> <a href="mailto:mbgrievances@marwadichandarana.com">mbgrievances@marwadichandarana.com</a> <b>Contact Person:</b> Radhika Maheshwari / Jigar Desai <b>Website:</b> <a href="http://jb.marwadichandarangroup.com">jb.marwadichandarangroup.com</a> <b>SEBI Registration Number:</b> INM000013165</p>	 <p><b>Kfin Technologies Limited</b> <b>Address:</b> Selenium, Tower-B, Plot 31 &amp; 32, Financial District Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana, India <b>Tel:</b> +91 40 6716 2222 / 18003094001 <b>Email:</b> <a href="mailto:vcl.ipo@kfintech.com">vcl.ipo@kfintech.com</a> <b>Investor grievance e-mail:</b> <a href="mailto:cinward.ris@kfintech.com">cinward.ris@kfintech.com</a> <b>Website:</b> <a href="http://www.kfintech.com">www.kfintech.com</a> <b>Contact Person:</b> M Murali Krishna <b>SEBI registration number:</b> INR000000221</p>
<b>ISSUE PROGRAMME*</b>	
<b>ISSUE OPENS ON: [●]</b>	<b>ISSUE CLOSES ON: [●]<sup>#</sup></b>

<sup>#</sup> The UPI mandate end time and date shall be at 5:00 p.m. on Bid / Issue Closing Day.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Draft 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, Issue related terms used but not defined in this Draft Prospectus and Prospectus shall have the meaning ascribed to such terms under the General Information Document.*

*The terms not defined herein but used in “Objects of the Issue”, “History and Certain Corporate Matters”, “Financial Indebtedness”, “Basis for Issue Price”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information”, “Outstanding Litigation and Material Developments” “Issue Procedure” and “Main Provisions of the Articles of Association”, on pages 82, 148, 173, 100, 109, 113, 140, 172, 242, 286 and 318 respectively, will have the meaning ascribed to such terms in those respective sections.*

### GENERAL TERMS

Term	Description
“Vahh Chemicals Limited”, “VCL”, “Our Company”, “the Company”, “the Issuer”	Vahh Chemicals Limited, a public limited company incorporated in India under the Companies Act, 2013 having its Registered Office at Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat, Gujarat, India, 395002.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue

### COMPANY RELATED TERMS

Term	Description
AOA / Articles of Association / Articles	The Articles of Association of or Company, as amended, from time to time
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “Our Management – Committees of our Board of Directors – Audit Committee” on page 158 of this Draft Prospectus.
Auditor / Statutory Auditor	ACG & Co., Chartered Accountants
Board of Directors/ the Board/ our Board	The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 153 of this Draft Prospectus.
Chief Financial Officer/CFO	Chief Financial Officer of our Company is Sahil Bhaveshkumar Modi. For details, see “Our Management” on page 153 of this Draft Prospectus.
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company being Shivani Parth Kothari. For details, see “Our Management” beginning on page 153 of this Draft Prospectus.
Companies Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
CIN	Corporate Identification Number of our company i.e., U24110GJ2019PLC111346
Director(s)	Directors on our Board as described in “Our Management”, beginning on 153 of this Draft Prospectus.
Equity Shares	The equity shares of our Company of face value of ₹10 each.
Executive Directors	Executive Directors of our Company as appointed from time to time.

<b>Term</b>	<b>Description</b>
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Consolidated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the Issuer as disclosed in “ <i>Our Group Companies</i> ” on page 169 of this Draft Prospectus
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” beginning on page 153 of this Draft Prospectus.
ISIN	International Securities Identification Number. In this case being INE0H3U01013
KMP/Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <i>Our Management- Key Managerial Personnel of our Company</i> ” on page 162 of this Draft Prospectus.
Materiality Policy	The policy adopted by our Board of Directors on October 04, 2025 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Prospectus, Prospectus.
MoA/ Memorandum of Association	The Memorandum of Association of our Company, as amended, from time to time
Managing Director	Managing Director of our Company, being Hiren Indravadan Desai
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee</i> ” on page 161 of this Draft Prospectus.
Non-Executive Director(s)	Non-executive directors on our Board, as described in “ <i>Our Management</i> ”, beginning on page 153 of this Draft Prospectus.
Promoter(s)	The promoters of our Company, being Hiren Indravadan Desai, Hetal Hirenbhai Desai and Aayush Hiren Desai. For details, see “ <i>Our Promoter and Promoter Group</i> ” on page 165 of this Draft Prospectus.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoter and Promoter Group</i> ” on page 165 this Draft Prospectus.
Registered Office	Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India
Restated Consolidated Financial Statements/ Restated Financial Information	The Restated Consolidated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the financial year ended on March 31, 2025, March 31, 2024, March 31, 2023 and for the period ended September 30, 2025 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 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
RoC/Registrar of Companies	Registrar of Companies, Ahmedabad.
Shareholder(s)	Shareholders of our Company, from time to time
Senior Managerial Personnel	Senior management personnel of our Company in terms of Regulation 2(1) (bbbb) of the SEBI ICDR Regulations as described in “ <i>Our Management – Senior Management Personnel of our Company</i> ” on page 163 of this Draft Prospectus.
Stakeholders Relationship Committee	Stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management</i> ”, beginning on page 153 of this Draft Prospectus.
Whole-Time Director	Whole-Time Director of our Company

## ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf. Abridged Prospectus is to be issued under SEBI ICDR Regulations and appended to the Application Forms.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Applicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Applicant(s)/Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Form	The Form (with and without the use of UPI, as may be applicable), in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Allottee	A successful Applicant to whom the Equity Shares are Allotted
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an application and authorising an SCSB to block the Application Amount in the specified bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Issue and Refund Banker	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [●]
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicants under the Issue, as described in “Issue Procedure” beginning on page 286 of this DP.
Bidding Centers	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker Centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications from relevant Applicants at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI.
Circular on Streamlining of Public Issues/ UPI Circular	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular no.

Term	Description
	SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Applicants using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue
Designated Intermediaries/Collecting agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue.
Designated RTA Locations	Such locations of the RTAs where Applicants 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.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by IIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such II using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited (“ <b>BSE SME</b> ”)
DP ID	Depository Participant’s identity number
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Draft Prospectus/DP	This Draft Prospectus dated December 03, 2025 issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an Issue / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares.

<b>Term</b>	<b>Description</b>
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint applications, whose name shall also appear as the first holder of the beneficiary account held in joint names
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fresh Issue/ Issue	The Fresh Issue of 22,42,000 Equity Shares of face value of ₹10 each aggregating to ₹1188.26 Lakhs
General Information Document	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 circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Lead Manager.
Gross Proceeds	The Issue Proceeds
Individual Investor(s)/ II(s)	Individual Applicants, who have applied for the Equity Shares for a minimum application size of two lots wherein amount exceeds more than ₹ 200,000 in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Individual Investor Portions	Portion of the Issue being not less than 35% of the Net Issue consisting of 21,28,000 Equity Shares which shall be available for allocation to IIBs (subject to valid Applications being received at or above the Issue Price), which shall not be less than the minimum Application Lot subject to availability in the Individual Investor Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Issuing
Issue Agreement	The agreement dated October 17, 2025 amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.

Term	Description
Issue Price / Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Lead Manager under the Draft Prospectus and the Prospectus being ₹ 53/- per share.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 82 of this DP
Issue Opening	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Closing	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue document	Includes Draft Prospectus and Prospectus to be filed with Registrar of Companies.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Applicants can submit their application, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Draft Prospectus.
Lead Manager/ LM	The Lead Manager to the Issue, being Marwadi Chandarana Intermediaries Brokers Private Limited.
Lot Size / Minimum Application Size	The Market lot and Trading lot for the Equity Share is 2000 and in multiples of 2000 thereafter; subject to a minimum allotment of 4000 (2000 X 2) Equity Shares to the successful applicants.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	Market Maker of the Company, in this case being [●]
Market Maker Reservation Portion	The Reserved portion of 1,14,000 Equity shares of ₹ 10 each at an Issue Price of ₹ 53 aggregating to ₹ 60.42 Lakhs for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated [●]
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by IIs to submit Applications using the UPI Mechanism
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 21,28,000 equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ 53/- per Equity Share (the “Issue Price”), including a share premium of ₹ 43/- per equity share aggregating to ₹ 1,127.84 Lakhs
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” on page 82 of this DP.
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Investors/ Non-Institutional Applicants/ NIB’s	All Applicants that are not QIBs or Individual Applicants and who have applied for Equity Shares for an amount more than minimum application size (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The remaining portion of the Net Issue including 21,28,000 Equity Shares, after Individual Investors who applies for minimum application size, being not more than 50% of the Net issue which shall be available for allocation to NIIs in accordance with the SEBI ICDR Regulations.
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs

<b>Term</b>	<b>Description</b>
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue opening and closing dates, the size of the Issue and certain other information.
Public Issue Account(s)	Account to be opened with Banker to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Pricing Date	The date on which our Company, in consultation with the LM, will finalise the Issue Price.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Category/ QIB Portion	The remaining portion of the Net Issue including 21,28,000 Equity Shares, after Individual Investors who applies for minimum application size, being not more than 50% of the Net issue which shall be available for allocation to QIBs in accordance with the SEBI ICDR Regulations.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Registrar Agreement	The agreement dated October 17, 2025 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue/ Registrar	Kfin Technologies Limited
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non - Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Investors can revise their application during the Issue Period or withdraw their applications until Issue Closing Date.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Refund Account	Account to be opened with a SEBI Registered Banker to the Issue from which therefunds of the whole or part of the Application Amount, if any, shall be made.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018

Term	Description
Reserved Category/ Categories	Categories of persons eligible for making apply under reservation portion
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, Issuing services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> , or such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Issue 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 <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> , as updated from time to time
“Syndicate” or “Members of the Syndicate”	Together, the LM and the Syndicate Members
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the IBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchange	SME Platform of BSE Limited (“BSE SME”)
Systemically Important Non- Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicants, as proof of registration of the Application.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Applicants	Collectively, individual investors applying as (i) Individual Applicants in the Individual Investor Portion, and (ii) Non- Institutional Applicants with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and applying under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)

<b>Term</b>	<b>Description</b>
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Applicants by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Applicants to such UPI linked mobile application) to the UPI Applicants initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The Application mechanism that may be used by UPI Applicants to make ASBA Applications in the Issue in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful defaulter as defined under Regulation 2 (1) (III) of the SEBI ICDR Regulations
Working Days	All days on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of the Issue Price; and (b) Issue Period, Term Description. The term “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Issue Closing Date and 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 in India in accordance with circulars issued by SEBI

## CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

<b>Term</b>	<b>Description</b>
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CBDT	The Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires

<b>Term</b>	<b>Description</b>
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary general meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
EUR/ €	Euro
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
FY	Financial Year
FPI(s)	Foreign Portfolio Investor, as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
FIPB	The erstwhile Foreign Investment Promotion Board
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GDP	Gross domestic product
GoI or Government or Central Government	Government of India
GST	Goods and services tax
HR	Human resource
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended

<b>Term</b>	<b>Description</b>
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Ind AS or Indian Accounting Standards	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
IGAAP or Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee
IPR	Intellectual property rights
IRR	Internal rate of return
IPO	Initial public Issue
IRDAI	Insurance Regulatory Development Authority of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
India	Republic of India
KPI	Key Performance Indicators
“Listing Regulations” or “SEBI LODR Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
LIBOR	London Inter-Bank Issue Rate
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MSME	Micro, Small, and Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NCDs	Non-Convertible Debentures
NCGTC	National Credit Guarantee Trustee Company
NCLT	National Company Law Tribunal
NEFT	National electronic fund transfer
NFE	Net foreign exchange
NGT	The National Green Tribunal
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue

Term	Description
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit after tax
PCA	Prompt Corrective Area
PCA Framework	Notification on PCA Framework for NBFCs dated December 14, 2021
PMLA	Prevention of Money Laundering Act, 2002
Press Note	Press Note 3 of 2020, dated April 17, 2020 issued by the DPIIT
PIO	Person of India Origin
PSL	Priority sector lending
R&D	Research and development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
TAN	Tax deduction account number
TDS	Tax deducted at source
U.S./USA/United States	United States of America, its territories and possessions, any State of the United States, and the District Of Columbia
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USD / US\$	United States Dollars

<b>Term</b>	<b>Description</b>
UT	Union Territory
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
w.e.f.	With effect from
Willful Defaulter or Fraudulent Borrower	Willful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WTD	Whole Time Director as defined in Companies Act, 2013
Year/Calendar Year	Unless context otherwise requires, shall refer to the 12 month period ending Dec 31

#### **BUSSINESS & INDUSTRY RELATED TERMS**

<b>Terms</b>	<b>Description</b>
ISO	International Organization for Standardization
SKU	Stock Keeping Unit
UV	Ultraviolet
FDA	Food and Drug Administration (U.S.)
FFR	Food Facility Registration
FSSAI	Food Safety and Standards Authority of India
FY	Fiscal Year
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
PAT	Profit After Tax
RoE	Return on Equity
EBIT	Earnings Before Interest and Taxes
KPIs	Key Performance Indicators
OT	Octylphenol Ethoxylate
OBAs	Optical Brightening Agents
IT	Information Technology
ERP	Enterprise Resource Planning
IBCs	Intermediate Bulk Containers
EPF	Employees' Provident Fund
EPFO	Employees' Provident Fund Organisation
PF	Provident Fund
Co.	Company
Sq. Ft.	Square Feet
Sq. m.	Square Metres
Rs. / ₹	Indian Rupees
No.	Number
Ltd.	Limited
Abbreviation	Full Form / Description
AI	Artificial Intelligence
ASEAN	Association of Southeast Asian Nations
GDP	Gross Domestic Product
FY	Fiscal Year
Rs. / ₹	Indian Rupees
US / USA	United States of America
UK	United Kingdom
FDI	Foreign Direct Investment
RBI	Reserve Bank of India
DPIIT	Department for Promotion of Industry and Internal Trade
PE	Private Equity
VC	Venture Capital
FII	Foreign Institutional Investor
DII	Domestic Institutional Investor
HSBC	Hongkong and Shanghai Banking Corporation
PMI	Purchasing Managers' Index
DGCA	Directorate General of Civil Aviation

Terms	Description
GST	Goods and Services Tax
YoY	Year-on-Year
IIP	Index of Industrial Production
MoSPI	Ministry of Statistics and Programme Implementation
CPI	Consumer Price Index
MSP	Minimum Support Price
FPI	Foreign Portfolio Investment
GW	Gigawatt
PM-VISHWAKARMA	Pradhan Mantri Vishwakarma Scheme
MSME	Micro, Small and Medium Enterprises
PLI	Production Linked Incentive
PM-DevINE	Prime Minister's Development Initiative for North-East Region
AAJ	Antyodaya Ann Yojna
PHH	Primary Household
PMGKAY	Pradhan Mantri Garib Kalyan Ann Yojana
QCO	Quality Control Order
BIS	Bureau of Indian Standards
PCPIR	Petroleum, Chemicals and Petrochemicals Investment Region
CIPET	Central Institute of Petrochemicals Engineering & Technology
RRL	Rajasthan Refinery Limited
LMT	Lakh Metric Tonne
SEZ	Special Economic Zone
FTA	Free Trade Agreement
TPD	Tonnes Per Day
MTPA	Metric Tonnes Per Annum
CII	Confederation of Indian Industry
CAGR	Compound Annual Growth Rate
R&D	Research and Development
COE	Centers of Excellence
CPDS	Chemicals Promotion Development Scheme
CO <sub>2</sub>	Carbon Dioxide
PCPIRs	Petroleum, Chemicals and Petrochemical Investment Regions
NIMZ	National Investment and Manufacturing Zone
ESG	Environmental, Social and Governance
BRSR	Business Responsibility and Sustainability Reporting
SEBI	Securities and Exchange Board of India
TCFD	Task Force on Climate-Related Financial Disclosures
CDP	Carbon Disclosure Project
SASB	Sustainability Accounting Standards Board
UN	United Nations
RDI	Research, Development and Innovation
ANRF	Anusandhan National Research Foundation
RRL	Rajasthan Refinery Limited
CCUS	Carbon Capture, Utilization, and Storage

## FINANCIAL AND OPERATIONAL KEY PERFORMANCE INDICATORS

Particulars	Explanation for the KPI
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn help assess the overall financial performance of our Company and size of our business
Revenue CAGR	Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising to the power of one divided by the number of compounding period i.e. 2 years and subtracting by one
EBITDA	EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.
EBITDA Margin	EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

Particulars	Explanation for the KPI
PAT	PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
PAT Margin	PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
Return on Equity (RoE)	Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.
Return on Capital Employed	Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization
Net Fixed Asset Turnover Ratio (in Times)	Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset
Net Capital Turnover Ratio (in Times)	Net Capital Turnover Ratio is calculated as Revenue from operation divided by Capital employed
Debt to Equity Ratio (in Times)	Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities.
Return on Assets	Return on Assets is calculated by dividing the total assets by the profit after tax.
Current Ratio	Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
Unit Sold	Actual Number of chemical sold during the year

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Key Industries Regulations and Policies”, “Financial Information”, “Outstanding Litigation and Material Developments” and “Issue Procedure” on pages 318, 109, 113, 140, 172, 242 and 286 respectively of this Draft Prospectus, will have the meaning ascribed to such terms in these respective sections.

## **CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY & MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

All references to “India” contained in this Draft Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable. Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

### **Use of Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “Financial Information” on page 172 of this Draft Prospectus.

Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the Financial Years ended March 31, 2025, March 31, 2024, March 31, 2023 and the period ended September 30, 2025 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 28, 126 and 227 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft 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 including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 28, 113 and 126 respectively, this Draft Prospectus

### **Use of Industry and Market Data**

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained and derived from data provided by management of the company, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information

contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on page 100 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 28 of this Draft Prospectus.

### **Currency of Financial Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Prospectus in “Lakhs” units or in whole numbers where the numbers have been too small to represent in lacs. One Lakh represents 1,00,000 and one million represents 10,00,000.

### **Exchange rates**

This Draft Prospectus contains conversions 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 Indian Rupee and other foreign currencies:

Currency	Exchange rate as on			
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
1 USD	₹ 88.76 <sup>#</sup>	₹ 85.58 <sup>**</sup>	₹ 83.37 <sup>*</sup>	₹ 82.22

Source: [www.fbil.org.in](http://www.fbil.org.in)

<sup>#</sup>As on September 29, 2025

<sup>\*</sup>As on March 28, 2024

<sup>\*\*</sup>As on March 28, 2025

Note: Exchange rate is rounded off to two decimal places

## FORWARD- LOOKING STATEMENTS

This Draft 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. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

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 Company’s expectations include, but are not limited to, the following:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent;
- Our business and financial performance is particularly based on market demand and supply of our products;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Our ability to expand our geographical area of operation;
- Other factors beyond our control.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see section *“Risk Factors”, “Our Business”* and *“Management’s Discussion and Analysis of Financial Position and Results of Operations”* beginning on pages 28, 126 and 227 respectively, of this Draft Prospectus. 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.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflects current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoter, the Syndicate 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, the Promoter and the Lead Manager will ensure that the Applicants in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

## SECTION II – SUMMARY OF ISSUE DOCUMENT

*The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this DP when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this DP, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoter and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure” on pages 28, 57, 67, 82, 113, 126, 165, 172, 242 and 286 respectively of this DP.*

### 1. Summary of the Industry in which the Company operates:

Covering more than 80,000 commercial products, India’s chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the sixth largest producer of chemicals in the world and third in Asia, contributing 7% to India’s GDP. India’s chemical sector, which was estimated to be worth around Rs. 21,50,750 crore (US\$ 250 billion) in 2024, is anticipated to grow to US\$ 300 billion by 2028 and Rs. 86,03,000 (US\$ 1 trillion) by 2040.

India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and eighth in imports at the global level (excluding pharmaceuticals). In FY26 (April-July), India’s dye exports (Dyes and Dye Intermediates) totalled US\$ 824.77 million. Specialty chemicals account for 20% of the global chemicals industry’s US\$ 4 trillion, with India’s market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025. This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries.

*Source:* (<https://www.ibef.org/economy/indian-economy-overview> )

For further details, please refer to “Industry Overview” on page 113 of this DP.

### 2. Summary of the primary business of our Company:

We are an ISO 9001: 2015 certified Company engaged in the business of manufacturing and trading of textile auxiliaries chemicals. Our Company is engaged in the supplying and blending of wide range of chemicals in the textile industry. Our operations primarily involve the sourcing and blending of textile chemicals essential for various stages of textile processing, including pre-treatment, dyeing, printing, and finishing. Strategically, we cater primarily to dyeing and printing houses within the textile industry, offering tailored chemical solutions to address the specific needs and challenges of this sector, including customized formulations for various applications. These chemicals are essential for improving fabric quality, its texture, enhancing colour vibrancy, and ensuring the durability of the finished textile products. Our main strength of the products are our formulation of chemicals and quality maintenance.

Our business model is segregated under three business segments which include:

- 1) **Trading** –Distribution of textile chemicals, including pre-treatment agents, dyeing auxiliaries, and finishing chemicals to optimize the dyeing and printing processes in textile mills.
- 2) **Blending** – Customized chemical blends to ensure that textile manufacturers achieve superior results, with formulations designed to enhance the quality.
- 3) **Nutrition** – Nutraceutical products formulated to support health, wellness, and improved daily nutrition by the subsidiary.

The table below sets forth the breakdown of our product wise revenue from operations for the period ended September 30, 2025 and for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For period ended September 30, 2025		For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%
Blending	873.37	52.85%	1582.93	66.66%	776.33	76.45%	577.84	77.48%

Particulars	For period ended September 30, 2025		For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%
Trading	166.73	10.09%	459.72	19.36%	239.20	23.55%	167.90	22.52%
Nutrition	612.36	37.06%	332.06	13.98%	-	-	-	-
<b>Total</b>	<b>1,652.47</b>	<b>100.00%</b>	<b>2,374.71</b>	<b>100.00%</b>	<b>1,015.53</b>	<b>100.00%</b>	<b>745.74</b>	<b>100.00%</b>

As of September 30, 2025, our product portfolio comprises of 92 SKU's in our chemical division which are designed to enhance fabric quality, durability, and performance, our products cater to a wide spectrum of textile substrates such as cotton, polyester, silk, and synthetic blends. We focus on creating solutions tailored to specific needs in textile production. This strategic alignment enables us to support diverse industry needs, from enhancing colour vibrancy to imparting functional properties like water repellence, flame resistance, and anti-microbial finishes, UV Absorbers, wrinkle – free resins, driving innovation and value creation in the textile sector.

Our chemical business is predominately conducted on a business-to-business basis. Our Facility spans approximately 301.25 square meters. We have established a strong distribution network in Surat, supported by strategically positioned manufacturing facility.

For further details, please refer to “*Our Business*” on page 126 of this DP.

### 3. Names of the Promoters

Promoters of our company are Hiren Indravadan Desai, Hetal Hiren bhai Desai and Aayush Hiren Desai. For further details, please refer to the chapter titled “*Our Promoter and Promoter Group*” beginning on page 165 of this DP.

### 4. Details of the Issue:

Initial Public Issue of 22,42,000 Equity Shares of face value of ₹ 10/- each of the company for cash at a price of ₹ 53/- per Equity Share (including a share premium of ₹ 43/- per Equity Share) aggregating upto ₹ 1,188.26 lakhs (“**The Issue**”), out of which 1,14,000 Equity Shares of face value of ₹ 10/- each aggregating to ₹ 60.42 lakhs will be reserved for subscription by the market maker to the issue (the “**Market Maker Reservation Portion**”). The Issue less Market Maker Reservation Portion i.e.; Issue of 21,28,000 Equity Shares of face value of ₹ 10/- each, at an issue price of ₹ 53/- per Equity Share for cash, aggregating to ₹ 1,127.84 lakhs is hereinafter referred to as the “**Net Issue**”. The Public Issue and Net Issue will constitute 26.99% and 25.62% respectively of the post- issue paid-up Equity Share capital of our Company.

For further details, refer chapter “*The Issue*” and “*Other Regulatory and Statutory Disclosures*” beginning on page 57 and 260 respectively of this Draft Prospectus.

### 5. Objects of the Issue

The details of the Issue Proceeds and Net Proceeds are as follows:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue*	[●]
Less: Issue Related Expense	[●]
Net Proceeds of the Issue	[●]

\* To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes alone shall not exceed 15% of the Gross Proceeds from the Fresh Issue or ₹ 1,000 Lakhs whichever is lower.

### 6. Utilization of Net Issue Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

Particulars	Amount (₹ in lakhs)
Funding incremental working capital requirements of our Company;	583.78
Repayment of loan availed by our Company;	179.13
Setting up a new manufacturing facility at Surat, Gujarat (“Proposed facility”);	184.43

Particulars	Amount (₹ in lakhs)
General corporate purposes*	[●]
Net Issue Proceeds	[●]

\* To be finalized upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes alone shall not exceed 15% of the Gross Proceeds from the Fresh Issue or ₹ 1,000 Lakhs whichever is lower.

For further details, please see “Objects of the Issue” beginning on page 82 of this Draft Prospectus.

#### 7. Aggregate Pre-Issue Shareholding of our Promoters and Promoter Group:

Our Promoters and Promoter Group collectively holds 53,67,672 Equity Shares of our company aggregating to 88.52 % of the pre-Issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and the Promoter Group, as on the date of this Draft Prospectus:

Sr. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
(A) Promoters					
1.	Hiren Indravadan Desai	13,49,856	22.26%	13,49,856	16.25%
2.	Hetal Hirenbbhai Desai	27,65,880	45.61%	27,65,880	33.30%
3.	Aayush Hiren Desai	12,51,936	20.65%	12,51,936	15.07%
Total (A)		53,67,672	88.52%	53,67,672	64.63%
(B) Promoter Group					
4.	-	-	-	-	-
Total (B)		-	-	-	-
Total (A+B)		53,67,672	88.52%	53,67,672	64.63%

For further details, please refer chapter titled “Capital Structure” beginning on page 67 of this DP.

#### 8. Aggregate Pre- Issue Shareholding of Promoter / Promoter Group and Additional Top 10 Shareholders of the Company as at allotment:

S. No.	Pre- Issue Shareholding as on the date of this DP			Post-Issue shareholding as at Allotment*	
	Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital	No. of Equity Shares held	% of the Post-Issue paid up Equity Share capital
<b>(A) Promoter</b>					
1.	Hiren Indravadan Desai	13,49,856	22.26%	13,49,856	16.25%
2.	Hetal Hirenbbhai Desai	27,65,880	45.61%	27,65,880	33.30%
3.	Aayush Hiren Desai	12,51,936	20.65%	12,51,936	15.07%
<b>Total (A)</b>		<b>53,67,672</b>	<b>88.52%</b>	<b>53,67,672</b>	<b>64.63%</b>
<b>(B) Promoter Group</b>					
	-	-	-	-	-
<b>Total (B)</b>		-	-	-	-
<b>(C) Additional Top 10 Shareholder</b>					
4.	Mukeshkumar Rameshchandra Mehta	2,17,900	3.59%	2,17,900	2.62%
5.	Ruchik Kirtikumar Mehta	2,16,752	3.57%	2,16,752	2.61%
6.	Gita Mukeshkumar Mehta	1,08,900	1.80%	1,08,900	1.31%

S. No.	Pre- Issue Shareholding as on the date of this DP			Post-Issue shareholding as at Allotment*	
	Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital	No. of Equity Shares held	% of the Post-Issue paid up Equity Share capital
7.	Vishnudatt Vidhyasagar Tiwari	1,08,900	1.80%	1,08,900	1.31%
8.	Jayeshbhai Tribhovandas Joshi	43,600	0.72%	43,600	0.52%
9.	Pradip Chavan	36	Negligible	36	Negligible
10.	Manish Sarkari	36	Negligible	36	Negligible
11.	Devendra Kumar Saroj	36	Negligible	36	Negligible
12.	Mukesh Bhayani	36	Negligible	36	Negligible
<b>Total (C)</b>		<b>6,96,196</b>	<b>11.48</b>	<b>6,96,196</b>	<b>8.38%</b>
<b>Total (A) + (B) + (C)</b>		<b>60,63,868</b>	<b>100.00</b>	<b>60,63,868</b>	<b>73.01%</b>

Notes:

\*Based on the Issue price of ₹53 and subject to finalization of the basis of allotment.

## 9. Summary of Financial Information:

A summary of the financial information of our Company as derived from the Restated Financial Statements for financial years ended on March 31, 2025, March 31, 2024, March 31, 2023 and the period ended September 30, 2025 are as follows:

(in ₹ Lakhs, except per share data)

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Equity Share Capital	606.39	536.78	5.00	5.00
Net Worth <sup>(1)</sup>	1,201.45	686.99	102.70	68.24
Revenue from Operations	1,652.47	2,374.71	1,015.53	745.74
Net profit for the year	207.76	258.22	34.46	16.94
Basic Earnings per Share <sup>(2)</sup>	3.25	4.99	0.65	0.32
Diluted Earnings per Share <sup>(3)</sup>	3.25	4.99	0.65	0.32
Net Asset Value per Share <sup>(4)</sup>	19.81	12.80	205.40	136.48
Total Borrowings <sup>(5)</sup>	793.28	1125.35	609.43	276.79

1. "Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company (excluding special reserves);
2. Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period
3. Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.
4. Net Asset Value per share = Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end.
5. Total borrowing is the sum of Short term borrowings and Long term borrowings.

For further details, please see "Restated Financial Statements" on page 172 of this DP.

## 10. Auditor Qualifications which have not been given effect to in the Restated Financial Statements.

The Restated Financial Statements do not contain any qualifications which have not been given effect in the restated financial statements.

## 11. Summary of Outstanding Litigations:

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

(₹ in Lakhs)

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate Amount (Rs. In Lakhs)
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	3	Nil	Nil	Nil	0.21
<b>Directors and Promoters</b>						
By the Director	Nil	Nil	Nil	Nil	Nil	Nil
Against the Director	Nil	5	Nil	Nil	Nil	20.38
<b>Material Subsidiary Company</b>						
By the Subsidiary Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiary Company	Nil	4	Nil	Nil	Nil	0.57
<b>Group Companies</b>						
By the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against the Group Companies	Nil	4	Nil	Nil	Nil	0.11

For further details, please refer chapter “*Outstanding Litigation and Material Developments*” beginning on page 242 of this DP.

## 12. Risk Factors

For details on the risks involved in our business, please refer the chapter titled “*Risk Factors*”, beginning on page 28 of this DP, to have an informed view before making an investment decision.

## 13. Summary of Contingent Liabilities and Commitments

As on the date of this draft prospectus there are no contingent liabilities of the company

## 14. Summary of Related Party Transactions

The details of related party transactions entered into by our Company for the Fiscal 2025, Fiscal 2024, Fiscal 2023 and the period ended September 30, 2025 as per AS 18 –Related Party Disclosures read with SEBI ICDR Regulations and derived from the Restated Financial Information are as set out in the table below:

(In Lakhs)

Particular	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
<b>Key managerial personnel</b>				
<b>Hiren Indravadan Desai</b>				
Loan repayment	75.31	225.24	10.00	35.50
Loan received	23.59	276.96	-	17.00
Advances given	-	-	66.72	-
Advances repaid	-	-	66.72	-
Subsidiaries Acquisition	-	82.87	-	-
Sales	0.28	0.33	-	-

Particular	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Remuneration	2.50	-	-	-
<b>Hetal Hiren Bhai Desai</b>				
Loan repayment	-	267.17	500.44	166.00
Loan received	-	239.56	528.05	132.00
Subsidiaries Acquisition	-	19.50	-	-
Proprietorship Business Acquisition	-	196.11	-	-
Professional Fees	2.50	-	-	-
<b>Aayush Hiren Desai</b>				
Loan repayment	16.65	144.57	276.29	83.45
Loan received	-	100.33	337.19	83.45
Sales		0.03		
Subsidiaries Acquisition		19.50		
Proprietorship Business Acquisition		176.21		
Remuneration	2.50	-	-	-
<b>Entities controlled or significantly influenced by KMP/relatives</b>				
<b>Vedant Nutraceuticals Limited</b>				
Loan repayment	-	26.45	1.20	-
Loan received	-	2.05	14.60	11.00
<b>HSHS Nutraceuticals Limited</b>				
Loan repayment	-	-	307.70	24.00
Loan received	-	-	245.05	127.25
<b>M. I. Chemicals</b>				
Advance given	-	-	4.35	-
Purchase	-	-	-	10.00
Payment	-	-	-	35.00
<b>Hetal Dye Chem</b>				
Advance given	-	3.00	-	0.41
Advance repayment received	-	4.16	-	-
Purchase	-	-	-	24.68
Payment for purchase	-	-	0.75	43.68
<b>Vedant Chemical</b>				
Purchase	157.20	-	-	-
<b>Vedant Nutrition</b>				
Sales	38.53	6.30	-	-
Purchase	-	264.68	-	-
Loan Accepted	2.00	-	-	-
Advance given	412.64	-	-	-
Loan Repayment	2.00	-	-	-
<b>Vedant Nutraceuticals Limited</b>				

Particular	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Sales	4.75	2.65	-	-
<b>Cravexnuts Foods LLP</b>				
Sales	0.08	0.08	-	-
Purchase	0.04	0.63	-	-
<b>Relative of KMP</b>				
<b>Nidhi Vyas</b>				
Loan Accepted		19.79		
Loan Repayment		19.79		
Salary	3.25			

For further details, please refer *Note 29 “: Related party transactions”* as disclosed in restated financial statements on page 201 of this DP.

#### 15. Financing Arrangements:

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity, during a period of six months immediately preceding the date of filing of this Draft Prospectus.

#### 16. Weighted average price at which the Equity Shares were acquired by our Promoters in the last one year preceding the date of this Draft Prospectus:

The weighted average price at which the Equity Shares were acquired by the Promoters in one year preceding the date of this Draft Prospectus is as follows:

Name of Promoter	Number of Equity Shares acquired in one year preceding the date of this Draft Prospectus <sup>^</sup>	Weighted average price per Equity Share of face value of ₹ 10 each (in ₹)
Hiren Indravadan Desai	13,12,360	Nil <sup>^</sup>
Hetal Hirenbbhai Desai	27,59,380	Nil <sup>^</sup>
Aayush Hiren Desai	12,45,936	Nil <sup>^</sup>

<sup>\*</sup>As certified by ACG & Co., Chartered Accountants pursuant to their certificate dated December 03, 2025.

<sup>^</sup>NIL is for allotment pursuant to Bonus issue

For further details, please see “*Capital Structure*” beginning on page 67 of this DP.

#### 17. Details of price at which the Equity Shares were acquired by our Promoters and members of the Promoter Group, the Promoter and Shareholders entitled with right to nominate directors or any other rights in three years preceding the date of this Draft Prospectus

The details of price at which the Equity Shares were acquired by our Promoters, members of the Promoter Group and Shareholders entitled with right to nominate directors or any other rights in three years preceding the date of this Draft Prospectus is as follows:

Name of the acquirer/ Shareholder	Date of acquisition of securities	Number of securities acquired	Acquisition price per security (in ₹)
<b>Promoters</b>			
Hiren Indravadan Desai	March 15,2025	13,12,360	Nil*
Hetal Hirenbbhai Desai	November 23,2024	70,330	325#
	March 15,2025	26,89,050	Nil*
Aayush Hiren Desai	November 23,2024	28,776	325##
	March 15,2025	12,17,160	Nil*
<b>Promoter Group</b>			
-	-	-	-
<b>Shareholders entitled with right to nominate directors or any other rights</b>			

Name of the acquirer/ Shareholder	Date of acquisition of securities	Number of securities acquired	Acquisition price per security (in ₹)
-	-	-	-

\*Allotment pursuant to bonus issue of shares

#In lieu of business purchase of Aayush Chemical

##In lieu of business purchase of Aayush Bio-energy

^As certified by ACG & Co., Chartered Accountants pursuant to their certificate dated December 03, 2025

## 18. Weighted average cost of acquisition for all Equity Shares transacted in One year, 18 months and Three years preceding the date of this Draft Prospectus

The weighted average price for all Equity Shares acquired by the Promoters, members of the Promoter Group, and other shareholders with rights to nominate Directors or any other rights in the last one year, 18 months and three years preceding the date of this Draft Prospectus is as set out below:

Period	Weighted average cost of acquisition (in ₹)	Issue Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in ₹)
Last one year	Nil^	Nil^	Nil^
Last 18 months	6.06	8.75	Nil-325
Last three years	6.06	8.75	Nil-325

\*As certified by ACG & Co., Chartered Accountants pursuant to their certificate dated December 03, 2025

^NIL is for allotment pursuant to Bonus issue.

## 19. Average cost of acquisition of Equity Shares for our Promoters

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

Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹)*
Hiren Indravadan Desai	13,49,856	0.28
Hetal Hirenbbhai Desai	27,65,880	8.29
Aayush Hiren Desai	12,51,936	7.52

\*As certified by ACG & Co., Chartered Accountants pursuant to their certificate dated December 03, 2025.

## 20. Details of Pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares in this Issue until the listing of the Equity Shares.

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

Except as stated below, our Company has not issued Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus.

Date of Allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
March 15, 2025	Bonus Issue in the ratio of 1:35	52,18,710	10.00	Nil	Capitalisation of Reserves

For further details, please refer chapter titled “Capital Structure” beginning on page 67 of this DP.

## 22. Split/consolidation of Equity Shares in the last one year

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

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

As on the date of this Draft Prospectus, our Company has not sought or received any exemption from complying with any provisions of the Securities laws.

### SECTION III: RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. Prospective Investors should carefully consider all the information in the Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 126, 172, and 227 respectively of this DP, as well as the other financial and statistical information contained in this DP. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.*

*This DP also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this DP. For further information, please refer to section titled “Forward-Looking Statements” beginning 18 of this DP.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this DP. For further information, please refer “Restated Financial Statements” on 172 of this DP. We have, in this DP, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this DP.*

#### **Materiality**

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

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

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

*In this Draft Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Vahh Chemicals Limited.*

## **INTERNAL RISK FACTORS**

- 1. We generate a substantial portion of revenue from Surat, Gujarat. Any adverse developments affecting our operations in the Gujarat could have an adverse impact on our revenue and results of operations.***

Our Company operates only in the State of Gujarat. Such geographical concentration of our business in the Gujarat region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in the region, which may adversely affect our business prospects, financial conditions and results of operations.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in Gujarat region, and our experience in the Gujarat region may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with suppliers, dealers, relevant government authorities, or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside Gujarat market may adversely affect our business prospects, financial conditions and results of operations.

- 2. There are certain outstanding legal proceeding involving our Promoter and Promoter Entities which may adversely affect our business, financial condition and results of operations.***

There are certain proceedings pending at different levels of adjudication before various authorities, enquiry officers and appellate forums. Such proceedings could divert management time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company and Group Companies as disclosed in this Prospectus, to the extent quantifiable, have been set out below:

<b>Name of the Entity</b>	<b>Criminal Proceedings</b>	<b>Tax Proceedings</b>	<b>Statutory or Regulatory Proceedings</b>	<b>Disciplinary actions by the SEBI or Stock Exchanges against our Promoters</b>	<b>Material Civil Litigation</b>	<b>Aggregate Amount (Rs. In Lakhs)</b>
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	3	Nil	Nil	Nil	0.21
<b>Directors and Promoters</b>						
By the Director	Nil	Nil	Nil	Nil	Nil	Nil
Against the Director	Nil	5	Nil	Nil	Nil	20.38
<b>Material Subsidiary Company</b>						
By the Subsidiary Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiary Company	Nil	4	Nil	Nil	Nil	0.57
<b>Group Companies</b>						
By the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against the Group Companies	Nil	4	Nil	Nil	Nil	0.11

For further details, please refer to section titled "Outstanding Litigation and Material Developments" beginning on page 242 of this Draft Prospectus.

3. *Our top ten customers contribute about 44.73%, 60.01%, 84.43%, 88.92% of our revenues the period ended September 30, 2025 and for the year ended March 31, 2025, March 31, 2024, March 31, 2023. Any loss of business from one or more of them may adversely affect our revenues and profitability.*

Our top ten customers contribute to a substantial portion of our revenues for the period ended September 30, 2025 and for the year ended March 31, 2025, March 31, 2024, March 31, 2023. As on March 31, 2025 we have more than 90 customers in our chemical textile industry business. The table below sets forth details of revenue generated from our largest customer, top 5 customers and top 10 customers for our products for the period ended September 30, 2025 and for the Fiscal 2025, 2024 and 2023 of our revenue from operations.

Period	Revenue from Largest Customer	% Contribution of largest customer to revenue from operations	Revenue from Top 5 Customers	% Contribution of top 5 to revenue from operations	Revenue from Top 10 Customers	% Contribution of top 10 to revenue from operations
September 30, 2025	285.37	17.27%	565.82	34.24%	739.23	44.73%
Fiscal 2025	393.93	16.59%	1035.84	43.62%	1425.07	60.01%
Fiscal 2024	241.73	23.80%	657.11	64.71%	857.40	84.43%
Fiscal 2023	158.60	21.27%	557.23	74.72%	663.08	88.92%

However, the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. We believe we have maintained good and long-term relationships with our customers. However, there can be no assurance that we will continue to have such a long-term relationship with them. Also, any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

4. *We are dependent upon few suppliers for the material requirements of our business. Further, we do not have definitive agreements or fixed terms of trade with most of our suppliers. Failure to successfully leverage our relationships with existing suppliers or to identify new suppliers could adversely affect our business operations.*

While we have maintained a long-term relationship with many of our suppliers and we have been able to negotiate favorable credit terms from them due to increased order sizes and timely payments, we cannot assure you that we shall be able to maintain such favourable credit terms in future. In this regard, for the period ended September 30, 2025 and for year ended March 31, 2025, 2024 and 2023, our top 10 suppliers contributed around 70.82 %, 63.57%, 99.84% and 92.40% respectively of our purchases. We are, to a major extent, dependent on external suppliers for our raw material requirements; we do not have any long-term supply agreements or commitments in relation to the same used in our business process. Although we have long term relationship with our suppliers, we do not have a formal written agreement with any of them. We get longer credit periods based on our relationship with the suppliers established over a period of time primarily because of continuity of orders placed with them, size of the order and timely payments made to suppliers.

Further, we are also exposed to fluctuations in the prices of raw materials used for chemicals. Thus, we may be unable to control the factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our products becoming unaffordable if pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our margins. Upward fluctuation of price of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial conditions and results of operations.

5. *Any disruptions to the supply, or increases in the pricing, of the raw materials and finished products that we procure, may adversely affect the supply and pricing of our products and, in turn, adversely affect our business, cash flows, financial condition and results of operations.*

Raw materials price volatility caused by various factors such as the quality and availability of supply, consumer demand, changes in government programs and regulatory sanctions. Our suppliers may be unable to provide us with a sufficient quantity of our raw materials at a suitable price for us to meet the demand for our products. The prices and supply levels of raw materials are dependent on factors, which are not in our control such as general economic conditions, competition, production levels and transportation costs.

Any increase in raw material prices may affect our procurement of raw materials and will result in corresponding increases in our product costs, while the increase in the selling price of the finished products may not be in proportionate to the increase in raw material price. Such change in pricing may adversely affect our sales, cash flow and our overall profitability.

Our Company's cost of raw material consumed 88.45%, 95.13 %, 86.67 % and 81.50 % of our revenues from operation for the period ended September 30, 2025 and in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. If we are unable to manage these costs or increase the prices of our products to offset these increased costs, our margins, cash flows and our profitability may be adversely affected.

We currently do not have and do not intend to enter into long term contracts with any of the raw material suppliers since we typically place orders with them in advance on the basis of our anticipated requirements. 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 consumers and which could negatively affect the overall profitability and financial performance of our business.

Although there have not been any instances in the last 3 financial years and the current financial year where we have faced a shortage of raw materials, we cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations.

***6. The Company has acquired the running business previously owned by two of the promoters and directors. Any liabilities or challenges arising from this acquisition could negatively impact the Company's financial performance and operations.***

On September 30, 2024, our Company acquired the business of Aayush Hiren Desai, the sole proprietor of Aayush Chemical, a business engaged in the manufacturing and trading of chemicals. The business of the proprietary concern with all the assets and liabilities was taken over by the Company. In this regard, we issued 28,776 equity shares to the Transferor, at a face value of ₹10 each, with a premium of ₹315 per share, amounting to a total value of ₹93,52,200.

Furthermore, our company also acquired the business of Hetal Hiren bhai Desai, the sole proprietor of Aayush Bio-Energy, another business engaged in the manufacturing and trading of chemicals. The business of the proprietary concern with all the assets and liabilities was taken over by the Company. In this regard, our Company issued 70,330 equity shares to the transferor, amounting to ₹2,28,57,250, at a face value of ₹10 each, with a premium of ₹315 per share.

Both acquisitions were finalized with the delivery of the business and assets, and the issuance of the corresponding equity shares, further expanding our operational capabilities in the manufacturing and trading of chemicals. While these acquisitions are expected to strengthen our position in the industry, they also come with potential risks. The Company assumes responsibility for any liabilities, including business loans and other obligations, associated with these businesses. Any unforeseen challenges or liabilities arising from these acquisitions, such as disputes regarding the transfer, unpaid debts, or other financial obligations, could negatively impact the Company's financial performance, operations, and future growth prospects. Therefore, the Company's ability to effectively integrate these businesses and manage any associated risks will be critical to the success of these acquisitions.

***7. Our Company is dependent on third party transportation providers for the delivery of raw materials and finished products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our Company's reputation, business, financial condition, results of operations and prospects.***

We use third party transportation providers for the supply of most of our raw materials and for delivery of our products to our customers. Transportation strikes could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers. Non-availability of transportation services could also adversely affect our receipt of raw materials and the delivery of our products. Loading, unloading and transport charges incurred by our Company for the period ended September 30, 2025 and for Fiscals 2025, 2024 and 2023 was ₹ 23.65 Lakhs, ₹ 25.36 Lakhs, ₹ 13.41 Lakhs and ₹ 8.43 Lakhs, aggregating 1.72%, 1.26%, 1.39% and 1.17% of our total expenses, respectively. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects. Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

We may face transportation risks including damage or losses of goods in transit, delay in deliveries to our customers etc. due to loss or pilferage, which we may not be able to fully recover from our service provider or from our insurance coverage. Further, while we adjust freight costs in the cost of products sold to our customers, we bear transportation risk for the duration of transit. In addition, we may be required to replace a service provider if its services do not meet our safety, quality or performance standards or the partner's non-compliance with applicable laws or if it should unexpectedly discontinue operations due to reasons beyond its or our control. Any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or inability to deliver our products to our customers, or may require us to look for alternative means of transportation which may not be cost or time efficient, thereby adversely affecting our operations, profitability, reputation and market position.

**8. *We have experienced growth in recent years and may be unable to sustain our growth or manage it effectively. We cannot assure you that we will be able to successfully execute our growth strategies, which could affect our business, prospects, results of operations and financial condition.***

We have expanded our operations and experienced growth in recent years. Our revenue from operations grew at a CAGR of 78.45% from ₹ 745.74 Lakhs in Fiscal 2023 to ₹ 2374.71 Lakhs in Fiscal 2025, based on our Restated Financial Information. Our profit for the year, calculated on the basis of our Restated Financial Information, increased from ₹ 16.94 Lakhs in Fiscal 2023 to ₹ 258.22 Lakhs in Fiscal 2025 at a CAGR of 290.43 %. For further details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Financial Information" on pages 342 and 272 respectively.

Sustaining our growth will require working capital investments and will also put pressure on our ability to effectively manage and control historical and emerging risks. We may not be able to sustain our growth rates due to a variety of factors such as a work stoppages, labour or social unrest, environmental activism, adverse weather conditions such as cyclones and monsoons, natural calamities, delays in construction, delays in clearances, increased cost of raw materials, unavailability of adequate funding, inability to onboard experienced members for our management team or a general slowdown in the economy or the industries in which we operate. Our growth has placed, and continues to place, significant demands on our internal administrative infrastructure, our managerial, technical and operational capabilities as well as our financial, management and other internal risk control systems. We may not be successful in controlling our input costs, effectively managing our internal supply chain. If we are unable to complete our projects on time in line with our customer requirements with our ability to maintain high levels of customer satisfaction and quality standards. develop and maintain relationships with our suppliers, improve our operations and technology systems and maintain risk management standards, operate in markets or geographies where we have limited experience and preserve a uniform culture, values and work ethic in our operations.

As part of our growth strategy, we propose to continue to strengthen our core competencies in textile auxiliaries and chemical. Our growth strategies could place significant demand on our management and our administrative, technological, operational and financial infrastructure. Any failure to sustain our growth or an expansion in the scope and complexity of our operations as a result of any or a combination of the foregoing factors may have an adverse effect on our revenues and our operating margins may also decline, which may adversely affect our business, results of operations and financial condition.

**9. *We constantly face a credit risk which may in turn affect our complete buying cycle adversely.***

As a chemical textile company, our primary competence is the ability to process, finish and market our chemical textile products for various consumer segments, and hence exploit the benefits of variety, economies of scale and credit shortage in the textile trade. Our requirement of working capital is high mainly due to our ability to procure and store sufficient amounts of raw materials and finished goods, thus relieving our units with disruptions and work stoppages. Once the production process is complete, we are required to give sufficient credit period to our customers in order to maintain our customer relations and competitiveness. Our Debtors turnover period in the period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 were 212 days, 137 days, 206 days and 151 days respectively while our Creditors turnover period in the period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 were 200, 165, 20 and 93 days leading to a considerable working capital gap.

Our aforementioned buying cycle is heavily dependent on timely payments being received from our customers. If there is a default in payment from any of our customers or there is any unforeseeable delay in payment, our working capital cycle will be adversely affected. This may lead to our inability to maintain our inventories and thus lack the competitive advantage against various other manufacturers leading to an adverse effect on our business operations and profitability.

**1. We do not own the premises in which our registered office, manufacturing unit and godown are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.**

Our registered office is situated at 5003, 5th Floor, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India is a leased premise and our Company has entered into an agreement with Lessor for leasing the same premises for a period of 9 years w.e.f. 01.09.2019. For details, please refer to “Our Business Overview- Property” page no. 138 of this Draft Prospectus. Our business operations are also conducted from the said premises. As per the lease agreement, if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions, the lease may result in the termination of the lease agreement and consequently we have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations.

Further, our manufacturing unit and godown are situated at Surat as leased premises. For details, please refer to “Our Business Overview- Property” page no. 138 of this Draft Prospectus. Currently, the Registered Office of our Company, HSHS Nutraceuticals Limited, Vedant Nutraceuticals Limited and Vedant Chemical/ Nutrition is the same i.e., 5003, 5th Floor, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India for which the joint lease agreement has been executed. Our business operations are also conducted from the said premises. As per the lease agreements, if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions; it may result in the termination of the lease agreement and consequently we may have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations. In case, we may have to re-locate to another premise and/or agree to pay the extra amount for using the same premises. Increase in lease structure will lead to increase of our expenditure which in turn may affect our revenue and increase of operational cost. Also, searching for the suitable location, setting the branch from the scratch and relocating the inventory from location to another, may lead to loss of clients, reduction in sales thereby affecting our profitability.

**1. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies.**

Our Company has delayed in complying with certain statutory provisions under Companies Act 2013. Further, as mentioned in below table there were non-compliances and discrepancies in filing with RoC.

S. No.	Forms	Due Date of Forms	Delay in Filing	Reason for Delay	Compounding / Adjudication / Condonation of delay applicable or not
1	MGT-14	25/01/2021	30	Due to administrative lapses	-
2	MGT-14	02/06/2025	15	Due to administrative lapses	-
3	DIR-12	02/06/2025	19	Due to administrative lapses	-
4	ADT-1	13/01/2021	13	Due to administrative lapses	-
5	ADT-1	14/10/2024	45	Due to administrative lapses	-

S. No.	Forms	Due Date of Forms	Delay in Filing	Reason for Delay	Compounding / Adjudication / Condonation of delay applicable or not
6	AOC-4	29/10/2024	32	Due to administrative lapses	-
7	MGT-7	28/11/2024	2	Due to administrative lapses	-
8	MGT-14	28/10/2024	30	Due to administrative lapses	-
9	AOC-4	29/10/2023	33	Due to administrative lapses	-
10	MGT-7	28/11/2023	2	Due to administrative lapses	-
11	AOC-4	29/10/2022	32	Due to administrative lapses	-
12	MGT-7	28/11/2022	2	Due to administrative lapses	-
13	DPT-3	30/06/2023	553	Due to administrative lapses	-
14	PAS-6	30/05/2020	289	Due to administrative lapses	-
15	PAS-6	29/11/2020	106	Due to administrative lapses	-
16	MSME-1	30/04/2022	5	Due to administrative lapses	-
17	MR- 1	Not filed	Not filed	Due to administrative lapses	Adjudication*

\*The Company has addressed the filing default and regularised the position by filing Form GNL-1 on 24/11/2025.

As certified by Ranjit Binod Kejriwal, Practising company secretary pursuant to their certificate dated December 02, 2025.

Although, as on date of filing this Draft Prospectus, our Company has maintained appropriate system and has updated its corporate records such as minutes, statutory forms, registers and documents as required under Companies Act, 2013; while there has been no impact on our financial condition or any statutory or regulatory proceedings initiated in this regard as of the date of this Prospectus; there can be no assurance that any deficiencies in our internal controls and compliances will not arise, or that the regulator will not initiate proceeding against us or will not impose penalty on us or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any future deficiencies in our internal controls, in a timely manner or at all. Further, to improve our secretarial compliances we have appointed Shivani Parth Kothari as Company Secretary and Compliance Officer.

**12. There have been several instances of delay/ default in payment of statutory dues and filing of statutory returns by our Company in the past.**

There have been several instances of delay/ default in payment of statutory dues including TDS, EPF payments, TCS, Income Tax, ESIC and filing of GST returns by our Company in the past which were not material in nature and the same were regularised subsequently by payments and filing of return with interest and penalty. For the last three Fiscals there has been generally delay in depositing undisputed statutory dues such as TDS, EPF payments, TCS, Income Tax, ESIC and filing of GST returns due to several reasons as described below:

Tax Type	Financial Year	Month	Due Date	Payment Date	Delay Days	Reason
TDS	22-23	Apr-22	07/05/2022	16/05/2022	9	Due to administrative lapses
TDS	22-23	May-22	07/06/2022	09/07/2022	32	
TDS	22-23	Jun-22	07/07/2022	31/07/2022	24	
TDS	22-23	Jun-22	07/07/2022	31/07/2022	24	
TDS	22-23	Jul-22	07/08/2022	14/10/2022	68	
TDS	22-23	Aug-22	07/09/2022	14/10/2022	37	
TDS	22-23	Sep-22	07/10/2022	14/10/2022	7	
TDS	22-23	Sep-22	07/10/2022	15/10/2022	8	
TDS	22-23	Nov-22	07/12/2022	30/01/2023	54	
TDS	22-23	Dec-22	07/01/2023	30/01/2023	23	
TDS	22-23	Dec-22	07/01/2023	30/01/2023	23	
TDS	22-23	Mar-23	30/04/2023	10/07/2023	71	
TDS	22-23	Mar-23	30/04/2023	30/06/2023	61	
TDS	22-23	Mar-23	30/04/2023	30/06/2023	61	

Tax Type	Financial Year	Month	Due Date	Payment Date	Delay Days	Reason
TDS	22-23	Mar-23	30/04/2023	30/06/2023	61	
TDS	23-24	Apr-23	07/05/2023	03/04/2024	332	
TDS	23-24	May-23	07/06/2023	03/04/2024	301	
TDS	23-24	Jun-23	07/07/2023	03/04/2024	271	
TDS	23-24	Jul-23	07/08/2023	03/04/2024	240	
TDS	23-24	Jul-23	07/08/2023	03/04/2024	240	
TDS	23-24	Jul-23	07/08/2023	03/04/2024	240	
TDS	23-24	Aug-23	07/09/2023	03/04/2024	209	
TDS	23-24	Aug-23	07/09/2023	03/04/2024	209	
TDS	23-24	Aug-23	07/09/2023	03/04/2024	209	
TDS	23-24	Sep-23	07/10/2023	03/04/2024	179	
TDS	23-24	Sep-23	07/10/2023	03/04/2024	179	
TDS	23-24	Sep-23	07/10/2023	03/04/2024	179	
TDS	23-24	Oct-23	07/11/2023	03/04/2024	148	
TDS	23-24	Nov-23	07/12/2023	03/04/2024	118	
TDS	23-24	Dec-23	07/01/2024	03/04/2024	87	
TDS	23-24	Jan-24	07/02/2024	30/04/2024	83	
TDS	23-24	Feb-24	07/03/2024	30/04/2024	54	
TDS	24-25	Apr-24	07/05/2024	06/07/2024	60	
TDS	24-25	Apr-24	07/05/2024	06/07/2024	60	
TDS	24-25	Apr-24	07/05/2024	06/07/2024	60	
TDS	24-25	Apr-24	07/05/2024	06/07/2024	60	
TDS	24-25	May-24	07/06/2024	06/07/2024	29	
TDS	24-25	May-24	07/06/2024	06/07/2024	29	
TDS	24-25	May-24	07/06/2024	06/07/2024	29	
TDS	24-25	Jul-24	07/08/2024	07/09/2024	31	
TDS	24-25	Aug-24	07/09/2024	20/09/2024	13	
TDS	24-25	Sep-24	07/10/2024	30/10/2024	23	
TDS	24-25	Dec-24	07/01/2025	31/01/2025	24	
TDS	24-25	Dec-24	07/01/2025	31/01/2025	24	
TDS	24-25	Dec-24	07/01/2025	31/01/2025	24	
TDS	24-25	Jan-25	07/02/2025	16/04/2025	68	
TDS	24-25	Jan-25	07/02/2025	16/04/2025	68	
TDS	24-25	Jan-25	07/02/2025	16/04/2025	68	
TDS	24-25	Feb-25	07/03/2025	16/04/2025	40	
TDS	24-25	Feb-25	07/03/2025	16/04/2025	40	
TDS	24-25	Feb-25	07/03/2025	16/04/2025	40	
TDS	24-25	Mar-25	30/04/2025	06/09/2025	129	
TDS	24-25	Mar-25	30/04/2025	06/09/2025	129	
TDS	24-25	Mar-25	30/04/2025	06/09/2025	129	
TDS	25-26	Apr-25	07/05/2025	07/07/2025	61	
TDS	25-26	Apr-25	07/05/2025	07/07/2025	61	
TDS	25-26	Apr-25	07/05/2025	07/07/2025	61	

Tax Type	Financial Year	Month	Due Date	Payment Date	Delay Days	Reason
TDS	25-26	May-25	07/06/2025	07/07/2025	30	
TDS	25-26	May-25	07/06/2025	07/07/2025	30	
TDS	25-26	May-25	07/06/2025	07/07/2025	30	
TDS	22-23	Apr-22	07/05/2022	16/05/2022	9	
TDS	22-23	May-22	07/06/2022	09/07/2022	32	
TDS	22-23	Jun-22	07/07/2022	31/07/2022	24	
TDS	22-23	Jul-22	07/08/2022	15/10/2022	69	
TDS	22-23	Aug-22	07/09/2022	15/10/2022	38	
TDS	22-23	Sep-22	07/10/2022	15/10/2022	8	
TDS	22-23	Oct-22	07/11/2022	30/01/2023	84	
TDS	22-23	Nov-22	07/12/2022	30/01/2023	54	
TDS	22-23	Dec-22	07/01/2023	30/01/2023	23	
TDS	22-23	Jan-23	07/02/2023	30/06/2023	143	
TDS	22-23	Feb-23	07/03/2023	30/06/2023	115	
TDS	22-23	Mar-23	30/04/2023	30/06/2023	61	
TDS	23-24	Apr-23	07/05/2023	03/04/2024	332	
TDS	23-24	May-23	07/06/2023	03/04/2024	301	
TDS	23-24	Jun-23	07/07/2023	03/04/2024	271	
TDS	23-24	Jul-23	07/08/2023	03/04/2024	240	
TDS	23-24	Aug-23	07/09/2023	03/04/2024	209	
TDS	23-24	Sep-23	07/10/2023	03/04/2024	179	
TDS	23-24	Oct-23	07/11/2023	03/04/2024	148	
TDS	23-24	Nov-23	07/12/2023	03/04/2024	118	
TDS	23-24	Dec-23	07/01/2024	03/04/2024	87	
TDS	23-24	Jan-24	07/02/2024	30/04/2024	83	
TDS	23-24	Feb-24	07/03/2024	30/04/2024	54	
TDS	24-25	Apr-24	07/05/2024	06/07/2024	60	
TDS	24-25	May-24	07/06/2024	06/07/2024	29	
TDS	24-25	Jul-24	07/08/2024	30/10/2024	84	
TDS	24-25	Aug-24	07/09/2024	30/10/2024	53	
TDS	24-25	Sep-24	07/10/2024	30/10/2024	23	

Nature of Fund:	Period	Sum received from employees	Due Date of Payment	The actual amount Paid	The actual date of payment to the concerned authorities	Reason for delay
Provident Fund	Apr-25	12600	15/05/2025	12600	19/06/2025	Due to administrative lapses
Provident Fund	May-25	12600	15/06/2025	12600	19/06/2025	

Nature of Fund:	Period	Sum received from employees	Due Date of Payment	The actual amount Paid	The actual date of payment to the concerned authorities	Reason for delay
Provident Fund	Jun-24	12600	15/07/2024	12600	18/07/2024	

Nature of Fund:	Period	Sum received from employees	Due Date of Payment	The actual amount Paid	The actual date of payment to the concerned authorities	Reason for delay
Provident Fund	Aug-24	12600	15/09/2024	12600	19/12/2024	Due to administrative lapses
Provident Fund	Sep-24	12600	15/10/2024	12600	19/12/2024	
Provident Fund	Oct-24	12600	15/11/2024	12600	19/12/2024	
Provident Fund	Nov-24	12600	15/12/2024	12600	19/12/2024	
Provident Fund	Dec-24	12600	15/01/2025	12600	15/03/2025	
Provident Fund	Jan-25	12600	15/02/2025	12600	15/03/2025	
Provident Fund	Mar-25	12600	15/04/2025	12600	16/04/2025	

Nature of Fund:	Period	Sum received from employees	Due Date of Payment	The actual amount Paid	The actual date of payment to the concerned authorities	Reason for delay
Provident Fund	Apr-23	10800	15/05/2023	10800	27/05/2023	Due to administrative lapses
Provident Fund	May-23	10800	15/06/2023	10800	28/06/2023	
Provident Fund	Jun-23	10800	15/07/2023	10800	03/08/2023	
Provident Fund	Jul-23	10800	15/08/2023	10800	18/08/2023	
Provident Fund	Oct-23	12600	15/11/2023	12600	27/11/2023	
Provident Fund	Nov-23	12600	15/12/2023	12600	16/01/2024	
Provident Fund	Dec-23	12600	15/01/2024	12600	16/01/2024	
Provident Fund	Feb-24	12600	15/03/2024	12600	21/03/2024	

Nature of Fund:	Period	Sum received from employees	Due Date of Payment	The actual amount Paid	The actual date of payment to the concerned authorities	Reason for delay
Provident Fund	May-22	12600	15/06/2022	12600	16/06/2022	Due to administrative lapses
Provident Fund	Oct-22	10800	15/11/2022	10800	17/11/2022	
Provident Fund	Nov-22	10800	15/12/2022	10800	19/12/2022	
Provident Fund	Mar-23	10800	15/04/2023	10800	24/04/2023	

Tax Type	Section Code	Financial Year	Month	Due Date	Payment Date	Delay Days	Reason
TCS	R	24-25	Mar-25	30/04/2025	06/09/2025	129	Due to administrative lapses

GSTIN	Period (Month)	Financial Year	GSTR-1 Due Date	Filing Date	Delay Days	Reason
24AAHCV2144C1ZR	Dec-24	24-25	11/01/2025	11/02/2025	31.00	Due to administrative lapses

GSTIN	Period (Month)	Financial Year	GSTR-3B Due Date	Filing Date	Delay Days	Reason
24AAHCV2144C1ZR	01/11/2022	22-23	20/12/2022	22/12/2022	2.00	Due to administrative lapses
24AAHCV2144C1ZR	01/03/2023	22-23	20/04/2023	27/04/2023	7.00	
24AAHCV2144C1ZR	01/10/2023	23-24	20/11/2023	21/11/2023	1.00	
24AAHCV2144C1ZR	01/02/2024	23-24	20/03/2024	21/03/2024	1.00	
24AAHCV2144C1ZR	01/11/2024	24-25	20/12/2024	11/02/2025	53.00	
24AAHCV2144C1ZR	01/12/2024	24-25	20/01/2025	11/02/2025	22.00	
24AAHCV2144C1ZR	01/01/2025	24-25	20/02/2025	11/03/2025	19.00	
24AAHCV2144C1ZR	01/03/2025	24-25	20/04/2025	09/05/2025	19.00	

We cannot assure you that there will be no default or delay in future in payment of such statutory dues. Further, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by respective statutory authorities on account of such delay in payments or filing of returns, which may adversely affect our business, financial condition, and reputation.

**13. Our net cash flows from operating, activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.**

We have, in the past, experienced negative net cash flows in operating activities for FY 2023, 2024 and September 30, 2025 and negative cash flows in investing activities for FY 2025, 2024 and FY 2023. Such negative cash flows from operating activities for FY 2023, 2024 and September 30, 2025 were mainly attributable to change in working capital consist of increase in inventory and other current assets. Negative cash flows in investing activities for FY 2023, 2024 and 2025 were mainly attributable to purchase of fixed assets and investment in deposit.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

Particulars	(Rs. In Lakhs)			
	For the period ended September 30, 2025	For the period ended March 2025	For the period ended March 2024	For the period ended March 2023
Net cash flow from Operating activities	(119.68)	44.88	(76.48)	(30.04)
Net cash from investing activities	0.01	(28.92)	(0.40)	(4.29)
Net cash from financing activities	172.59	169.71	126.83	25.58

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow in future, it may adversely affect our business and financial operations.

**14. We have working capital requirements. If we experience insufficient cash flows to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. Our Company's working capital requirements (i.e., sum of trade receivables, short term loans and advances, current assets and inventory, as reduced by trade payables, other current liabilities and short term provisions) as on September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 was ₹ 1320.02 Lakhs, ₹ 1167.79 Lakhs, ₹ 645.43 Lakhs and ₹ 327.30 Lakhs, respectively. As on September 30, 2025, our Company had sanctioned working capital facilities aggregating to ₹ 490.00 Lakhs and outstanding working capital facilities aggregating to ₹ 316.11 Lakhs (on standalone basis). Our net working capital days for the period ended on September 30, 2025 and for Fiscals 2025, Fiscal 2024 and Fiscal 2023 were 248

days, 276 days, 235 days and 154 days, respectively. We may have a higher inventory level at our facilities due to various factors such as, delay in deliveries to the customers, natural disasters, pandemic, government imposed restrictions, etc.

All of these factors may result, in increase in the amount of receivables, inventory and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. While there have been no instances of inaccurate budgeting of working capital requirements Fiscals 2025, 2024 and 2023, there may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

For further details of working capital requirements, please refer to the chapter titled "*Objects of the Issue*" on page 82 of this Draft Prospectus.

***15. We are yet to place orders for the equipment proposed to be funded through this Issue. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, it may result in time and cost over-runs and our business, results of operations, financial condition and cash flows may be adversely affected.***

We are yet to place orders for the equipments which we propose to fund from the Net Proceeds, for an amount of upto ₹ 184.43 lakhs. We have not entered into any definitive agreements to utilize the Net Proceeds for these objects of the Fresh Issue and have relied on the quotations received from third parties for estimation of the cost. The completion of such projects is dependent on the performance of external agencies, which are responsible for inter alia procurement and installation of machinery and equipment. If the performance of these agencies is inadequate, it may result in incremental cost and time overruns which could adversely affect our business and results of operations. We may also be unable to identify suitable replacement external agencies in a timely manner. In addition, the actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, engineering design changes and technological change.

The quotations received by us for such plant and machinery as on the date of this Draft Prospectus are valid for a certain period of time and may be subject to revisions and other commercial and technical factors. Additionally, in the event of any delay in placement of orders, the proposed schedule, implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that the actual costs incurred will not exceed the quotation amounts. Our inability to procure such machinery and equipment at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, results of operations, financial condition and cash flows

***16. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, financial condition, results of operations and cash flows.***

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and trade inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory, we may be required to dispose off our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of our products and local transportation. Should our supply of our products be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. The following table sets forth details on our inventory levels, as per our Restated Financial Information, as of and for the years indicated.


Particulars	As on September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Inventory (₹ in Lakhs)	1,413.59	1,248.53	260.15	59.15
Inventory holding days	296	235	118	36

In the past we have not experienced any instances of disruptions to the delivery of product to our customer occurred for reasons such as poor handling, transportation bottlenecks which could have led to delayed or lost deliveries or damaged products and disrupt supply of these products, but there is not guarantee that these instances will not happen in future to improve our line capability, we try to stock our inventory. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

***17. Any IT system failures or lapses on part of any of our employees may lead to operational interruption, liabilities or reputational harm.***

The success of our businesses depends in part upon our ability to effectively deploy, implement and use information technology systems and advanced technology initiatives in a cost effective and timely basis. Our computer networks may be vulnerable to unauthorised access, computer hacking, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by our employees, subcontractors or third-party vendors. While we have not faced any such failure in the past 3 fiscal. Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business.

***18. We may not be able to prevent unauthorised use of trademarks obtained/ applied for by third parties, which may lead to the dilution of our goodwill.***

We have obtained trademark registrations of our brands, including “”, under class 1 under the Trade Marks Act, 1999 (“Trade Marks Act”), any unauthorized use of our trademarks, by unrelated third parties may damage our reputation and brand. Preventing trademark infringement, particularly in India, is difficult, costly and time-consuming. The measures we take to protect our trademarks may not be adequate to prevent unauthorized use by third parties, which may affect our brand and in turn adversely affect our business, financial condition, results of operations and prospects.

Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed.

We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details please refer to chapter titled “Government and Other Approvals” beginning on page 248 of this Draft Prospectus.

***19. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***

As on October 31, 2025, our total outstanding indebtedness was ₹ 935.11 Lakhs which includes secured and unsecured borrowings. For details on our borrowings, please refer to chapter titles “Financial Indebtedness” beginning from page no. 173 of this Draft Prospectus. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things, but not limited to effecting any change in the management/Board of the Company, declaration of dividend, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. We have applied to our lenders for No Objection Certificate (NOC) for our proposed Initial Public Issue, for which their NOC is received.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

***20. Our business is dependent on our operating facility in Gujarat. The loss or shutdown of our facilities could have a material adverse effect on our business, financial condition and results of operations.***

Our facility at Gujarat are subject to operating risks, such as shutdowns due to the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, adequate utilisation rates, obsolescence of equipment, labour disputes, strikes, lockouts, industrial accidents, disruption by extremist groups, or any other reason, and the need to comply with the directives and regulations of the Government of India (“GoI”) and relevant state government authorities. We are heavily reliant on floor workers at our unit, including those workers who are hired on a daily wage / per piece basis and are not on a fixed payroll. Our inability to continue to procure such services or any disputes with this group of labour would severely affect our operations and may cause an under-utilisation of our capacities or a total shut down.

Our operations involve a significant degree of integration, and our results of operations are dependent on the successful operation of each facility. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition, results of operations and prospects may be adversely affected by any disruption of operations at our facilities.

***21. Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event, we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results

of operations may be adversely affected. As of September 30, 2025, our insured assets were ₹ 672.10 Lakhs and our insurance cover as a percentage of the total Insurable Assets of our Company was 60.18%. For more details, please refer to the chapter titled “Our Business” on page 126 of this Draft Prospectus.

**22. Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.**

Our business requires us to obtain and renew from time-to-time certain approvals, licenses, registrations and permits. For further details, see “Government and Other Statutory Approvals” on page 248. The approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities may contain conditions, some of which could be onerous. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations. The Company has applied under the Professional Tax Enrolment Certificate (PTEC) under the Gujarat State Tax on Professions, Trades, Calling and Employments Act, 1976 for its Godowns units i.e., (i) Plot No. 10, 11, 12, Ground Floor, Satarawadi, Nr Sosyo Circle, Udhna, Surat; (ii) Plot No. 134, Ground Floor, Rupal Industrial Society-1, Nr Komal Enterprise Circle, Udhna, Surat; (iii) 205, Bhidbhanjan Society, Nr BSNL Tower, Piyush Point, Pandesara, Surat and (iv) 170/B, Bhidbhanjan Society, Nr BSNL Tower, Piyush Point, Pandesara, Surat and also the Company has applied Shops and Establishment certificate under Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 for 170/B, Bhidbhanjan Society, Nr BSNL Tower, Piyush Point, Pandesara, Surat. Additionally, one trademark application have been filed by the Company. However, there is no assurance that the registrations will be granted on time, which may potentially lead to legal disputes.

Further, Our Material Subsidiary Company i.e., HSHS Nutraceuticals Limited is yet to file an application for Registration under Professional Tax Enrollment Certificate (PTEC) under the Gujarat State Tax on Professions, Trades, Calling and Employments Act, 1976 for its Godown unit i.e., Plot No. 13, Ground Floor, Satarawadi, Nr Sosyo Circle, Udhna, Surat. Failure by us to receive the permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us 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. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For further details, see “Government and Other Statutory Approvals” on page 248 of this Draft Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected. We may be involved in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

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

The services industry in India is subject to a dynamic and evolving regulatory framework. The Government of India or state governments may introduce new laws, amend existing regulations or issue fresh policy guidelines that impact the services sector or the specific industries in which we operate. Such changes could impose additional licensing or registration requirements, new tax or labour compliances, or restrictions on certain business practices.

Any increase in compliance obligations could raise our operating costs, divert management attention and adversely impact our profitability. Moreover, uncertainty regarding the interpretation or enforcement of new or amended laws may create operational disruptions and regulatory risks. If we are unable to adapt to such changes in a timely and cost-effective manner, our business, financial condition and results of operations could be materially and adversely affected.

**24. Unsecured loans taken by our Company can be recalled by the lenders at any time.**

Our Company has currently availed unsecured loans from certain lenders and Promoter. As on October 31, 2025, we had outstanding unsecured loan of ₹ 362.58 Lakhs. These loans may be recalled by the lenders at any time. In the event that, any lender seeks a repayment of any such loan, our Company would need to find alternative sources

of financing, which may not be available on commercially reasonable terms, or at all and this may affect our Company's liquidity. If we are unable to procure such financing, we may not have adequate working capital to maintain the desired inventory level. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, see "Financial Indebtedness" on page 173 of this Draft Prospectus.

***25. Lapses in precision, accuracy or quality control in our products may lead to customer dissatisfaction, product rejections, reputational damage, or financial losses.***

Our product offerings are often tailored to meet specific customer requirements relating to chemical use for dyeing and printing. As our products are used for dyeing or printing on the textile with technical specifications are critical and even a minor deviation in quality may result in product rejection or loss of customer confidence. Further, inaccuracies in formulation of chemical could result in compliance breaches for our customers. Thus, maintaining a high degree of precision in product design and execution is essential. While we have not faced any instances of rejections of existing orders or liability claims on account of product defects or failure for period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, there can be no assurance that we will not be subject to such product liability claims or loss of business in the future.

***26. We face competition in our business from organized and unorganized players, which may adversely affect our business operations and financial condition.***

The market in which our Company is doing business is highly and increasingly competitive and unorganised, and our results of operations and financial condition are sensitive to, and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. The chemical segment which we cater to is fragmented and continues to be dominated by unorganised suppliers. We compete primarily on the basis of quality, customer satisfaction and marketing. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and Issue customer a wide variety of fabrics at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

***27. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategies could have an adverse effect on our business, results of operations and financial condition. The success of our business will depend greatly on our ability to effectively implement our business and growth strategies.***

Our growth strategies require us to develop and strengthen relationships with existing customers for our business who may drive high volume orders on an ongoing basis. To remain competitive, we seek to increase our business from existing customers and by adding new customers, as well as expanding into new geographical markets.

Our success in implementing our growth strategies may be affected by:

- our ability to maintain the quality of our services;
- our ability to increase our geographic presence;
- the general condition of the global economy (particularly of India and the other markets that we currently or may operate in);
- our ability to compete effectively with existing and future competitors,
- changes in the Indian or international regulatory environment applicable to us.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. While we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within our estimated budget, or that our expansion and development plans will increase our profitability.

Any of these factors could adversely impact our results of operations. We expect our growth strategies to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategies could have a material adverse effect on our business, financial condition and profitability.

**28. *If we are subject to any fraud, theft, or embezzlement by our employees, it could adversely affect our reputation, results of operations and financial condition. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Our business and the industry we operate in is subject to incidents of vendor/ dealer/ employee fraud, theft, or embezzlement. While there no such instances where our employees have engaged in pilferage of our products, however, none of these instances have been material or had any financial impact on our operations. Although we have set up various security measures such as deployment of supervisor and operational processes such as periodic stock taking and have obtained relevant insurance in relation to the same, and are also entitled to recover shortages from our employees, 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.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**29. *We intend to utilise a portion of the Net Proceeds towards part financing the cost of establishing a new manufacturing unit to manufacture chemical, and we cannot assure you that we will be able to derive the benefits from the proposed object.***

Our Company proposes to utilise ₹ 184.43 Lakhs from the Net Proceeds towards setting up a new project to manufacture chemical, which is currently estimated to commence commercial production by July 2026. The proposed investment will include construction of facility and reactors. The deployment of the Net Proceeds is based on management estimates, which are subject to change depending on external conditions, costs, financial position, business strategy and the passage of time. We cannot assure that we will derive the intended benefits or synergies from the proposed project, and our management will have broad discretion in applying the Net Proceeds. Subject to applicable laws, funding requirements may be revised, including increases or decreases in expenditure for the expansion programme. Our capital expenditure plans are subject to potential uncertainties such as cost overruns and delays. Risks include increased equipment or machinery costs, inadequate performance of installed equipment, delays in construction and approvals, design or construction defects, unforeseen regulatory restrictions, labour shortages, new taxes or duties, financing costs, and environmental or ecological requirements, many of which are beyond our control. There can be no assurance that the expansion will be completed as planned or on schedule. Any delay or cost overrun could result in budgeted costs being insufficient and prevent us from achieving intended economic benefits, which may adversely affect our financial condition, results of operations, cash flows and prospects.

We have not yet entered into definitive agreements with vendors for utilities, equipment, machinery, construction and other expenses. Accordingly, there can be no assurance that the same vendors will be engaged or that the equipment and machinery will be available at the quoted costs. Costs may escalate due to factors beyond our control, and delays in placement of orders could extend the implementation schedule and deployment of Net Proceeds. Quotations are also subject to changes in design, configuration, business environment and interest or exchange rate fluctuations.

Further delays in setting up the proposed manufacturing unit may arise from contractors failing to perform, unforeseen engineering problems, labour disputes, force majeure events or other external factors, leading to cost overruns and delays. As on date, we have not made alternate arrangements to meet capital requirements for the Objects of the Offer. We currently meet capital requirements through bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in these sources or inability to raise debt may prevent us from meeting our capital requirements, adversely impacting our financial condition and operations. Since no alternate source of funding has been identified, any failure or delay in raising money from this Offer, or any shortfall in Net Proceeds, may delay the implementation schedule and affect our growth plans. We cannot assure that the proposed capital expenditure will be undertaken within the estimated costs or without escalation. For further information, see “Objects of the Offer – Setting up a new manufacturing facility at Surat in Gujarat” on page.

**30. *The determination of the Issue Price is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The determination of the Issue Price is based on various factors and assumptions, and will be determined by us in consultation with the Lead Manager. These will be based on numerous factors, including factors as described under “Basis for Issue Price” beginning on page 82 and may not be indicative of the market price for the Equity Shares after the Issue.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public Issue managed by the Lead Manager is below their respective issue price. For further details, see “Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Lead Manager” on page 268. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results 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.

**31. *Information relating to installed capacity, effective installed capacity, actual production and capacity utilization of our Manufacturing Facilities included in this Draft Prospectus is based on various assumptions and estimates by the chartered engineer verifying such information and future production and capacity utilization may vary.***

Information relating to our installed capacity, effective installed capacity, actual production and capacity utilization of our Manufacturing Facilities is based on various assumptions and estimates by Bhavin R Patel, as set out in their certificate dated December 01, 2025, including but not limited to those relating to the number of working days in a week, working days in the financial year and the number of shifts per working day. Such assumptions and estimates may not continue to be true and future production and capacity utilization may vary. Calculation of the installed capacities and historical production and capacity utilization of our Manufacturing Facilities by the independent chartered engineer may not have been undertaken on the basis of any standard methodology and may not be comparable to that employed by competitors.

**32. *We have in the past entered into related party transactions and may continue to do so in the future.***

Our Company have entered into certain related party transactions with our Promoters, members of the promoter group, Directors and our Group Companies in the past which are in compliance with applicable provisions of Companies Act, 2013 and all other applicable laws. For details, please see “Note: 29 -Restated Statement of Related Party Disclosures” under the chapter titled “Restated Financial Statements” beginning on page 172 of this Draft Prospectus. While our Company believes that all such transactions have been conducted on the arm’s length basis and in compliance of the Companies Act, 2013, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with unrelated parties. As on September 30, 2025 we had 2.64% of revenue from operations from Related and party and 26% of purchases from related wherein the Company had commercial arrangement with the related party and it is on arm’s length basis. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI LODR Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain party transactions and our undertakes that such related party transactions shall not be done against the interests of the Company and its shareholders as prescribed in the SEBI LODR Regulations. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

**33. *Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.***

We intend to use the Net Proceeds for the purposes described in ‘Objects of the Issue’ on page 82 of this Draft Prospectus. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, inability to identify suitable location for our stores at favourable terms and other financial and operational factors. Accordingly, prospective investors in the Issue will need to rely upon our management judgement with respect to the use of proceeds. If we are unable to deploy the proceeds of the Issue in a timely or an efficient manner, it may affect our business and results of operations.

***34. There may be potential conflicts of interest if our Promoters or Directors get involved in any business activities that compete with or are in the same line of activity as our business operations.***

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in his present position, we may not be able to replace them easily or at all. One of the promoter groups entities, Vedant Chemical is in the same line of business as our Company. However, pursuant to a commercial agreement, they are restricted from conducting business with certain customers.

Our Promoters, have over the years-built relations with various customers and other persons who are form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

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

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

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

There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not Issue better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see “Our Management” on page 153 of this Draft Prospectus.

***36. In addition to normal remuneration or benefits and reimbursement of expenses, some of our directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Our Directors, Key Managerial Personnel (“KMP”) and Senior Managerial Personnel (“SMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 67 and 153, respectively, of this Draft Prospectus.

***37. None of our Directors possess experience of being on the board of any listed company.***

None of our Directors possess experience of being on the board of any listed company and accordingly, may not be adequately well-versed with the activities or industry practices undertaken by the listed company. We cannot assure you that this lack of adequate experience will not have any adverse impact on the management and operations of our Company. Further, our Company will also be subject to compliance requirements under the SEBI Listing Regulations and other applicable law post listing of the Equity Share on the Stock Exchanges. Our Board is capable of efficiently managing such compliance requirements including by engaging professionals having expertise in managing such compliances.

***38. We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet.***

We have not commissioned an industry report, for the disclosures which need to be made in the chapter titled “Industry Overview” of this Draft Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Further, the industry data mentioned in this Draft Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Prospectus in this context.

***39. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’.***

Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance. As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page no. 82 of this Draft Prospectus.

***40. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.***

As per SEBI (ICDR) Regulations, 2018, as amended from time to time, appointment of monitoring agency is required only for Issue size above Rs. 5,000 Lakhs. Since this Issue Size is less than Rs.5,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds.

Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

***41. The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures have been lifted. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our stores. Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this period of lockdown and relaxation, our stores were partially operational. If we do not respond appropriately to the pandemic, or if customers did not perceive

our response to be adequate, we could suffer damage to our reputation and our brand, which could adversely affect our business in the future.

We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. For example, this pandemic could necessitate further lockdowns, resulting in significant additional effects on our revenue, financial condition and results of operations. There are numerous uncertainties associated with the COVID-19 outbreak, including the number of individuals who will become infected, availability of a vaccine or a cure that mitigates the effect of the virus, the extent of the protective and preventative measures imposed by governments and whether the virus' impact will be seasonal, among others. Consequently, there may be adverse effects of this pandemic on our short-term business operations and our financial results may be impacted.

***42. Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.***

Our Company intends to deploy and utilize Net Proceeds raised pursuant to the Initial Public Issue in the manner set out in the section titled "Objects of the Issue" on page no. 82 in the Draft Prospectus. In accordance with SEBI LODR Regulations and other applicable provisions, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations and it may also lead to delay in deployment of funds as per the schedule of implementation as disclosed in objects section titled "Objects of the Issue" on page no. 82 in the Draft Prospectus. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

***43. The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

## **EXTERNAL RISK FACTORS**

***44. Changes in Government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

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

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and

policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

***46. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Prospectus.***

While facts and other statistics in the Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “Industry Overview” beginning on page 113 of this Draft Prospectus. Due to possibly flawed or ineffective data 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 elsewhere 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 the case may be, elsewhere.

***47. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

***48. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfer of shares between non- residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by 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 fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

***49. The extent and reliability of Indian infrastructure could adversely affect our Company’s results of operations and financial condition.***

India’s physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company normal business activity. Any deterioration of India physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company’s business operations, which could have an adverse effect on its results of operations and financial condition.

***50. Any downgrading of India’s sovereign rating by an independent agency may harm our ability to raise financing.***

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

***51. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

***52. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**RISKS RELATED TO OUR EQUITY SHARES AND EQUITY SHARE HOLDERS**

***53. Our Promoters, together with our Promoter Group, will continue to retain majority shareholding in our Company after the proposed Initial Public Issue, which will allow them to exercise significant control over us. We cannot assure you that our Promoters and Promoter Group members will always act in the best interests of the Company.***

After the completion of our Initial Public Issue, our Promoters, along with our Promoter Group members, will hold, approximately 64.63 % of our post issue paid up equity capital of our Company. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholder. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. We cannot assure you that our Promoters and Promoter Group members will always act in our Company's or your best interests. For further details, please refer to the chapters titled "Capital Structure" and "Our Promoter and Promoter Group", beginning on page no. 67 and 165 respectively, of this Draft Prospectus.

***54. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 171 of this Draft Prospectus.

***55. Any future issuance of Equity Shares may dilute your shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through issuances of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

***56. Investors may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.***

Investors may be subject to Indian taxes arising out of capital gains on sale of Equity Shares. Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realized on the sale of our Equity Shares on a stock exchange held for more than 12 months is subject to long term capital gains tax in India. A securities transaction tax ("STT") will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realized on the sale of our Equity Shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long-term capital gains tax in India. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less that are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to short-term capital gains tax at a higher rate compared to the transaction where STT has been paid in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. As a result, subject to any relief available under an applicable tax treaty or under the laws of their own jurisdictions, residents of other countries may be liable for tax in India, as well as in their own jurisdictions on gains arising from a sale of our Equity Shares. Further, the Government of India announced the union budget for Fiscal 2026, following which the Finance Bill, 2025 ("Finance Bill") was introduced in the Lok Sabha on February 1, 2025.

Investors are advised to consult their own tax advisers and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. 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. 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. Additionally, the Union Cabinet, Government of India has recently approved the Income Tax Bill, 2025, which inter alia, proposes to amend the income tax regime and replace the Income Tax Act, 1961. There is no certainty on the impact of the Income Tax Bill, 2025, once enacted, on tax laws or other regulations, which may adversely affect our business, financial condition, results of operations or on the industry in which we operate. Pursuant to amendments notified by the Finance Act (No.2) Act, 2024 ("Finance Act 2024 II"), long-term capital gains exceeding the exempted limit of ₹125,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.5% (plus applicable surcharge and cess), without benefit of indexation. 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 at the rate of 20% (plus applicable surcharges and cess) for transfers taking place after July 23, 2024. An STT will be levied both at the time of transfer and acquisition of equity shares (unless exempted) and such STT is collected by an Indian stock exchange on which our Equity Shares are sold. The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and 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.

The Finance Act, 2020, has, inter alia, amended the tax regime, including a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, and that such dividends are likely to be subject to tax deduction at source. Further, pursuant to the Finance Act 2024 II, any payment received by the shareholders from the Company pursuant to buyback of shares undertaken after October 1, 2024 on account of buy back of shares shall be taxable as dividend and no deduction from such dividend income shall be allowed. The investors are advised to consult their own tax advisors to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

***57. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. 1,14,000 is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially Issued will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers, please refer to the section titled "General Information – Details of the Market Making Arrangement for this Issue" on page no. 64 of this Draft Prospectus.

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

There has been no public market for our Equity Shares prior to the Issue. The price may not necessarily be indicative of the market price of our Equity Shares after the Issue is completed. You may not be able to re-sell your Equity Shares at or above the Issue price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on Emerge Platform of NSE after the Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Issue, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

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

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

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

## **SECTION IV – INTRODUCTION**

### **SUMMARY OF FINANCIAL INFORMATION**

*The following tables set forth the summary financial information derived from the Restated Consolidated Summary Financial Information for the period ended on September 30, 2025 and as of the end of and for the Fiscal ended March 31, 2025, March 31, 2024 and March 31, 2023.*

*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 227 respectively.*

*[The remainder of this page has intentionally been left blank]*

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

(All amounts in ₹ lakhs unless otherwise stated)

Restated Consolidated Statement of Assets and Liabilities

Annexure I

Particulars	Note No.	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
		Consolidated	Consolidated	Standalone	Standalone
<b>Equity and liabilities</b>					
<b>Shareholders' funds</b>					
Equity share capital	3	606.39	536.78	5.00	5.00
Reserves and surplus	4	595.06	150.21	97.70	63.24
Minority Interest		52.40	37.87	-	-
<b>Non-current liabilities</b>					
Long-term borrowings	5	141.83	223.06	319.81	124.25
<b>Current liabilities</b>					
Short-term borrowings	6	651.45	902.29	289.62	152.54
Trade payables					
Total outstanding dues of micro enterprises and small enterprises	7	1,361.68	874.64	48.23	73.20
Total outstanding dues of creditors other than micro enterprises and small enterprises		591.81	832.91	7.00	83.24
Other current liabilities	8	22.18	233.19	10.28	3.43
Short-term provisions	9	208.64	136.74	15.31	7.43
<b>Total</b>		<b>4,231.44</b>	<b>3,927.69</b>	<b>792.95</b>	<b>512.33</b>
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment and intangible assets	10				
Property, plant & equipment		2.15	2.76	2.26	3.49
Intangible assets		1.15	1.22	-	-
Other non-current assets	11	26.64	25.79	0.10	0.10
Deferred tax assets	12	0.60	0.52	0.34	0.10
<b>Current assets</b>					
Inventories	13	1,413.59	1,248.53	260.15	59.15
Trade receivables	14	1,664.76	2,040.18	380.59	432.50
Cash and cash equivalents	15	302.59	249.67	64.00	14.05
Short-term loans and advances	16	54.56	47.70	-	-
Other current assets	17	765.40	311.32	85.51	2.94
<b>Total</b>		<b>4,231.44</b>	<b>3,927.69</b>	<b>792.95</b>	<b>512.33</b>

The above statement should be read with significant accounting policies and notes to financial information appearing in annexure IV &amp; V respectively.

**As per our report of even date attached****For ACG & Co.**

Chartered Accountants

Firm Reg. No.: 0028477N

**For & on behalf of Board of Directors****VAHH Chemicals Limited****Anuj Arora**

(Partner)-SD

Membership No.: 418737

**Hiren Desai**

(Director)-SD

DIN: 08622752

**Aayush Desai**

(Director)-SD

DIN: 0863117

**Sahil Bhaveshkumar Modi**

(CFO)-SD

PAN: EKXPM8967H

**Shivani Parth Kothari**

(Company Secretary)-SD

CS ID: ACS-46602

UDIN: 25418737BMLJFU8409

Place: Surat

Date: 03/12/2025

**VAHH CHEMICALS LIMITED**  
CIN : U24110GJ2019PLC111346  
(All amounts in ₹ lakhs unless otherwise stated)  
Restated Consolidated Statement of Profit and Loss Accounts  
Annexure II

Particulars	Note No.	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
		Consolidated	Consolidated	Standalone	Standalone
<b>Revenue</b>					
Revenue from operations	18	1,652.47	2,374.71	1,015.53	745.74
Other income	19	0.86	0.03	0.04	0.10
<b>Total income</b>		<b>1,653.33</b>	<b>2,374.74</b>	<b>1,015.57</b>	<b>745.84</b>
<b>Expenses</b>					
Cost of material consumed	20	1,461.55	2,259.18	880.15	607.78
Changes in inventories of traded goods	21	(311.15)	(580.08)	(77.09)	-
Employee benefits expenses	22	85.18	103.81	47.46	49.06
Finance costs	23	65.67	100.12	68.73	17.53
Depreciation and amortization expense	24	0.68	1.54	1.67	1.11
Other expenses	25	72.76	121.95	45.33	46.36
<b>Total expenses</b>		<b>1,374.69</b>	<b>2,006.52</b>	<b>966.25</b>	<b>721.84</b>
<b>Profit /(loss) before tax</b>		<b>278.64</b>	<b>368.22</b>	<b>49.32</b>	<b>24.00</b>
<b>Tax expense</b>					
Current tax		70.96	110.18	15.10	7.19
Deferred tax (credit)/ charge		(0.08)	(0.18)	(0.24)	(0.13)
<b>Total tax expenses</b>		<b>70.88</b>	<b>110.00</b>	<b>14.86</b>	<b>7.06</b>
<b>Profit/(loss) for the year/ period</b>		<b>207.76</b>	<b>258.22</b>	<b>34.46</b>	<b>16.94</b>
<b>Profit attributable to Owner of the parent</b>		193.23	264.62	34.46	16.94
<b>Profit/ (loss) attributable to minority shareholders</b>		14.53	(6.40)	-	-
		<b>207.76</b>	<b>258.22</b>	<b>34.46</b>	<b>16.94</b>
<b>Earning per equity share (face value of Rs. 10 each/-)</b>	26				
(a) Basic		3.25	4.99	0.65	0.32
(b) Diluted		3.25	4.99	0.65	0.32

\* Earnings per share (EPS) for the period of September 2025 has been presented on a non-annualized basis

The above statement should be read with significant accounting policies and notes to financial information appearing in annexure IV & V respectively.

**As per our report of even date attached**

**For ACG & Co.**

Chartered Accountants

Firm Reg. No.: 0028477N

**For & on behalf of Board of Directors**

**VAHH Chemicals Limited**

**Anuj Arora**  
(Partner)-SD  
Membership No.: 418737

**Hiren Desai**  
(Director)-SD  
DIN: 08622752

**Aayush Desai**  
(Director)-SD  
DIN: 0863117

**Sahil Bhaveshkumar Modi**  
(CFO)-SD  
PAN: EKXPM8967H

**Shivani Parth Kothari**  
(Company Secretary)-SD  
CS ID: ACS-46602

UDIN: 25418737BMLJFU8409  
Place: Surat  
Date: 03/12/2025

Particulars		Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
		Consolidated	Consolidated	Standalone	Standalone
<b>Cash flow from operating activities</b>					
Net profit before tax		278.64	368.22	49.32	24.00
<b>Add</b>					
Depreciation		0.68	1.54	1.67	1.11
Interest paid		65.67	100.12	68.73	17.53
Unrealised foreign exchange on translation		1.74	(2.64)	-	-
<b>Less</b>					
Interest received		(0.86)	(0.03)	(0.04)	(0.10)
<b>Operating cash flows before working capital changes</b>		<b>345.87</b>	<b>467.21</b>	<b>119.68</b>	<b>42.54</b>
<b>Changes in working capital</b>					
(Increase) / decrease in inventory		(165.06)	(988.38)	(201.00)	(22.96)
(Increase) / decrease in trade receivables		375.42	(1,659.59)	51.91	(146.20)
(Increase) / decrease in loans & advances		(6.86)	(47.70)	-	0.10
(Increase) / decrease in other current assets		(454.08)	(225.81)	(82.57)	(1.02)
Increase/ (decrease) in trade payables		245.94	1,652.32	(101.21)	(9.57)
Increase/ (decrease) in provision		1.00	11.93	0.05	0.15
Increase/(decrease) in other current liabilities		(211.01)	222.91	6.85	(0.74)
Increase/(decrease) in short term borrowings		(250.84)	612.67	137.08	114.08
<b>Cash generated/(used) in operations</b>		<b>(119.62)</b>	<b>45.56</b>	<b>(69.21)</b>	<b>(23.62)</b>
Income taxes (Net)		(0.06)	(0.68)	(7.27)	(6.42)
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>(119.68)</b>	<b>44.88</b>	<b>(76.48)</b>	<b>(30.04)</b>
<b>Cash flow from investing activities</b>					
Purchase of property, plant and equipment		-	(3.26)	(0.44)	(4.29)
Interest received		0.86	0.03	0.04	0.10
Investment in deposits		(0.85)	(25.69)	-	(0.10)
<b>Net cash generated (used) in investing activities</b>	<b>B</b>	<b>0.01</b>	<b>(28.92)</b>	<b>(0.40)</b>	<b>(4.29)</b>
<b>Cash flow from financing activities</b>					
Repayment from long term borrowings (net)		(81.23)	(96.75)	-	-
Proceeds from long term borrowings (net)		-	-	195.56	43.11
Interest paid		(65.67)	(100.12)	(68.73)	(17.53)
Minority Shareholders		-	44.27	-	-
Proceeds from issue of share (net)		319.49	322.31	-	-
<b>Net cash generated /(used) in financing activities</b>	<b>C</b>	<b>172.59</b>	<b>169.71</b>	<b>126.83</b>	<b>25.58</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(A+B+C)</b>	<b>52.92</b>	<b>185.67</b>	<b>49.95</b>	<b>(8.75)</b>
Cash & cash equivalents at the beginning of the year		249.67	64.00	14.05	22.80
<b>Cash &amp; cash equivalents at the end of the year / period</b>		<b>302.59</b>	<b>249.67</b>	<b>64.00</b>	<b>14.05</b>

Cash and cash equivalents as per above comprise of the following

Particulars		Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash &amp; cash equivalents comprise</b>					
Cash in hand		104.00	101.96	20.04	8.62
Balance in CC account with banks		198.59	147.71	43.96	5.43
<b>Total</b>		<b>302.59</b>	<b>249.67</b>	<b>64.00</b>	<b>14.05</b>

Statement of cash flow has been prepared under the indirect method as set out in AS-3 on statement of cash flows specified under Sec-133 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

**As per our report of even date attached**  
**For ACG & Co.**

Chartered Accountants  
 Firm Reg. No.: 0028477N

**For & on behalf of Board of Directors**  
**VAHH Chemicals Limited**

**Anuj Arora**  
 (Partner)-SD  
 Membership No.: 418737

**Hiren Desai**  
 (Director)-SD  
 DIN: 08622752

**Aayush Desai**  
 (Director)-SD  
 DIN: 0863117

**Sahil Bhaveshkumar Modi**  
 (CFO)-SD  
 PAN: EKXPM8967H

**Shivani Parth Kothari**  
 (Company Secretary)-SD  
 CS ID: ACS-46602

UDIN: 25418737BMLJFU8409  
 Place: Surat  
 Date: 03/12/2025

## THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS</b>	
<b>Equity Shares Issued through Public Issue<sup>(1)</sup></b>	22,42,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ 1,188.26 Lakhs.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Makers</b>	1,14,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ 60.42 Lakhs.
<b>Out of which:</b>	
<b>Allocation to Individual Investors who applies for minimum application size of 2 Lots</b>	10,64,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at a price of Rs. 53 per Equity Share aggregating to ₹ 563.92 Lakhs
<b>Allocation to other investors who applies for more than 2 Lots</b>	10,64,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at a price of Rs. 53 per Equity Share aggregating to ₹ 563.92 Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	60,63,868 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	83,05,868 Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 82 of this Draft Prospectus.

(1) This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time.

(2) The present Issue has been authorized pursuant to a resolution of our Board dated October 04, 2025 and by Special Resolution passed under the applicable provisions of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our Shareholders held on October 04, 2025.

(3) The Issue is being made through the Fixed Price method and hence, as per Regulation 253 (3) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

(a) Minimum 50% to the individual investors who applies for minimum application size; and

(b) remaining to:

i. individual applicants who apply for minimum application size; and

ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for; Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

*Explanation: For the purpose of Regulation 253, sub-Regulation (3), if the category of individual investors who applies for minimum application size is entitled to more than fifty percent of the issue size on proportionate basis, the individual investors shall be allocated that higher percentage.*

For further details, please refer section titled “Issue Structure” beginning on page 283 of this Draft Prospectus.

## GENERAL INFORMATION

Our Company was originally incorporated and registered as a Public Limited Company under Companies Act, 2013 under the name and style of “Vahh Chemicals Limited” vide certificate of incorporation dated December 11, 2019 bearing Corporate Identification Number U24110GJ2019PLC111346 issued by the Registrar of Companies, Central Registration Centre.

### Company Registration Number and Corporate Identity Number

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

Particulars	Number
Company Registration Number	111346
Corporate Identity Number	U24110GJ2019PLC111346

### Registered Office and Corporate Office of our Company

#### Vahh Chemicals Limited

Plot 2/5198 ETC, 5th Floor, 5003,  
World Trade Centre, Near Udhna Darawaja, Ring Road,  
Surat – 395002, Gujarat, India

For details of change in registered office of our Company, see the chapter titled “History and Certain Corporate Matters” beginning on 148 of this DP.

### Registrar of Companies, Ahmedabad at Gujarat

ROC Bhavan, Opposite Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

### Board of Directors of our Company

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

Sr. No.	Name of director	Designation	DIN	Address
1.	Hiren Indravadan Desai	Chairman & Managing Director	08622752	A-901, Mapple leaf, Surat dumas Road, Near V R Mall, Surat, Gujarat – 395007
2.	Aayush Hiren Desai	Whole time Director	08636117	A-901, Mapple leaf, Surat dumas Road, Near V R Mall, Surat, Gujarat – 395007
3.	Hetal Hiren bhai Desai	Non-Executive Director	08622843	A-901, Mapple leaf, Surat dumas Road, Near V R Mall, Surat, Gujarat – 395007
4.	Dhairya Bharat Tulsiani	Independent Director	10308776	C-402 Four Seasons Apartment, Gymkhana Road, Opp Ginger Hotel, Surat, Surat City, Svr College, Surat, Gujarat – 395007
5.	Param Vipulkumar Desai	Independent Director	08609597	1-A, Brij Kutir App. Brijwasi Estate, Opp. Umrigar School, Parle Point, Surat City, Surat, Gujarat – 395007
6.	Jigar Vyas	Independent Director	10911042	201, Poonam Palace, Adarsh Society, Athwalines, Surat City, Surat, Gujarat – 395007

For further details of our Board of Directors, see “*Our Management*” on page 153 this Draft Prospectus.

### Chief Financial Officer

#### Sahil Bhaveshkumar Modi

Plot 2/5198 ETC, 5th Floor, 5003,

World Trade Centre, Near Udhna Darawaja,  
Ring Road, Surat – 395002, Gujarat, India  
**Telephone No.:** +91 26 1234 4045  
**E-mail:** [info@vahhchemicals.com](mailto:info@vahhchemicals.com)

#### **Company Secretary and Compliance Officer**

##### **Shivani Parth Kothari**

Plot 2/5198 ETC, 5th Floor, 5003,  
World Trade Centre, Near Udhna Darawaja,  
Ring Road, Surat– 395002, Gujarat, India  
**Telephone No.:** +91 26 1234 4045  
**E-mail:** [info@vahhchemicals.com](mailto:info@vahhchemicals.com)

#### **Investor Grievances:**

Investors can contact the Compliance Officer, the LM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the LM, who shall respond to the same.

Investors may contact the LM for complaints, information or clarifications pertaining to the Issue.

All Issue related grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediaries to whom the Application Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, date of submission of the Application Form, address of the Applicant, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant and ASBA Account number (for Applicants other than UPI Applicants using the UPI Mechanism) in which the amount equivalent to the Application Amount was blocked or the UPI ID in case of UPI Applicants using the UPI Mechanism. Further, the Applicant shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

In terms of the SEBI Master Circular no. SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 (to the extent applicable), any ASBA Applicant whose Application 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. In terms of the SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 (to the extent applicable), SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the LM are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock. Further, the Applicant shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

#### **Details of Key Intermediaries pertaining to this Issue**

##### **Lead Manager**

##### **Marwadi Chandarana Intermediaries Brokers Private Limited**

X-change Plaza, Office no. 1201 to 1205, 12th Floor,  
Building No. 53E, Zone-5, Road 5E, Gift City,  
Gandhinagar - 382355, Gujarat, India  
**Telephone:** +91 281 6199100/101  
**Email ID:** [mb@marwadichandarana.com](mailto:mb@marwadichandarana.com)

**Website:** [www.ib.marwadichandaranagroup.com](http://www.ib.marwadichandaranagroup.com)  
**Investor Grievance E-mail:** [mbgrievances@marwadichandarana.com](mailto:mbgrievances@marwadichandarana.com)  
**Contact Person:** Radhika Maheshwari / Jigar Desai  
**SEBI Registration Number:** INM000013165

#### Statutory Auditor of Our Company

##### ACG & CO., Chartered Accountant

**Address:** Court Road, Jaspur Khurd, Nr. Naman Sweets, Kashipur, Uttarakhand-244713, India  
**Telephone:** +91 8800806692  
**Email ID:** [office@acgco.in](mailto:office@acgco.in)  
**Firm registration number:** 0028477N  
**Contact Person:** CA Deepanshu Agarwal  
**Peer Review Number:** 018864

#### Changes in auditors during the last three years

Except as stated below, there has been no change in the Statutory Auditors of our company during the three years preceding the date of this Draft Prospectus:

Name of Auditor	Date of Change	Reason for Change
<b>Rasesh Shah &amp; Associates</b> 4th Floor, Titanium Business Hub, Surat-Khajod Road, Near Sarsana, Bhimrad <b>Email Id:</b> <a href="mailto:info@raseshca.com">info@raseshca.com</a> <b>Membership No.:</b> 043465 <b>Firm Registration No.:</b> 0108671W	September 23, 2024	Resigned from the company due to pre-occupation in other professional assignments.
<b>Jinendra Mehta And Associates</b> 101-C/D, Zenon, Opp. Unique Hospital & Brts Stop, Near Sosyo Circle, Off To Ring Road, Surat, Gujarat-395002, India <b>Email Id:</b> <a href="mailto:cajinumehta@gmail.com">cajinumehta@gmail.com</a> <b>Membership No.:</b> 402164 <b>Firm Registration No.:</b> 132870W	September 25, 2024	Appointed due to casual vacancy. Thereafter, re-appointed on September 30, 2024 for a term of 5 Financial years.
	January 03, 2025	Resigned from the company due to pre-occupation in other professional assignments.
<b>ACG &amp; CO</b> Court Road, Jaspur Khurd, Nr. Naman Sweets, Kashipur, Uttarakhand-244713, India <b>Email Id:</b> <a href="mailto:office@acgco.in">office@acgco.in</a> <b>Membership No.:</b> 418737 <b>Firm Registration No.:</b> 0028477N	January 07, 2025	Appointed due to casual vacancy. Thereafter, re-appointed on September 30, 2025 for a term of 5 Financial years

#### Legal Counsel to The Issue

##### Zenith India Lawyers

D-49, First Floor, Sushant Lok III Extension Sector 57, Haryana – 122 003, India.  
**Email:** [raj@zilawyers.com](mailto:raj@zilawyers.com)  
**Website:** [www.zilawyers.com](http://www.zilawyers.com)  
**Contact Person:** Raj Rani Bhalla  
**Tel No.:** 0124-4240681

#### REGISTRAR TO THE ISSUE

##### KFin Technologies Limited

**SEBI Registration No.:** INR000000221  
**Address:** Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana  
**Tel. No.:** + 91 40 6716 2222 /18003094001  
**Email ID:** [vcl.ipo@kfintech.com](mailto:vcl.ipo@kfintech.com)  
**Investor Grievance Email ID :** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website: [www.kfintech.com](http://www.kfintech.com)  
Contact Person: M Murali Krishna

#### Banker(s) to the Issue

[•]

#### Refund Bank(s)

[•]

#### Sponsor Bank

[•]

#### Bankers to our Company

##### UCO Bank

Address: Station Road Surat Branch, Ground Floor,  
Torrent Power Building, Cinema Road, Surat,  
Surat City - 395003, Gujarat, India

Email: [surat@ucobank.co.in](mailto:surat@ucobank.co.in)

Website: [www.uco.bank.in](http://www.uco.bank.in)

Contact Person: Deepak Jain

#### Designated Intermediaries

##### *Self-Certified Syndicate Banks and SCSBs enabled for UPI Mechanism*

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI I <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Applications through the UPI Mechanism in the Issue 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 no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time

##### *Syndicate SCSB Branches*

In relation to Applications submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of the SEBI ([www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35)) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=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 website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

##### *Registrar and Share Transfer Agent*

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 website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, 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 website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

### **Experts to the Issue**

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

Our company has received a written consent dated December 03, 2025 from our Statutory Auditor, namely ACG & CO., Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus/ Prospectus, and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated December 03, 2025 for the period ended on September 30, 2025 and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 on the restated financial statements (b) report dated December 03, 2025 on the statement of possible tax benefits available to our Company and its Shareholders.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Additionally, our company has also received a written consent dated December 01, 2025 from Chartered Engineer, namely Bhavin R Patel in their capacity as Chartered Engineer, for certifying the details pertaining to the purchase of new machinery and to include their name as required, in this Draft Prospectus as required under the Companies Act, 2013 and as an “Expert” as defined under section 2(38) read with Section 26(5) of the Companies Act, 2013 (and not under the U.S. Securities Act).

### **Statement of inter-se allocation of responsibilities**

Marwadi Chandarana Intermediaries Brokers Private Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

### **IPO Grading**

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

### **Monitoring Agency**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of a monitoring agency is not mandatory if the Issue size is up to ₹ 5000 Lakhs. Since the Issue size is below ₹ 5000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

### **Appraising Entity**

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

### **Credit Rating**

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

### **Debenture Trustee**

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

## Green Shoe Option

No green shoe option is contemplated under the Issue.

## Filing of Draft Prospectus/ Prospectus with the SEBI/ ROC

A copy of the Draft Prospectus has been filed with the SME Platform of BSE Limited. where the Equity Shares are proposed to be listed.

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of the Prospectus shall be furnished to the Board in soft copy.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus along with the material contracts and documents required to be filed under Section 26 and 32 of the Companies Act, 2013 will also be filed with the RoC through the electronic portal at [www.mca.gov.in](http://www.mca.gov.in)

## Withdrawal of the Issue

Our Company in consultation with the LM, reserves the right not proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism) to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the registration of Prospectus with the RoC.

## Underwriting Agreement

The Company and the Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the underwriter [●].

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

*(This portion has been intentionally left blank and will be filled in before the Prospectus is filed with RoC)*

Details of the Underwriter	Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Lakhs)	% of the total Issue size Underwritten
[●]	[●]	[●]	[●]

*\*Includes 1,14,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, [●] in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

*The above-mentioned is indicative underwriting and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.*

In the opinion of the Board of Directors of our company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange

The Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

## **Market Maker**

### **Details of Market Making Arrangement for this Issue**

Our Company and the LM has entered into a Market Making Agreement dated [●] with the following Market Maker, to fulfil the Market Making obligations under this Issue:

<b>Name</b>	<b>[●]</b>
<b>Correspondence Address</b>	
<b>Tel No.</b>	
<b>E-mail</b>	
<b>Website</b>	
<b>Contact Person</b>	
<b>SEBI Registration No.</b>	
<b>Market Maker Registration No.</b>	

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

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

### **Following is a summary of the key details pertaining to the Market Making Arrangement:**

- The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being Issued by the Market Maker.
- The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to Issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE Limited from time to time.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for quotes given by him.
- There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.

- The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

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

- **Risk containment measures and monitoring for Market Makers:** SME Platform of BSE Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Maker:** SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (Issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
- The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the Issue size and as follows:

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

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:

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

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

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

<b>Sr. No.</b>	<b>Market Price Slab (in ₹)</b>	<b>Proposed Spread (in % to sale price)</b>
1	Up to 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

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

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

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share capital of our Company as on the date of this Draft Prospectus:  
(₹ in Lakhs except share data)

Sr. No.	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Issue Price* (in ₹)
<b>A.</b>	<b>Authorized Share Capital</b>		
	85,00,000 Equity Shares of face value of ₹ 10/- each	850.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-up share Capital before the Issue</b>		
	60,63,868 Equity Shares of face value of ₹ 10/- each	606.39	-
<b>C.</b>	<b>Present Issue in terms of this Draft Prospectus</b>		
	Fresh Issue of 22,42,000 Equity Shares of face value of ₹ 10/- each aggregating to ₹ 1188.26 Lakhs <sup>(1) (2)</sup>	224.20	1,188.26
	<i>Which Comprises of:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	1,14,000 Equity Shares of face value of ₹ 10/- each	114.00	60.42
<b>E.</b>	<b>Net Issue to the Public</b>		
	21,28,000 Equity Shares of face value of ₹ 10/- each, <i>out of which:</i>	212.80	1,127.84
	10,64,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at a price of Rs. 53 per Equity Share aggregating to ₹ 563.92 Lakhs will be available for allocation for allotment to Individual Investors of who applies for minimum application size of 2 Lots	106.40	563.92
	10,64,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at a price of Rs. 53 per Equity Share aggregating to ₹ 563.92 Lakhs will be available for allocation for allotment to Other Investors who applies for more than 2 Lots	106.40	563.92
<b>F.</b>	<b>Issued, Subscribed and Paid-up share Capital after the Issue</b>		
	83,05,868 Equity Shares of face value of ₹ 10/- each	830.59	
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Prospectus)	249.88	
	After the Issue	1,213.94	

(1) The present Issue has been authorised pursuant to a resolution of our Board dated October 04, 2025 and by Special Resolution passed under the applicable provisions of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on October 04, 2025.

(2) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Size. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

For details of changes to our Company's authorized share capital in the last 10 years, see "History and Certain Corporate Matters - Amendments to our Memorandum of Association" on page 148.

## NOTES TO THE CAPITAL STRUCTURE

**1. Equity Share Capital History of our Company**

The history of the equity share capital of our Company is set forth below:

Date of allotment	No. of shares allotted	Face value (₹)	Issue price (including Premium if applicable (₹))	Nature of consideration	Reasons / Nature of Allotment	Details of Allottees	Cumulative number of Equity Shares	Cumulative paidup equity share capital (in ₹)
December 11, 2019	50,000	10.00	10.00	Cash	Initial Subscription to our Memorandum of Association	Allotment of 37,496 Equity Shares to Hiren Indravadan Desai, Allotment of 6,500 Equity Shares to Hetal Hirenbbhai Desai, Allotment of 6,000 Equity Shares to Aayush Hiren Desai, Allotment of 1 Equity Shares to Mukesh Bhayani, Allotment of 1 Equity Shares to Pradip Chavan, Allotment of 1 Equity Shares to Manish Sarkari, Allotment of 1 Equity Shares to Devendra Kumar Saroj	50,000	5,00,000
November 23, 2024	99,106	10.00	325.00	Other than cash	Shares were allotted in lieu of purchase of business of Ayush Chemical, a sole proprietorship owned by Director, Aayush Hiren Desai and Ayush Bio-Energy, a sole proprietorship owned by Director Hetal Hirenbbhai Desai	Allotment of 70,330 Equity Shares to Hetal Hirenbbhai Desai, Allotment of 28,776 Equity Shares to Aayush Hiren Desai	1,49,106	3,27,09,450
March 15, 2025	52,18,710	10.00	-	Other than Cash	Bonus Issue in the ratio of 35 Equity Shares for every 1 Equity share held*	Allotment of 13,12,360 Equity Shares to Hiren Indravadan Desai, Allotment of 26,89,050 Equity Shares to Hetal Hirenbbhai Desai, Allotment of 12,17,160 Equity Shares to Aayush Hiren Desai, Allotment of 35 Equity Shares to Mukesh Bhayani, Allotment of 35 Equity Shares to Pradip Chavan, Allotment of 35 Equity Shares to Manish Sarkari, Allotment of 35 Equity Shares to Devendra Kumar Saroj	53,67,816	3,27,09,450

Date of allotment	No. of shares allotted	Face value (₹)	Issue price (including Premium if applicable (₹))	Nature of consideration	Reasons / Nature of Allotment	Details of Allottees	Cumulative number of Equity Shares	Cumulative paidup equity share capital (in ₹)
April 30, 2025	4,79,300	10.00	45.90	Cash	Private Placement	Allotment of 2,17,900 Equity Shares to Mukeshkumar Rameshchandra Mehta, Allotment of 1,08,900 Equity Shares to Gita Mukeshkumar Mehta, Allotment of 1,08,900 Equity Shares to Vishnudatt Vidhyasagar Tiwari, Allotment of 43,600 Equity Shares to Jayeshbhai Tribhovandas Joshi	58,47,116	5,47,09,320
May 8, 2025	2,16,752	10.00	45.90	Cash	Private Placement	Allotment of 2,16,752 Equity Shares to Ruchik Kirtikumar Mehta	60,63,868	6,46,58,237

*\* Pursuant to resolution of the board of directors dated March 10, 2025 and resolution of the shareholders dated March 12, 2025. As certified by the Statutory Auditor pursuant to their certificate dated December 03, 2025, the Company had a surplus in the share premium account (free reserves) of ₹ 312.18 Lakhs and company's past accumulated profit of Rs ₹ 350.27 Lakhs as on March 31, 2024, appearing in the audited financial statement of the Company as on December 31, 2024, which was adequate for the issuance of bonus shares of the Company, since the Company capitalized a sum of ₹ 521.87 Lakhs of its share premium account as on March 15, 2025 to allot 52,18,710 Equity Shares of ₹10 each, under a bonus issue in the ratio of 1:35 Equity Shares (i.e.; each member will be entitled for 35 Bonus shares against 1 share held by them in the Company). Such Equity Shares have not been issued by utilization of revaluation reserves of the Company and have been issued to only those shareholders which were the existing shareholders of the Company on March 14, 2025 being the record date for the bonus issue. Post capitalisation of reserves for bonus issue, the Company had a surplus in the free reserves other than revaluation reserve of ₹ 171.85 Lakhs, existing in the books of accounts of the Company as on March 31, 2025.*

All equity shares issued by our Company from the date of incorporation of our Company till the date of filing of this Draft Prospectus have been made in compliance with Companies Act, 2013, as applicable.

## 2. History of preference share capital of our Company

Our Company has not issued any Preference Share Capital in the past.

## 3. Issue of Shares for consideration other than cash, bonus issues or out of revaluation reserves

Except as set out below, our Company has not issued Equity Shares for consideration other than cash, bonus issues or out of revaluation reserves.

Date of Allotment	Reasons/Nature of Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
November 23, 2024	Shares were allotted in lieu of purchase of business of Ayush Chemical, a sole proprietorship owned by Director, Aayush Hiren Desai and Ayush Bio-Energy, a sole proprietorship owned by Director Hetal Hiren bhai Desai	99,106	10.00	325.00	Such acquisition Issues operational synergies by streamlining resources, reducing duplication, and leveraging existing supplier or distribution networks.
March 15, 2025	Bonus Issue	52,18,710	10.00	Nil	Capitalisation of Reserves

## 4. Equity Shares allotted in terms of any schemes of arrangement

Our Company has not allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 230-232 of the Companies Act, 2013, as applicable.

## 5. Equity Shares allotted at a price lower than the issue price in the last year

The issue price shall be determined by our Company in consultation with the Lead Manager, after the Issue Closing Date. Other than the allotment of Equity Shares on March 15, 2025 pursuant to a bonus issue, allotment of Equity shares on April 30, 2025 and on May 8, 2025 pursuant to private placement, our Company has not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Draft Prospectus.

- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme. Our company doesn't have any Employee stock option scheme ("ESOP")/ Employee Stock purchase scheme ("ESPS") and Stock Appreciation Right Scheme ("SARS") for our employees and we do not intent to allot any shares to our employees under ESOP and ESPS from the proposed issue. As and when options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.

## 8. Shareholding Pattern of our Company:

Set forth is the shareholding pattern of our Company as on the date of this Draft Prospectus:

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. 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)				No. 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)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class (Equity Shares)	Classes (Others)	Total								
(A)	Promoter and Promoter Group	3	53,67,672	-	-	53,67,672	88.52%	53,67,672	-	53,67,672	88.52%	-	-	-	-	-	-	53,67,672
(B)	Public	9	6,96,196	-	-	6,96,196	11.48%	6,96,196	-	6,96,196	11.48%	-	-	-	-	-	-	6,96,196
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Cate gory (I)	Category of shareholder (II)	No. of sharehol ders (III)	No. of fully paid-up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlyi ng Deposito ry Receipts (VI)	Total No. of Equity Shares held (VII) =(IV)+(V ) + (VI)	Shareholdi ng 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)				No. of Equity shares underlyi ng outstand ing converti ble securitie s (includin g warrants ) (X)	Sharehol ding, as a % assumin g full conversi on of converti ble securitie s (as a percenta ge of diluted Equity Share capital) (XI)= (VII)+(X ) As a % of (A+B+C 2)	Number of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerializ ed form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			No. (a)	As a % of total Equit y Share s held (b)	No. (a)	As a % of total Equit y Share s held (b)	
								Class (Equity Equity Shares)	Clas s (Oth ers)	Total								
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	12	60,63,86 8	-	-	60,63,868	100.00%	60,63,868	-	60,63,868	100.0 0%	-	-	-	-	-	-	60,63,868

Notes- As on date of this Draft Prospectus, one Equity Shares holds one vote.

We have only one class of Equity Shares of face value of ₹ 10/- each.

Our Company will file the shareholding pattern in the format prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended, one day prior to the listing of the Equity Shares.

The shareholding pattern will be uploaded on the Website of the BSE before commencement of trading of such Equity Shares.

## 9. Other details of Shareholding of our Company

As on the date of this Draft Prospectus, our Company has 12 Shareholders.

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

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Hiren Indravadan Desai	13,49,856	22.26%
2.	Hetal Hirenbbhai Desai	27,65,880	45.61%
3.	Aayush Hiren Desai	12,51,936	20.65%
4.	Mukeshkumar Rameshchandra Mehta	2,17,900	3.59%
5.	Ruchik Kirtikumar Mehta	2,16,752	3.57%
6.	Gita Mukeshkumar Mehta	1,08,900	1.80%
7.	Vishnudatt Vidhyasagar Tiwari	1,08,900	1.80%
	<b>Total</b>	<b>60,20,124</b>	<b>99.28%</b>

Notes: Details as on December 03, 2025 being the date of this Draft Prospectus.

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

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Hiren Indravadan Desai	13,49,856	22.26%
2.	Hetal Hirenbbhai Desai	27,65,880	45.61%
3.	Aayush Hiren Desai	12,51,936	20.65%
4.	Mukeshkumar Rameshchandra Mehta	2,17,900	3.59%
5.	Ruchik Kirtikumar Mehta	2,16,752	3.57%
6.	Gita Mukeshkumar Mehta	1,08,900	1.80%
7.	Vishnudatt Vidhyasagar Tiwari	1,08,900	1.80%
	<b>Total</b>	<b>60,20,124</b>	<b>99.28%</b>

Notes: Details as on November 23, 2025 being the date ten days prior to the date of this Draft Prospectus.

- (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 one year prior to filing this DP:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Hiren Indravadan Desai	37,496	25.15%
2.	Hetal Hirenbbhai Desai	76,830	51.53%
3.	Aayush Hiren Desai	34,776	23.32%
	<b>Total</b>	<b>1,49,102</b>	<b>100.00%</b>

Notes: Details as on December 03, 2024 being the date one year prior to the date of this Draft Prospectus.

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

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Hiren Indravadan Desai	37,496	75.00%
2.	Hetal Hirenbbhai Desai	6,500	13.00%
3.	Aayush Hiren Desai	6,000	12.00%

	<b>Total</b>	<b>49,996</b>	<b>100.00%</b>
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Notes: Details as on December 03, 2023, being the date two years prior to the date of this Draft Prospectus.

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/ consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

## 12. Details of Shareholding of our Promoters and Promoter Group in the Company:

a. As on the date of this Draft Prospectus, our Promoters collectively hold 53,67,672 Equity Shares, equivalent to 88.52 % of the issued, subscribed and paid-up equity share capital of our Company, as set forth in the table below:

S. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
(A) Promoters					
1.	Hiren Indravadan Desai	13,49,856	22.26%	13,49,856	16.25%
2.	Hetal Hirenbbhai Desai	27,65,880	45.61%	27,65,880	33.30%
3.	Aayush Hiren Desai	12,51,936	20.65%	12,51,936	15.07%
Total (A)		53,67,672	88.52%	53,67,672	64.63%
(B) Promoter Group					
4.	-	-	-	-	-
Total (B)		-	-	-	-
Total (A+B)		53,67,672	88.52%	53,67,672	64.63%

b. All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Prospectus.

## 13. Capital Build-up in respect of Shareholding of our Promoters:

Set forth below is the build-up of the Shareholding of our Promoters in our Company since incorporation:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre-Issue capital (%)	% of the post-Issue capital (%)
<b>1. Hiren Indravadan Desai</b>						
December 11, 2019	Pursuant to MOA	37,496	10.00	10.00	0.62%	0.45%
March 15, 2025	Bonus Issue	13,12,360	10.00	Nil	21.64%	15.80%
<b>Total (A)</b>		<b>13,49,856</b>			<b>22.26%</b>	<b>16.25%</b>
<b>2. Hetal Hirenbbhai Desai</b>						
December 11, 2019	Pursuant to MOA	6,500	10.00	10.00	0.11%	0.08%
November 23, 2024	Shares were allotted in lieu of purchase of	70,330	10.00	325.00	1.16%	0.85%

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre-Issue capital (%)	% of the post-Issue capital (%)
	business of Ayush Bio-Energy, a sole proprietorship owned by Director, Hetal Hirenbhai Desai					
March 15, 2025	Bonus Issue	26,89,050	10.00	Nil	44.35%	32.38%
<b>Total (B)</b>		<b>27,65,880</b>			<b>45.61%</b>	<b>33.30%</b>
<b>3. Aayush Hiren Desai</b>						
December 11, 2019	Pursuant to MOA	6,000	10.00	10.00	0.10%	0.07%
November 23, 2024	Shares were allotted in lieu of purchase of business of Ayush Chemical, a sole proprietorship owned by Director, Aayush Hiren Desai.	28,776	10.00	325.00	0.47%	0.35%
March 15, 2025	Bonus Issue	12,17,160	10.00	Nil	20.07%	14.65%
<b>Total (C)</b>		<b>12,51,936</b>			<b>20.65%</b>	<b>15.07%</b>
<b>Total (A)+(B)+(C)</b>		<b>53,67,672</b>			<b>88.52%</b>	<b>64.63%</b>

14. Except as disclosed in the table titled “*Capital Build-up in respect of Shareholding of our Promoters*” above, none of the Promoters, member of the Promoter Group, Directors of our Company nor any of their immediate relatives Equity Shares have acquired/ purchased / sold any securities of our Company within six months immediately preceding the date of filing of this Draft Prospectus.

#### 15. Details of Promoter’s Contribution locked-in for Three Years

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post-Issue Capital held by our Promoters shall be considered as Promoter’s Contribution (“**Promoter’s Contribution**”) and shall be locked in for a period of three years from the date of allotment of Equity Shares pursuant to this Issue. The lock in of Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Prospectus, our Promoters holds 53,67,672 Equity Shares, constituting 88.52 % of our Company’s issued, subscribed and paid-up Equity Share capital (on a fully diluted basis), out of which 16,86,921 Equity Shares, constituting 20.31% of our Company’s issued, subscribed and paid-up equity share capital are eligible for Promoters’ Contribution.

Our Promoters, Hiren Indravadan Desai, Hetal Hirenbhai Desai and Aayush Hiren Desai have given written consent to include such number of Equity Shares held by them as constitute 20% of the fully diluted post Issue Equity Shares Capital of our Company as promoters contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters’ Contribution from the date of filing this Draft 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.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter’s Contribution are set forth in the table below:

Date of allotment/ Transfer of the Equity Shares	No. of Equity Shares locked-in	Face value per share (₹)	Issue/ Acquisition/ Transfer price per Equity Share (₹)	Nature of transaction	Post-Issue Shareholding (%)	Lock In Period
<b>Hiren Indravadan Desai</b>						
March 15, 2025	5,62,307	10.00	Nil	Bonus Issue	6.77%	3 years
<b>Hetal Hirenbhai Desai</b>						
March 15, 2025	5,62,307	10.00	Nil	Bonus Issue	6.77%	3 years
<b>Aayush Hiren Desai</b>						
March 15, 2025	5,62,307	10.00	Nil	Bonus Issue	6.77%	3 years
<b>Total</b>	<b>16,86,921</b>				<b>20.31%</b>	

16,86,921 Pre-IPO equity shares of our company held by Our Promoter will be locked-in for 3 (three) years as mentioned above prior to listing of shares.

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as '**Promoters**' under the SEBI (ICDR) Regulations, 2018. All Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e., for a period of three years from the allotment of Equity Shares in this Issue. Equity Shares Issued by the Promoter for the minimum Promoter's contribution are not subject to pledge.

The entire pre-issue shareholding of the Promoters and Promoter Group, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution, which is locked in for three years, shall be locked in as follows;

- fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public Issue; and
- remaining fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public Issue.

#### **Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018**

Reg No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1)(a)(i)	Specified Securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction.	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(a)(ii)	Specified Securities acquired during the preceding three years, resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters' contribution;	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(b)	Specified securities acquired by the promoter's and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, or any non-individual	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Not Applicable</b>

Reg No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
	public shareholder holding at least five per cent. of the post-issue capital or any entity(individual or non-individual) forming part of promoter group other than the promoter(s) during the preceding one year at a price lower than the price at which specified securities are being Issued to the public in the initial public Issue.	
237(1)(c)	Specified securities allotted to the promoter and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issue formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoter of the issue and there is no change in the management.	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Not Applicable</b>
237(1)(d)	Specified securities pledged with any creditor	Our Promoter has not pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

#### 16. Details of Promoters Contribution Locked-in for One Year and Two Years:

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018, fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public Issue; and remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public Issue.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

The details of lock-in of shares for 2 (two) years and for 1 (one) year are as under:

Name of the shareholders	Category	No of shares held	Lock-in for 2 years	Lock-in for 1 years
Hiren Indravadan Desai	Promoter	13,49,856	3,93,775	3,93,775
Hetal Hirenbbhai Desai	Promoter	27,65,880	11,01,787	11,01,787
Aayush Hiren Desai	Promoter	12,51,936	3,44,815	3,44,815
<b>Total</b>		<b>53,67,672</b>	<b>18,40,376</b>	<b>18,40,376</b>

#### 17. Lock in of Equity Shares held by Persons other than the Promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Issue. Accordingly, no equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Issue.

## **18. Inscription or recording of non-transferability:**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository.

## **19. Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following:

- In case of Minimum Promoters’ Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by the Promoters in excess of Minimum Promoters’ contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

## **20. Transferability of Locked-In Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter’s Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.
- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters’ Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.

## **21. Other requirements in respect of lock-in**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by the Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank or a public financial institution or Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- a) With respect to the Equity Shares locked-in as Promoter’s Contribution for three years from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- b) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

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

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation

of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

22. Neither we, nor our Promoters, Promoter Group, Directors and the LM to this Issue have entered into any Buyback and/ or standby arrangements and/ or similar arrangements for the purchase of the Equity Shares being Issued through the Issue from any person.
23. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.
24. The LM and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Prospectus. The LM and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions or investment management services in respect with our Company for which they may in the future receive customary compensation.
25. As on the date of this Draft Prospectus, there are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Issue.
26. None of our Promoters or members of our Promoter Group will participate in the Issue.
27. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
28. None of the Equity Shares held by our Promoter/ Promoter Group are pledged or otherwise encumbered.
29. As per Regulation 268(2) of the SEBI ICDR Regulations, an over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
30. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
31. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price.
32. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Applications being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Applicants at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. BSE Limited. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
33. At any given point of time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
34. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall Issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Applicant for making a Application, except for fees or

commission for services rendered in relation to the Issue.\

35. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
36. We confirm that none of the investors of our Company are directly/indirectly related with Lead Managers and their associates
37. Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Managerial Personnel, Promoter, Promoter Group as on the date of filling this Draft Prospectus:

Sr. No.	Name of Director / KMP/ SMP/ Promoters/ Promoter Group	Number of Equity	% of the Pre – Issue Equity Share Capital
<b>Directors</b>			
1.	Hiren Indravadan Desai	13,49,856	22.26%
2.	Aayush Hiren Desai	12,51,936	45.61%
3.	Hetal Hirenbbhai Desai	27,65,880	20.65%
4.	Jigar Vyas	Nil	Nil
5.	Dhairya Bharat Tulsiani	Nil	Nil
6.	Param Vipulkumar Desai	Nil	Nil
<b>KMP</b>			
1.	Sahil Bhaveshkumar Modi	Nil	Nil
2.	Shivani Parth Kothari	Nil	Nil
<b>SMP</b>			
1.	Mukesh Bhayani	36	Negligible
2.	Pradip Chavan	36	Negligible
3.	Rajnarayan Tidi	Nil	Nil

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue comprises a fresh issue of up to 22,42,000 Equity Shares, aggregating up to ₹ 1,188.26 lakhs by our Company.

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

1. Funding incremental working capital requirements of our Company;
2. Setting up a new manufacturing facility at Surat, Gujarat (“Proposed facility”);
3. Repayment of loan availed by our Company;
4. General corporate purposes

(collectively, the “**Objects**”).

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us: (i) to undertake our existing business activities and other activities set out therein; and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

In addition to the above-mentioned Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

### Requirement of Funds

The details of the proceeds from the Issue are summarized in the following table:

Particulars	Amount (₹ in lakhs)
Gross proceeds of the Issue	[●]
(Less) Issue related expenses in relation to the Fresh Issue (1)	[●]
<b>Net Proceeds (2)</b>	[●]

(1) See “Issue Expenses” on page 96.

(2) To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Requirement of funds and utilization of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

Particulars	Amount (₹ in lakhs)
Funding incremental working capital requirements of our Company;	583.78
Setting up a new manufacturing facility at Surat, Gujarat (“Proposed facility”);	184.43
Repayment of loan availed by our Company;	179.13
General corporate purposes*	[●]
<b>Net Proceeds</b>	[●]

\*To be finalized upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹ 10 Crore whichever is lower.

### Proposed Schedule of Implementation and Deployment of Net Proceeds

We intend to deploy the Net Proceeds towards the Objects as disclosed in the table below in accordance with the business needs of our Company. However, the actual deployment of funds will depend on a number of factors, including the timing of completion of the Offer, market conditions, our Board’s analysis of economic trends and business requirements, ability to identify and consummate proposed investments and acquisitions, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital. Depending upon such factors, we may have to reduce or extend the deployment period for the stated Objects at the discretion of our management and in accordance with applicable laws. For further details, see ‘Risk Factor – Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent

agency, which may affect our business and results of operations’. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution’ on page 48.

#### Estimated deployment of Net Proceeds

Particulars	Total Estimated Amount (₹ in lakhs)	Proposed Utilization from Net Proceeds In Fiscal 2026 (₹ in lakhs)	Proposed Utilization from Net Proceeds In Fiscal 2027 (₹ in lakhs)
Funding incremental working capital requirements of our Company	583.78	399.83	183.95
Setting up a new manufacturing facility at Surat Gujarat (“Proposed facility”)	184.43	127.88	56.55
Repayment of loan availed by our Company	179.13	179.13	-
General corporate purposes	[●]		[●]
<b>Net Proceeds</b>	[●]		[●]

The above requirement of funds is based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, and quotations obtained from certain vendors, which are subject to change in the future. These funding requirements have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as changes in costs, financial and market conditions, our management’s analysis of economic trends and our business requirements, changes in technology, ability to identify and consummate new business initiatives, inorganic and geographic expansion opportunities, competitive landscape as well as general factors affecting our results of operations, financial condition, access to capital, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at the discretion of our management, subject to compliance with applicable law.

#### Means of finance

We propose to fund the requirements of the Objects detailed above entirely from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer and existing identifiable internal accruals as required under Regulation 230(1)(e) the SEBI ICDR Regulations.

#### Details of Use of Issue Proceeds:

##### 1. Funding incremental working capital requirements of our Company

We propose to utilise ₹ 583.78 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2026 & Fiscal 2027. We have significant working capital requirements and we fund a majority of our working capital requirements in the ordinary course of business from our existing equity, internal accruals and financing facilities from various banks, financial institutions and non-banking financial companies. For further information, see “*Financial Indebtedness*” and “*Financial Information*” on pages 223 and 172, respectively. Further, the funding of the incremental working capital requirements of our Company will help to a consequent increase in our profitability and in achieving the proposed targets as per our business plan.

#### Existing and Estimated Working Capital Requirement

The details of our Company’s working capital requirement for Fiscal 2023, Fiscal 2024 & Fiscal 2025 derived from the standalone financial statements, and the sources of funding of the same and estimated working capital requirements for Fiscal 2026 and 2027 and proposed funding of such working capital requirements are as set out in the table below:

(₹ in Lakhs)

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025	For the period ended September 30, 2025
<b>Current Assets</b>				
(a) Inventories	59.15	260.15	930.27	1,189.13
(b) Trade receivables	432.50	380.59	1,351.48	873.34
(c) Short-term loans and advances	-	-	124.97	34.64
(d) Other Current Assets	2.95	85.51	67.72	501.47
<b>Total Current Assets (A)</b>	<b>494.60</b>	<b>726.25</b>	<b>2,474.42</b>	<b>2,598.58</b>
<b>Current Liabilities</b>				
(a) Trade payables	156.44	55.23	971.70	1,100.38
(b) Other current liabilities	3.43	10.28	223.34	14.59
(c) Short term provision	7.42	15.31	111.60	163.60
<b>Total Current Liabilities (B)</b>	<b>167.29</b>	<b>80.82</b>	<b>1,306.64</b>	<b>1,278.56</b>
<b>Net Working Capital (A-B)</b>	<b>327.30</b>	<b>645.43</b>	<b>1,167.79</b>	<b>1,320.02</b>
<b>Sources of Funds</b>				
Borrowings	152.54	289.62	692.01	463.53
Internal Accruals	174.77	355.81	475.77	856.49
<b>Total</b>	<b>327.30</b>	<b>645.43</b>	<b>1,167.79</b>	<b>1,320.02</b>

On the basis of our existing working capital requirements and the incremental working capital requirements, the details of the Company's expected working capital requirements as at Fiscal 2026 and Fiscal 2027 and funding of the same are as set out in the table below:

(₹ in Lakhs)

Particulars	Fiscal 2026	Fiscal 2027
<b>Current Assets</b>		
Inventories	906.60	997.26
Trade receivables	1,130.61	1,356.73
Short-term loans and advances	34.64	50.00
Other Current Assets	350.07	550.07
<b>Total Current Assets (A)</b>	<b>2,421.91</b>	<b>2,954.05</b>
<b>Current Liabilities</b>		
(a) Trade payables	674.45	735.76
(b) Other current liabilities	15.00	20.00
(c) Short term provision	196.23	187.04
<b>Total Current Liabilities (B)</b>	<b>885.68</b>	<b>942.80</b>
<b>Net Working Capital (A-B)</b>	<b>1,536.23</b>	<b>2,011.26</b>
<b>Sources of Funds</b>		
Borrowings	500.00	300.00
Internal Accruals	636.40	1,527.31
IPO Proceeds	399.83	183.95
<b>Total</b>	<b>1,536.23</b>	<b>2,011.26</b>

#### Holding Period (Number of Days)

The table below contains the details of holding period (in number of days) for Financial Year 2023, 2024 & 2025 and the estimated holding period (in days) for the Fiscal 2026 and Fiscal 2027 and the assumptions based on which the working plan projections have been made and approved by the Board of Directors of the Company:

(in days)

S. No.	Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025	For the period ended September 30, 2025	Fiscal 2026	Fiscal 2027
		(Actual)	(Actual)	(Actual)	(Actual)	(Estimated)	(Estimated)
<b>I.</b>	<b>Current Assets</b>						
	Inventories	36	118	235	296	170	155
	Trade Receivables	212	137	206	151	150	150
<b>II.</b>	<b>Current Liabilities</b>						
	Trade Payables	93	20	165	200	109	110
<b>III</b>	<b>Working Capital Days</b>	<b>154</b>	<b>235</b>	<b>276</b>	<b>248</b>	<b>211</b>	<b>195</b>

### Key justification for holding levels

Key assumptions for working capital projections made by our Company:

Particulars	Justification
Inventories	<p>Inventories days are calculated as Inventories as on balance sheet date divided by cost of goods sold over 365 days for Fiscal 2023, 2024 and 2025 and over 180 days for the period ended September 30, 2025.</p> <p>We are engaged in the business of textile chemical and auxiliaries. Our operations require us to maintain a well-stocked inventory to address the demands of our customer and to ensure seamless business continuity. For the fiscal years ended FY 2023, FY 2024 and FY 2025 and for the period ended September 30, 2025, our inventory turnover days were 36, 118, 235 and 296, respectively.</p> <p>Our business needs to keep a variety of dyeing chemicals and textile auxiliaries in stock because different customers require different products. During busy seasons, especially around festival and export periods demand increases sharply. To prevent shortages and ensure smooth supply to our customers, we maintain adequate inventory.</p> <p>We estimate our inventory turnover days to reduce to 170 and 155 for the fiscal year ending FY 2026 and FY 2027. This projected decrease aligns with our strategic initiatives to optimize inventory management. As the company plans to expand into backward integration such as increasing in-house processing or raw material production it becomes even more crucial to streamline inventory management. Effective control over stock levels will help ensure smoother coordination between upstream and downstream activities, prevent accumulation of excess materials, and maintain a steady flow of inputs for production.</p> <p>To further optimize inventory, the company collaborates closely with suppliers and future backward-integration partners to negotiate shorter lead times, flexible deliveries, and improved planning. This reduces dependence on large safety stocks and enhances operational agility. While the nature of our business necessitates holding a certain level of inventory, these initiatives ensure that we strike a balance between operational needs and financial efficiency. The projected working capital requirements account for these factors and are critical for the uninterrupted growth and smooth functioning of our operations.</p>
Trade Receivables	<p>Trade receivables days are calculated as Trade receivables as on balance sheet date divided by revenue from operations over 365 days for Fiscal 2023, 2024 and 2025 and over 180 days for the period ended September 30, 2025.</p> <p>Trade receivables constitute a significant component of our working capital requirements, given the nature of our business and our established relationships</p>

Particulars	Justification
	<p>with customers. Effective management of trade receivables is critical to maintaining liquidity while supporting business growth.</p> <p>For the fiscal years ended FY 2023, FY 2024 and FY 2025 and for the period ended September 30, 2025, our trade receivable days were 212, 137, 206 and 151, respectively. We project this to decrease further to 151 days for the fiscal year ending FY 2026 and FY 2027. This projected improvement is based on our strategic initiatives to optimize receivable management while aligning with anticipated growth in revenue. Our analysis considers historical trends, market dynamics, and the credit practices adopted by our peers within the industry.</p> <p>Basis for projected Receivable days:</p> <ul style="list-style-type: none"> <li>• <b>Stricter Credit Policies:</b></li> </ul> <p>The company revised its credit terms and implemented tighter credit evaluation processes for both new and existing customers. By limiting high-risk credit exposure, the company ensured faster realization of dues.</p> <ul style="list-style-type: none"> <li>• <b>Improved Collection Mechanisms:</b></li> </ul> <p>A more structured follow-up system was introduced, including regular reminders, dedicated collection personnel, and periodic reviews of outstanding receivables. This resulted in quicker customer responses and timely payment closures.</p> <p>As a result of these initiatives, we expect to achieve a reduction in trade receivable days despite projected increases in sales, highlighting the efficiency of our receivables management practices.</p>
Short term loans and advances	<p>Short-term loans and advances comprise of Short term loans, Advances given to staff, Advances paid to suppliers and Balance with the Govt Authorities. It has been maintained in line with the projected business activity for the Fiscal 2026 and Fiscal 2027.</p>
Other Current Assets	<p>Other Current Asset mainly consists of Prepaid Purchases, TDS and GST Credit and advances to supplier. The increase in advances to suppliers is primarily driven by the need to secure uninterrupted availability of key raw materials and chemicals, particularly during periods of high demand or supply constraints. By providing advances, the company can lock in prices, ensure priority allocation of materials, and negotiate more favourable commercial terms. Additionally, as procurement volumes rise with ongoing capacity expansion and backward integration plans, certain suppliers require advances to support their own production planning and working capital needs. This approach helps the company achieve better supply reliability, shorter lead times, and improved cost stability.</p>
Trade Payables	<p>Trade payable days are calculated as Trade Payables as on balance sheet date divided by purchases over 365 days for Fiscal 2023, 2024 and 2025 and over 180 days for the period ended September 30, 2025.</p> <p>Trade payables are a crucial component of our working capital cycle, enabling us to manage procurement efficiently while fostering strong supplier relationships. For the fiscal years ended FY 2023, FY 2024 and FY 2025, our trade payable days were 93, 20, 165 and 200 respectively. We estimate this to reduce to 109 and 110 days for the fiscal year ending FY 2026 and FY 2027, respectively.</p> <p><b>Rationale for Decrease in Trade Payables days:</b></p> <ul style="list-style-type: none"> <li>• As the company moves into backward integration and increases purchase volumes, suppliers are offering better pricing and supply commitments in return for shorter credit periods. This results in a more efficient cost structure even with reduced payable days.</li> <li>• <b>Improved supplier terms:</b> With higher purchase volumes and backward integration, key suppliers are offering better pricing and supply reliability in exchange for shorter credit periods.</li> </ul>

Particulars	Justification
	<ul style="list-style-type: none"> <li><b>Stronger cash flow position:</b> Reduced receivable days and optimized inventory levels allow the company to make payments earlier without impacting liquidity.</li> </ul> <b>Strengthened supplier relationships:</b> Earlier payments improve trust and help secure priority supply during peak demand periods.
Other Current Liabilities	Other current liabilities majorly comprise of TDS, GST and payable to employees. The same is expected to be in similar line
Short term provision	Short term provision majorly comprise of provision for tax and Statutory dues. The same is expected to be in similar line

Notes: As certified by M/s ACG & CO., Chartered Accountants through their certificate dated December 03, 2025

### Conclusion:

Without sufficient working capital, the company may face challenges in meeting short-term obligations, such as paying suppliers or employees, which can ultimately impact overall business performance. Additionally, having adequate working capital also allows company to take advantage of growth opportunities and maintain a competitive edge in the market.

## 2. Setting up a new manufacturing facility at Surat in Gujarat (“Proposed Project”)

We are an ISO 9001: 2015 certified Company engaged in the business of manufacturing and trading of textile auxiliaries chemicals. Our Company is engaged in the supplying and blending of wide range of chemicals in the textile industry. Our operations primarily involve the sourcing and blending of textile chemicals essential for various stages of textile processing, including pre-treatment, dyeing, printing, and finishing. Strategically, we cater primarily to dyeing and printing houses within the textile industry, offering tailored chemical solutions to address the specific needs and challenges of this sector, including customized formulations for various applications. These chemicals are essential for improving fabric quality, its texture, enhancing colour vibrancy, and ensuring the durability of the finished textile products. Our main strength of the products are our formulation of chemicals and quality maintenance.

In a strategic move to reduce dependency on third-party manufacturers and control quality, pricing, and secure a reliable supply of essential high-volume components, we propose to setup a backward integration manufacturing facility at Surat focuses on production of:

Chemical	Application	Strategic Value
Silicones	Textile softeners, lubricants	High-margin, import-substitute
Polysols	Binders, film formers	Essential in finishing & printing
OT (Octylphenol Ethoxylate)	Wetting agent in scouring/pre-treatment	High-volume, cost-sensitive
Binders	Pigment printing, digital pre-treatment	Volume driver, price-sensitive
Thickeners	Printing (rotary/digital)	Customization, consistent performance

We propose to finance the capital expenditure requirements for a setting up a new manufacturing facility in proximity to our facility at Surat, Gujarat for manufacturing of chemical. Our existing Unit is located at Plot no. 170 B, Bhidbhanjan Soc. Udhna, Surat, Gujarat admeasuring 759. 93 Sq. Ft. The new manufacturing Unit 2 acquired by us on leasehold basis from Darshana Jadiya & others for a period of 11 Months and extendable admeasuring 356.73 square Mtr situated at Plot No. 10, 11, 12 Revenue Survey No. 19,20 TP NO 1 & 6, Final Plot No 124 of Satara Wadi Village Udhna Surat pursuant to lease deed dated September 29, 2025. Currently, we are using the proposed manufacturing plant location as godown. The proposed project shall have a installed production capacity of 1500 MT per annum.

The Proposed Project will help us increase diversifying our product portfolio, increase our profits and help us position our Company in aligning with the emerging market demands for complex textile chemical. For further details, see section titled “Our Business – Our Business Strategies” on page 130.

We propose to utilise an amount of up to ₹ 184.43 Lakhs of the Net Proceeds towards funding the capital expenditure for setting up a new project to manufacture chemical. Our Board in its meeting dated December 01, 2025 approved the proposed objects of the Offer and the respective amounts proposed to be utilized from the Net Proceeds for each Object.

The total estimated Proposed Project cost of the Project is ₹ 184.43 lakhs.

(₹ In Lakhs)

Sr No	Particulars	Total estimated cost	Amount deployed till date	Amount proposed to be funded from Net Proceeds
1	Building & Civil Works	56.55	-	56.55
2	Plant & Machinery	127.88	-	127.88
	<b>Total</b>	<b>184.43</b>	<b>-</b>	<b>184.43</b>

As certified by Bhavin R Patel, Independent Chartered Engineer, by certificate dated December 01, 2025.

The detailed break-down of estimated cost is set forth below:

**a) Land**

Our Company has acquired land on leasehold basis from Darshana Jadiya & others for a period of 11 Months and extendable admeasuring 356.73 square Mtr situated at Plot No. 10, 11, 12 Revenue Survey No. 19,20 TP NO 1 & 6, Final Plot No 124 of Satara Wadi Village Udhna Surat pursuant to lease deed dated September 29, 2025

**b) Construction of Factory Building**

Our Company plans to set up factory building which requires construction of plant area, compound wall and roof work of the plant area. Our Company has received quotation for the site development and civil works from Raghuveer Engineering works dated November 11, 2025, and V Décor Furnishing and Hardware dated November 03, 2025 and both are valid for a period of 6 months respectively.

The details breakup of the estimated cost proposed to be funded from Net Proceeds is set forth below:

(₹ In Lakhs)

S. No.	Description	Party Name	Amount
1.	M S Platform (Preparation of Platform)	Raghuveer Engineering works	5.50
2.	Renovation work for Chemical Godown	V Décor Furnishing and Hardware	51.06
<b>Total</b>			<b>56.56</b>

Following are the details for renovation work:

Sr N	Description	Amount (₹ In Lakhs)
1	Site preparation & selective demolition Clearing, levelling, remove old finishes, debris removal works.	1.60
2	Structural strengthening Local strengthening, steel plates/angles, anchors for heavy racking.	6.05
3	Epoxy chemical-resistant flooring 3–4 mm epoxy mortar & topcoat across 3,850 sq.ft with anti-slip finish.	9.65
4	Bunded containment & floor drainage Peripheral bunding (for spill containment), trenches, SS gratings, slope to drain.	3.59
5	Fire safety system - Sprinkler / local hydrant connections, extinguishers, fire signage(basic system).	4.07
6	Ventilation & exhaust - Industrial exhaust fans, fresh air provisions, ducting & louvers.	2.50
7	Electrical (hazard-aware)- Power distribution, DBs, earthing, lighting (flameproof/industrial fittings where needed).	3.51
8	Storage racks & specialized shelving Drum racks, pallet racking and chemical shelving (metal, coated)	3.25
9	Doors & partitions - Steel personnel doors, roller shutter / fire rated shutter for	2.07

Sr N	Description	Amount (₹ In Lakhs)
10	Wall coatings & chemical-resistant paint Wall lining / high-build chemical-resistant coatings up to 10 ft.	1.50
11	Plumbing & neutralization pit - Acid/alkali neutralization pit, drainage connection, oil interceptors .	1.25
12	Safety equipment & emergency fixtures Emergency shower, eyewash station, spill kits, first-aid, PPE station.	1.06
13	CCTV & security system - Cameras, DVR/NVR access control basics.	0.77
14	HVAC / dehumidification - Dehumidifier /conditioned area equipment (if required for sensitive chemicals).	1.05
15	Signage, MSDS board & training Safety signage, labels, MSDS display, one safety training session.	0.52
16	Misc. fit-outs & furniture - Small office counter, workbench, toolkits, fasteners.	1.05
17	Professional fees - Architect, structural engineer, consultant (design & drawings).	1.57
18	Permits, testing & approvals - Fire NOC assistance, site testing, material testing.	0.79
	<b>SUB TOTAL</b>	<b>45.83</b>
→	Contingency / price variation buffer 11.4% of subtotal to cover price swings & unforeseen items	5.22
	<b>TOTAL</b>	<b>51.06</b>

**The above cost is excluding GST.**

The Company has obtained two quotations for Building and Civil Works. The said vendors have been selected by the board vide their resolution dated December 01, 2025 because of:

1. Competitive Pricing: Submitted the most cost-effective proposal while maintaining the required quality standards, resulting in overall project cost savings.
2. Past Experience: Vendor has demonstrated experience in similar-scale projects, with positive references and a strong portfolio.
3. Lead Time & Execution Capacity: Offered the shortest project timeline and has adequate manpower and infrastructure to ensure timely completion without compromising on quality.

We propose that any subsequent initial expenditure in relation to the proposed expansion will be funded from our internal accruals until the Net Proceeds are available to our Company.

**a) Purchase of Machineries**

S. No.	Description of Equipments	Name of the supplier / vendor	Date of Quotation^	Amount (₹ in lakhs)	Qty	Amount to be utilised from Net Proceeds (Rs. In Lakhs)	Purpose
1	FRP Cross-Flow Cooling Tower Details	Crystal Cooling Towers Pvt.Ltd.	November 11, 2025	16.38	1	16.38	To remove heat from hot process or HVAC water by transferring it to the atmosphere

S. No.	Description of Equipments	Name of the supplier / vendor	Date of Quotation <sup>^</sup>	Amount (₹ in lakhs)	Qty	Amount to be utilised from Net Proceeds (Rs. In Lakhs)	Purpose
2	5.0 KL Reactor with Agitator Assembly	Heatex Industries Limited	October 13, 2025	111.50 (22.30 per quantity)	5	111.50	To carry out chemical reactions or mixing processes on a large scale with uniform agitation and controlled conditions.
<b>TOTAL</b>				<b>127.88</b>		<b>127.88</b>	

<sup>^</sup>All quotations are valid for a period of 6 months

### Implementation Schedule

The proposed schedule of implementation is as below:

S. No.	Description of project activities	Project Schedule
1.	Land & Building	Identified and lease as on 1 <sup>st</sup> October 25
2.	Building Addition	Will depend on future plans
3.	GPCB clearance	Exemption letter granted as on 24 <sup>th</sup> Sep25
4.	Electricity connection for construction	Already in the lease property
5.	Water connection for construction	Already in the lease property
6.	Purchase order for Plant & Machinery	March 2026
7.	Dispatch of P & M	April 2026
8.	P & M installation	May 2026
9.	P & M electrification	May 2026
10.	Electricity permanent connection for operations	May 2026
11.	Consent to operate & Factory License	July 2026

As certified by Bhavin R Patel, Independent Chartered Engineer, by certificate dated December 01, 2025.

The schedule of implementation provided above is indicative and our management may need to revise the schedule based on subsequent events or operational requirements at its discretion, subject to compliance with applicable law.

The total cost of the Project has been estimated by our management in accordance with our business plan, current and valid quotations received from the suppliers and contractors, certified by Bhavin R Patel, Independent Chartered Engineer, by certificate dated December 01, 2025. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution or any other independent agency.

All quotations mentioned in this section are valid as on the date of this Draft Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the equipment at the same costs. Therefore, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item. Additionally, there may be also changes in the costs due to factors outside of our control, including changes in price of materials required or machinery and equipment, changes in market conditions, competitive environment, inflation, technological changes, changing customer preferences, interest or exchange rate fluctuations and changes in regulations or government policies. We are yet to place orders for any of the components of the

Proposed Facility. Further, for risk arising out of the Objects, see Risk Factor 15– “ *We are yet to place orders for the equipment proposed to be funded through this Issue. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, it may result in time and cost over-runs and our business, results of operations, financial condition and cash flows may be adversely affected.* ” on page 35 of this Draft Prospectus.

The quantity of machinery to be purchased is based on the estimates of our Company’s management. Accordingly, the number of units of each machine proposed to be purchased may be varied based on the availability, technological improvements, commercial and logistics, specifications of the machinery or negotiations with the relevant vendor.

Moreover, if the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 15% of the aggregate of the gross proceeds of the Offer or Rs. 1,000 lakhs whichever is less, in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking debt lenders. In furtherance, that such alternate arrangements would be available to fund any such shortfalls.

No Second-hand or used equipment is proposed to be purchased out of the Net Proceeds. No land is proposed to be acquired from the Net Proceeds.

Our Promoters, Directors, Key Managerial Personnel and Senior Management do not have any interest in the construction of building and civil works as well as procurement and installation of plant and machinery/equipments, or in the entities from whom we have obtained quotations in relation to such activities. Statutory Approvals As on the date of this Draft Prospectus, we have not commenced the civil and construction work in relation to the Proposed Project, except ground levelling work.

### **Government Approvals**

Our company undertakes to file necessary applications with the relevant authorities to obtain all approvals, as applicable at the relevant stages, including but not limited to those mentioned below:

<b>S. No.</b>	<b>Nature of License/ Approval/ NOCs</b>	<b>Name of Authority</b>	<b>Status</b>
1.	Consent to Establish	Gujarat Pollution Control Board (GPCB)	Exemption granted
2.	Construction Permission	Local Gram Panchayat	Already constructed building exists.
3.	Factory license under the Factories Act, 1948	Director, Industrial Safety & Health, Gujarat State (GPCB)	Required after commercial operations
4.	Consolidated Consents and Authorization (Consent to Operate)	Gujarat Pollution Control Board (GPCB)	Required after commercial operations

### **3. Repayment of loan availed by our Company**

We avail majority of our fund based and non-fund based facilities in the ordinary course of business from various banks and financial institutions. For further information on the financial indebtedness availed of by our Company, see “*Financial Indebtedness*” beginning on page 223. As of October 31, 2025, we had outstanding total secured and unsecured borrowings (long term and short term) of ₹ 228.41 lakhs. The Board of Directors vide their resolution dated December 03, 2025 proposes to utilize an aggregate amount of ₹ 179.13 lakh from the Net Proceeds towards repayment/pre-payment, in full or in part, of certain borrowings availed of by our Company.

The selection and extent of borrowings proposed to be prepaid and/or repaid by our Company as mentioned below is based on various commercial considerations including, among others, the interest rate of the relevant borrowings, prepayment charges, the amount of the borrowings outstanding, amount and nature of security provided and the remaining tenor of the borrowings. The aggregate amount to be utilized from the Net Proceeds towards prepayment or scheduled repayment of borrowings (including refinanced or additional borrowings availed, if any), in part or full, would not exceed ₹ 179.13 Lakh. The prepayment or scheduled repayment will help us reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and

expansion. In addition, the improvement in the debt to equity ratio of our Company is intended to enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The following table provides details of outstanding borrowings availed of by our Company as on October 31, 2025, which we propose to prepay or repay, in full or in part, from the Net Proceeds up to an aggregate amount of ₹ 228.41 Lakhs.

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Sr. No.	Name of the Lender	Nature of Borrowing	Date of sanction letter	Amt. Sanctioned	Date of Disbursement	Principal Amount Outstanding as on October 31, 2025	Loan Will Be Paid From IPO Proceeds	ROI (p.a.)	Tenor and Repayment Schedule / scheduled repayment date	Pre-Payment Clause (if any)	Whether the loan has been utilized for the purpose for which it has been availed	Purpose of raising Loan	Amount proposed to be repaid out of the Net Proceeds (if the same has been determined)
1	ADITYA BIRLA	Business Loan	29-05-2023	25.00	01-06-2023	6.63	Yes	17.5	48 Months	-	Yes	Business	3.46
2	ADITYA BIRLA CAPITAL LIMITED	Business Loan	11-06-2025	12.00	16-06-2025	10.54	Yes	17	48 Months	-	Yes	Business	8.88
3	AXIS BANK	Business Loan	20-06-2023	23.00	05-07-2023	5.22	Yes	16	48 Months	-	Yes	Business	2.21
4	AXIS FINANCE LTD LOAN	Business Loan	19-01-2024	20.00	25-01-2024	7.89	Yes	18	48 Months	-	Yes	Business	5.13
5	Axis Finance Ltd	Business Loan	02-06-2025	25.00	17-07-2025	23.08	Yes	18	48 Months	-	Yes	Business	19.54
6	BL-MAHINDRA FINANCE LTD	Business Loan	27-02-2024	15.00	29-02-2024	8.15	Yes	18	48 Months	-	Yes	Business	6.51
7	CHOLAMANDALAM	Business Loan	12-06-2023	20.50	12-06-2023	5.96	Yes	18	48 Months	-	Yes	Business	3.46

Sr. No.	Name of the Lender	Nature of Borrowing	Date of sanction letter	Amt. Sanctioned	Date of Disbursement	Principal Amount Outstanding as on October 31, 2025	Loan Will Be Paid From IPO Proceeds	ROI (p.a.)	Tenor and Repayment Schedule / scheduled repayment date	Pre-Payment Clause (if any)	Whether the loan has been utilized for the purpose for which it has been availed	Purpose of raising Loan	Amount proposed to be repaid out of the Net Proceeds (if the same has been determined)
8	GODREJ FINANCE LTD	Business Loan	31-05-2023	25.00	06-06-2023	6.62	Yes	17	48 Months	-	Yes	Business	3.45
9	HDFC BANK	Business Loan	01-07-2023	31.00	01-08-2023	15.11	Yes	16	48 Months	-	Yes	Business	12.37
10	ICICI BANK	Business Loan	30-06-2025	24.00	30-06-2025	21.44	Yes	16.5	48 Months	-	Yes	Business	17.78
11	IDFC BANK	Business Loan	30-05-2023	18.50	30-05-2023	4.91	Yes	16.9	48 Months	-	Yes	Business	2.52
12	KISETSU SAISON FINANCE INDIA PVT LTD	Business Loan	31-05-2023	20.00	05-06-2023	5.30	Yes	17.5	48 Months	-	Yes	Business	2.77
13	L & T FINANCE LIMITED	Business Loan	05-07-2025	38.40	05-07-2025	36.38	No	16.8	48 Months	-	Yes	Business	34.18
14	MONEYWISE FINANCIAL SERVICES PVT LTD	Business Loan	26-02-2024	30.00	26-02-2024	16.03	Yes	18.7	48 Months	-	Yes	Business	12.98

Sr. No.	Name of the Lender	Nature of Borrowing	Date of sanction letter	Amt. Sanctioned	Date of Disbursement	Principal Amount Outstanding as on October 31, 2025	Loan Will Be Paid From IPO Proceeds	ROI (p.a.)	Tenor and Repayment Schedule / scheduled repayment date	Pre-Payment Clause (if any)	Whether the loan has been utilized for the purpose for which it has been availed	Purpose of raising Loan	Amount proposed to be repaid out of the Net Proceeds (if the same has been determined)
15	POONAWALA FINCORP LIMITED	Business Loan	27-05-2023	20.00	27-05-2023	5.33	Yes	17.3	48 Months	-	Yes	Business	2.78
16	SMFG INDIA	Business Loan	03-07-2025	17.16	03-07-2025	14.75	Yes	19	48 Months	-	Yes	Business	13.12
17	TATA CAPITAL	Business Loan	02-11-2020	20.00	05-12-2020	5.31	Yes	17.5	48 Months	-	Yes	Business	2.77
18	UNITY FINANCE	Business Loan	08-07-2025	25.00	08-07-2025	23.09	Yes	19	48 Months	-	Yes	Business	21.77
19	YES BANK	Business Loan	27-04-2023	25.00	27-05-2023	6.68	Yes	16.8	48 Months	-	Yes	Business	3.43
<b>Grand Total</b>						<b>228.41</b>							<b>179.13</b>

Note: As certified by ACG & CO., Statutory Auditors vide their certificate dated December 03, 2025.

In compliance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Statutory Auditors pursuant to their certificate dated December 01, 2025 have certified the utilization of the above-mentioned borrowings for the purposes such borrowings were availed for, as at October 31, 2025. For further information on the terms and conditions of these financing arrangements, see “*Financial Indebtedness*” beginning on page 223.

Given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Further, our Company may also avail additional borrowings after the date of this Prospectus and/or draw down further funds under existing loans from time to time. Accordingly, in case any of the above loans are pre-paid or further drawn-down prior to the completion of the Offer, we may utilize the Net Proceeds towards scheduled repayment / pre-payment of such additional indebtedness as will be disclosed in the Prospectus.

In light of the above, if at the time of filing the Draft Prospectus, any of the abovementioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down and if the terms of new loans are more onerous than the older loans or if the limits under the working capital borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 179.31 Lakh Accordingly, the table above shall be suitably revised at the time of filing the Prospectus to reflect the revised amounts or loans as the case may be which have been availed by our Company.

Our Company will approach the lenders after completion of this Offer for repayment/prepayment of the above borrowings. Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. Payment of pre-payment penalty or premium, if any, shall be made by our Company from the Net Proceeds. If the Net Proceeds are insufficient to the extent required for making payments for such pre-payment penalties or premiums, such excessive amount shall be met from our internal accruals.

#### **4. General Corporate Purpose**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Net Proceeds aggregating ₹ [●] lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, initial development costs for new products, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Draft Prospectus, shall not exceed 15% of the Gross Proceeds raised by our Company through this Issue or ₹ 1,000 Lakhs whichever is lower.

##### **Issue related expenses**

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The Issue related expenses primarily include fees payable to the Lead Manager and legal counsel, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs’ fees, Sponsor Bank’s fees, Registrar’s fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up of the estimated Issue expenses is set forth below:

Particulars	Amount	% of Total Offer Expenses	% of Total Offer Size
Lead Manager fees [including underwriting] as applicable	[●]	[●]	[●]
Brokerage, selling commission and other uploading fees	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Fees to the legal advisor, audit / chartered accountant fees	[●]	[●]	[●]
Advertising and marketing Expenses	[●]	[●]	[●]
Fees payable to regulators including stock exchange	[●]	[●]	[●]
Printing and distribution expenses	[●]	[●]	[●]
Miscellaneous (including fees payable to auditors, consultants, market research firms and other professional agencies)	[●]	[●]	[●]
Total Expense	[●]	[●]	[●]

\* Issue expenses include taxes, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

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

<b>Portion for Individual Bidders<sup>^</sup></b>	[●]% of the Amount Allotted (plus applicable taxes)
<b>Portion for Non-Institutional Bidders<sup>^</sup></b>	[●]% of the Amount Allotted (plus applicable taxes)

<sup>^</sup> Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

No additional bidding charges shall be payable by the Company 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.

Processing fees payable to the SCSBs on the portion for Individual Bidder and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking would be as follows:

<b>Portion for Individual Bidders</b>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
<b>Portion for Non-Institutional Bidders</b>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*

\* For each valid application

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹ [●] lakhs (plus applicable taxes) and in case if the total processing fees exceeds ₹ [●] lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of Individual Investors and Non-Institutional Investors, as applicable.

The Processing fees for applications made by Individual Bidders or Individual investors bidding under the Non-Institutional Portion for an amount of more than ₹ [●] lakhs and up to ₹ [●] lakhs using the UPI Mechanism would be as follows:

[●]	₹ [●] per valid Bid cum Application Form* (plus applicable taxes)  The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.
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\* For each valid application.

*All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.*

*Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public issuing (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for IB and NIB bids up to ₹ 5 lakhs will not be eligible for brokerage.*

*The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*

### **Interim use of the Net Proceeds**

Our Company, in accordance with the applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described in this section, our Company may temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

### **Appraising entity**

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

### **Bridge financing facilities**

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

### **Monitoring of utilisation of funds**

As the Net Proceeds of the Issue will be less than ₹ 5000 Lakhs, under the SEBI ICDR Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through our Audit Committee. Pursuant to Regulation 262(5) of the SEBI ICDR Regulations, the Issuer company shall submit a certificate of the statutory auditor for utilization of money raised through the public issue (excluding offer for sale by selling shareholders) to SME exchange(s) while filing the quarterly financial results, till the issue proceeds are fully utilized.

Pursuant to Regulation 262(6) of SEBI ICDR Regulations, In an issue where working capital is one of the objects of the issue and the amount raised for the said object exceeds five crore rupees, the issuer shall submit a certificate of the statutory auditor to SME exchange(s) while filing the quarterly financial results, for use of funds as working capital in the same format as disclosed in the offer document, till the proceeds raised for the said object are fully utilized.

**Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, or Key Managerial Personnel, Senior Management or Group Companies. Our Company has not entered into or is not planning to enter into any arrangement / agreements with our Directors, our Promoters, the members of our Promoter Group, the Key Managerial Personnel or Senior Management in relation to the utilization of the Net Proceeds of the Issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Issue as set out above.

## BASIS FOR ISSUE PRICE

*The Issue Price will be determined by our Company in consultation with the LM on the basis of an assessment of market demand for the Equity Shares issued through the fixed price method and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is 5.3 times of the face value.*

*Investors should read the following basis with the section titled “Risk Factors”, “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 28, 172, 227 and 126 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.*

### Qualitative Factors

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

- Long standing relationships with a diversified customer base
- Business Model focused on customized solutions and strong customer relationships
- Experienced Promoters and management team

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see chapter titled “Our Business” beginning on page 126 of this Draft Prospectus.

### Quantitative Factors

The information presented in this chapter is derived from company’s Restated Financial Statements for the period ended on September 30, 2025 and for the financial year ended March 31 2025, 2024 and 2023 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 172 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### 1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”)

As per Restated Financial Statements

Particulars	Basic & Diluted EPS	Weights
March 31, 2025	4.99	3
March 31, 2024	0.65	2
March 31, 2023	0.32	1
<b>Weighted Average</b>		<b>2.77</b>
<b>For the period ended on September 30, 2025 (Not annualized)</b>		<b>3.25</b>

Notes:

- (1) Basic and Diluted EPS is computed in accordance with Accounting Standards.
- (2) Basic and diluted EPS is calculated as Profit/(loss) for the year/period attributable to Equity shareholders divided by the adjusted weighted average number equity shares outstanding during the year/period.

#### 2. Price Earnings Ratio (“P/E”) in relation to the Issue Price 53/- per share of ₹ 10/- each fully paid-up.

Particulars	P/E at the Issue Price (no. of times)
<b>Based on Restated Financial Statements – Post Consolidation</b>	
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2024-25	10.62

Particulars	P/E at the Issue Price (no. of times)
P/E ratio based on the Basic & Diluted EPS, as restated for September 30, 2025	16.31
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated for FY 2024-25	19.13

Industry P/E Ratio*	Name of the Company
Highest	Bhatia Colour Chem Limited
Lowest	Bhatia Colour Chem Limited
Average	Bhatia Colour Chem Limited

*\*Note: The industry high and low has not been considered from the industry peer set provided later in this chapter as there is only one peer. For further details, see “Peer Competitors – Comparison of Accounting Ratios with Industry Peers” at point 5 below.*

### 3. Return on Net worth (RoNW) As per Restated Financial Statements

Particulars	RONW (%)	Weights
March 31, 2025	38.52%	3
March 31, 2024	33.55%	2
March 31, 2023	24.82%	1
<b>Weighted Average</b>		<b>34.58%</b>
<b>For the period ended on September 30, 2025 (Not annualized)</b>		<b>16.08%</b>

*Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.*

### 4. Net Asset Value (NAV)

*As per Restated Financial Statements*

Period	NAV (₹)
Net Asset Value per Equity Share as of March 31, 2025	12.80
<b>For the period ended on September 30, 2025 (Not annualized)</b>	<b>19.81</b>
<b>Net Asset Value per Equity Share after the Issue at Issue Price</b>	<b>28.77</b>
Issue Price per equity shares	53

*Note: NAV has been calculated as net worth divided by number of Equity Shares at the end of the year.*

### 5. Comparison of Accounting Ratios with Industry Peers

We understand that listed industry peers of the Company have been identified as Bhatia Colour Chem Limited (the “**Industry Peers**”).

Based on our review of the audited financial statements of such Industry Peer for their latest available financial statement on stock exchange i.e. (for period ended September 30, 2025) : (a) that the P/E ratio is 182.47 and (b) the additional details as set forth below:

(₹ in lakh)

Name of the Company	Standalone/ Consolidated	Total Revenue as on March 31, 2025	Face Value per Equity Share (₹)	Current market price	P/E	EPS (Basic and Diluted) as on March 31, 2025 (₹)	RoNW (%)	NAV (₹ per share)	Profit after tax (₹)
Vahh Chemicals Limited	Consolidated	2,374.74	10.00	53	10.62	4.99	38.52 %	12.80	258.22
<b>Industry Peers:</b>									
Bhatia Colour Chem Limited	Standalone		10.00	366.25*	121.68*	3.01	5.10%	5.42	366.27

**Source:** All the financial information for listed industry peer mentioned above is on standalone basis and is sourced from the filings made with Stock Exchanges available on [www.bseindia.com](http://www.bseindia.com).

\* Computed by dividing the closing market price on December 03, 2025 on BSE by EPS.

\*\* Closing price on December 03, 2025 at BSE and for our Company it is considered as issue price.

**Notes:**

- P/E Ratio has been computed based on the issue price of equity shares divided by the Post-Issue Diluted EPS as on period ended March 31, 2025
- Return on Net Worth (%) = Net profit after tax, as restated / Net worth as restated as at period/year end.
- NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.

## 6. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyses the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 07, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus. Further, the KPIs herein have been certified by ACG & Co., by their certificate dated December 03, 2025.

The KPIs of our Company have been disclosed in the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 126 and 229 of this Draft Prospectus, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 1 of this Draft Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Issue as per the disclosure made in the chapter titled “Objects of the Issue” on page 82, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

### Financial KPIs

A list of certain financial data, based on our Restated Financial Information is set out below for the indicated Fiscals:

(₹ in Lakhs, unless otherwise specified)

Particulars	Units	For the period ended September 30, 2025	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Revenue from Operations	₹	1,652.47	2,374.71	1,015.53	745.74
Revenue CAGR <sup>(1)</sup>	%	-	78.45%		
EBITDA <sup>(2)</sup>	₹	339.44	467.60	112.27	42.54
EBITDA Margin <sup>(3)</sup>	%	20.54%	19.69%	11.06%	5.70%
PAT	₹	207.76	258.22	34.46	16.94
PAT Margin <sup>(4)</sup>	%	12.57%	10.87%	3.39%	2.27%
Return on Equity (RoE) <sup>(5)</sup>	%	22.00%	65.40%	40.32%	28.34%
Return on Capital Employed <sup>(6)</sup>	%	16.98%	25.72%	15.53%	12.01%
Net Fixed Asset Turnover Ratio <sup>(7)</sup>	Times	673.10	946.10	353.23	393.53
Net Capital Turnover Ratio <sup>(8)</sup>	Times	0.83	1.31	1.43	2.16
Debt to Equity Ratio <sup>(9)</sup>	Times	0.66	1.64	5.93	4.06
Return on Assets <sup>(10)</sup>	%	5.09%	10.94%	5.28%	3.94%
Current Ratio <sup>(11)</sup>	Times	1.48	1.31	2.13	1.59
<b>Operational KPI</b>					
Unit sold	Kgs	880040	1639004	754880	616745

As certified by ACG & Co., Chartered Accountants pursuant to their certificate dated December 03, 2025.

**Notes:**

<sup>(1)</sup> Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising to the power of one divided by the number of compounding period i.e. 2 years and subtracting by one.

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

<sup>(3)</sup> EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

<sup>(4)</sup> PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.

<sup>(6)</sup> Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization

<sup>(7)</sup> Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset

<sup>(8)</sup> Net Capital Turnover Ratio is calculated as Revenue from operation divided by Capital employed

<sup>(9)</sup> Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities.

<sup>(10)</sup> Return on Assets is calculated by dividing the total assets by the profit after tax.

<sup>(11)</sup> Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

For details of our other operating metrics disclosed elsewhere in this Draft Prospectus, see “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 126 and 227 respectively

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

Particulars	Description
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn help assess the overall financial performance of our Company and size of our business
Revenue CAGR	Revenue CAGR represents the consistent annual growth rate of a company’s revenue over a specified period, smoothing out year-to-year fluctuations
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business
PAT	PAT shows financial strength and operational efficiency and provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Return on Equity (RoE)	ROE provides how efficiently our Company generates profits from average shareholders’ funds.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Fixed Asset Turnover Ratio (in Times)	Net Fixed Asset Turnover Ratio measures the company’s efficiency in generating revenue from its net fixed assets. It indicates how effectively the business utilizes its investments in property, plant, and equipment to drive sales.
Net Capital Turnover Ratio (in Times)	Net Capital Turnover Ratio indicates the Our efficiency in generating revenue relative to its net capital employed. It reflects how our company effectively using its long-term capital (equity plus long-term debt) to drive operational performance.
Debt to Equity Ratio (in Times)	Debt to Equity Ratio measures the proportion of debt and equity used to finance the company’s assets. It indicates the financial leverage and risk profile of our business.
Return on Assets	Return on Assets measures how efficiently our company uses its total assets to generate net profit. It indicates the our overall profitability relative to the company’s asset base.
Current Ratio	Current Ratio assesses our short-term liquidity by measuring its ability to meet current liabilities with current assets
Unit Sold	Actual Number of chemical sold during the year

**Comparison of KPI with Listed Industry Peers**

Key Performance Indicators	Vahh Chemicals Limited					Bhatia Colour Chem Limited			
For the year Ended	Units	As on September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023	As on September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	₹	1,652.47	2,374.71	1,015.53	745.74	7,210.81	12,503.26	11,447.83	11,021.81
Revenue CAGR <sup>(1)</sup>	%		78.45%				6.51%		
EBITDA <sup>(2)</sup>	₹	339.44	467.60	112.27	42.54	494.34	732.00	679.68	690.00
EBITDA Margin <sup>(3)</sup>	%	20.54%	19.69%	11.06%	5.70%	0.07	0.06	0.06	0.00
PAT	₹	207.76	258.22	34.46	16.94	314.57	366.27	345.12	345.12
PAT Margin <sup>(4)</sup>	%	12.57%	10.87%	3.39%	2.27%	0.04	0.03	0.03	0.00
Return on Equity (RoE) (%) <sup>(5)</sup>	%	22.00%	65.40%	40.32%	28.34%	3.90%	5.68%	5.67%	5.90%
Return on Capital Employed (%) <sup>(6)</sup>	%	16.98%	25.72%	15.53%	12.01%	4.49%	7.90%	7.83%	8.50%
Net Fixed Asset Turnover Ratio (in Times) <sup>(7)</sup>	Times	673.10	946.10	353.23	393.53	40.82	81.62	170.81	368.00
Net Capital Turnover Ratio (in Times) <sup>(8)</sup>	Times	0.83	1.31	1.43	2.16	0.69	1.44	1.39	1.00
Debt to Equity Ratio (in Times) <sup>(9)</sup>	Times	0.66	1.64	5.93	4.06	0.09	0.31	0.32	0.00
Return on Assets <sup>(10)</sup>	%	5.09%	10.94%	5.28%	3.94%	2.27%	3.18%	3.21%	2.60%
Current Ratio <sup>(11)</sup>	Times	1.48	1.31	2.13	1.59	3.32	3.13	4.98	3.00

1. The financial data of Vahh chemicals Limited has been taken or derived from the consolidated restated financial statements for the relevant year/period
2. The financial data of the peer companies have been taken or derived from the consolidated financial statements filed with National Stock Exchange of India Limited or BSE Limited for the relevant year/period

**Notes:**

- <sup>(1)</sup> Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising to the power of one divided by the number of compounding period i.e. 2 years and subtracting by one.
- <sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.
- <sup>(3)</sup> EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- <sup>(4)</sup> PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- <sup>(5)</sup> Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.
- <sup>(6)</sup> Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization
- <sup>(7)</sup> Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset
- <sup>(8)</sup> Net Capital Turnover Ratio is calculated as Revenue from operation divided by Capital employed
- <sup>(9)</sup> Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities.
- <sup>(10)</sup> Return on Assets is calculated by dividing the total assets by the profit after tax.
- <sup>(11)</sup> Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

## 7. Justification for Basis for Issue price

- a. *The price per share of our Company based on primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Issue capital before such transactions and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")*

Except as stated below, there have been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Draft Prospectus, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Primary Transaction				
Date of Allotment	Nature of Transaction	No. of Equity Shares	Cost per Equity Share (in ₹)	Total Cost (in ₹)
November 23, 2024	Shares were allotted in lieu of purchase of business of Ayush Bio-Energy, a sole proprietorship owned by Director, Hetal Hirenbbhai Desai and purchase of business of Ayush Chemical, a sole proprietorship owned by Director, Aayush Hiren Desai.	99,106	325.00	3,22,09,450
April 30, 2025	Private Placement	4,79,300	45.90	2,19,99,870
May 08, 2025	Private Placement	2,16,752	45.90	99,48,916.8
<b>Weighted Average Cost of Acquisition (Primary Transaction) (₹ per Equity Share)</b>				<b>80.69</b>

As certified by ACG & Co., Chartered Accountants through their certificate dated December 03, 2025.

- b. The price per share of our Company based on the secondary sale / acquisition of shares (equity shares) or acquisition of equity shares or convertible securities (excluding gifts) involving any of the members of the Promoter Group or other Shareholders with rights to nominate directors during the 18 months preceding the date of filing of the DP/ RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)**

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue share capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

*As certified by ACG & Co., Chartered Accountants through their certificate dated December 03, 2025.*

Since there is an eligible transaction of our Company reported in (a) above in accordance with paragraph (9)(K)(4)(b) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoters/Promoter Group entities or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this Draft Prospectus has not been computed.

- c. The Issue Price is 0.66 times the weighted average cost of acquisition at which the Equity Shares were issued by our Company, or acquired or sold by other shareholders with rights to nominate directors are disclosed below**

Based on the disclosures in (a) above, the weighted average cost of acquisition of Equity Shares as compared with the Issue Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Issue Price (₹ 53/-) Times of the Weighted average cost of acquisition
Weighted average cost of acquisition of primary issuances	80.69	0.66 times
Weighted average cost of acquisition for secondary transactions	NA <sup>^</sup>	NA <sup>^</sup>

<sup>^</sup>There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months from the date of this Draft Prospectus, the detail as required under paragraph (b) above is thus applicable. *As certified by ACG & Co., Chartered Accountants through their certificate dated December 03, 2025.*

**8. The Issue Price is 5.3 times of the face value of the equity shares**

The face value of our share is ₹ 10/- per share and the Issue Price is of ₹ 53/- per share are 5.3 times of the face value. Our Company and in consultation with the Lead Manager believes that the Issue Price of ₹ 53/- per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled “Risk Factors” beginning on page 28 of this Draft Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Restated Financial Statements” beginning on page 172 of this Draft Prospectus.

**9. Explanation for Issue Price being 0.66 times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.**

- Long standing relationships with a diversified customer base
  - As on September 30, 2025, we have served over 65 regional and local companies.
  - To maintain these relationships, we focus on regular communication and ensure timely deliveries, which help in building trust and customer retention. For an instance, 8 out of top 20 customers have been

associated with us for more than 3 years contributing 13.23%, 33.57%, 53.83% and 67.56% of revenue in the period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023.

2. Business Model focused on customized solutions and strong customer relationships
  - We operate under a business model that revolves around the manufacturing, sourcing, and blending of high-quality textile chemicals, essential for various stages of textile processing.
  - Our product portfolio covers a wide range of chemicals, including those for pre-treatment, dyeing, printing, and finishing.
  - Our diverse product portfolio caters to different types of textile substrates, including natural fibers like cotton, wool, and silk, as well as synthetic blends such as polyester.
3. Experienced Promoters and management team
  - Our Promoters have over a decade of experience altogether in the textile industry.
  - We are supported by qualified senior management team with experience in textile industry.
  - They have played a key role in overseeing our rapidly expanding operations.

## STATEMENT OF SPECIAL TAX BENEFIT

Date: December 03, 2025

To,

The Board of Directors,

**Vahh Chemicals Limited**

Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre,

Near Udhna Darawaja, Ring Road, Surat, Gujarat-395002

**Marwadi Chandarana Intermediaries Brokers Private Limited**

X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. 53E,

Zone-5, Road 5E, Gift City,

Gandhinagar-382355, Gujarat, India

(Marwadi Chandarana Intermediaries Brokers Private Limited and any other lead manager which may be appointed in relation to the Offer are collectively referred to as the “**Lead Manager**” or the “**LM**”)

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the “Equity Shares” and such offering, the “Offer”) of Vahh Chemicals Limited (the “Company”)**

We, **ACG & Co.**, statutory auditors to the Company, Firm Registration Number 028477N, hereby confirm that the enclosed **Annexure A** provides the special tax benefits available to the Company, its shareholders and to its material subsidiaries identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, being Ahmedabad and Gujarat (such entities referred to as “**Material Subsidiaries**”), pursuant to [(i) the Income Tax Act, 1961, as amended by the Finance Act, 2023 and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.

Several of these stated tax benefits/consequences are dependent on the Company or its shareholders or its Material Subsidiaries fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders or its Material Subsidiaries to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. 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 Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders and/or its Material Subsidiaries and is neither designed nor intended to be a substitute for professional tax advice.

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

- i) the Company or its shareholders or its Material Subsidiaries will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with; or.
- iii) The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and its Material Subsidiaries and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiaries.

This certificate, including **Annexure A** herein, is for your information and for inclusion in the draft prospectus, prospectus and any other material used in connection with the Offer (together the “**Offer Documents**”) with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited (collectively, the “**Stock Exchanges**”) and subsequently the red herring prospectus and the prospectus with the Registrar of Companies, Ahmedabad at Gujarat (“**RoC**”), in accordance with the provisions of the Securities and Exchange Board of India (Issue of

Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**") may be prepared in connection with the Offer.

The aforesaid information contained herein and in **Annexure A** may be relied upon by the Lead Manager appointed pursuant to the Offer and may be submitted to the stock exchange, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Lead Managers.

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 undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,

**For ACG & Co.,  
Chartered Accountants  
Firm Registration Number: 028477N**

**CA Deepanshu Agarwal  
(Partner)  
Membership Number: 541237  
UDIN: 25541237BMHYKG1412**

**Date:** December 03, 2025

## **Annexure A**

We hereby report that the enclosed annexure prepared by the management of the Company, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “GST Act”) presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that; this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares (“the Issue”) by the Company.

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

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

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

### **Limitations:**

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS**

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

### **A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:**

Under the Income Tax Act, 1961 (“the Act”) Special tax benefits available to the Company

- The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

**B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:**

- The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act

**NOTES:**

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act: -

- Deduction under the provisions of Section 10AA.
- Deduction under clause (iia) of sub- section (1) of Section 32 (additional depreciation).
- Deduction under section 32AD or Section 33AB or Section 33ABA
- Deduction under section 35AD or Section 35CCC
- Deduction under section 80G
- Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2019-20 and onwards.

6. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
7. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION VI – ABOUT THE COMPANY

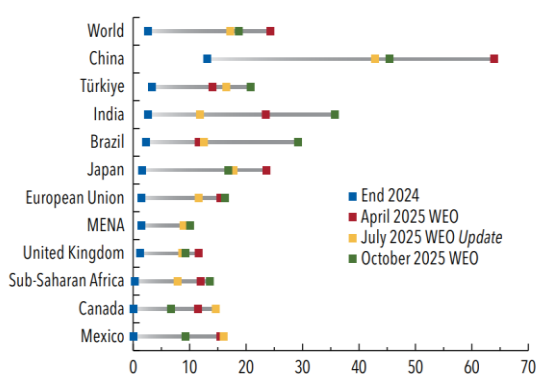
### INDUSTRY OVERVIEW

*The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.*

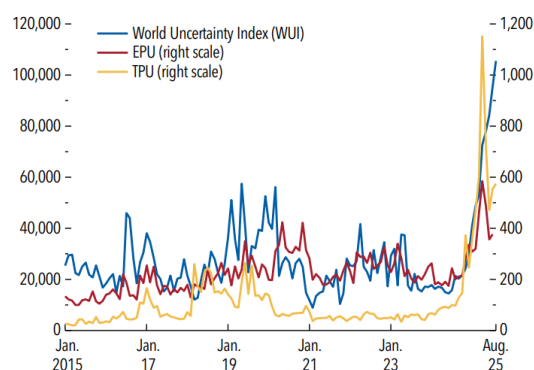
#### **Global Economy**

The year 2025 has been fluid and volatile, shaped by a major reordering of policy priorities in the United States and policy adaptations across other economies. Trade news has dominated the headlines, triggered by a series of new tariff measures by the United States that lifted tariff rates to levels not seen in a century. Although subsequent trade deals between the United States and several partners brought tariff rates down from their April highs, they now gravitate toward a range between 10 percent and 20 percent, and tariffs are very far from falling back to their 2024 levels. As a result, trade policy uncertainty remains elevated due to the absence of clear and durable agreements.

**Figure 1.1. US Effective Tariff Rates by Country**  
(Percent)



**Figure 1.2. Overall, Economic Policy, and Trade Policy Uncertainty**  
(Index)



Other international policy changes are also shaping the outlook. There have been sizable cuts in development aid and more restrictive stances on immigration. Official development assistance dropped by 9 percent in 2024, and another drop of similar magnitude is expected in 2025. These cuts have the largest impact on low-income developing countries, while net migration into several advanced economies has declined sharply. On the domestic front, major economies, most notably the United States, have shifted to a more stimulative fiscal stance, raising concerns about the lack of adjustment toward more sustainable public finances.

As this new landscape unfolds, the economic impact is becoming visible through changes in global projections. The tariff shock prompted a downward revision of global growth projection to 2.8 percent, but with tariff reductions and lower uncertainty, the July 2025 update showed a modest upward revision to 3.0 percent. Inflation showed mixed signals, surprising on the upside in some countries and on the downside in others. In the United States, core inflation has risen and unemployment has edged up, while China continues to show very low consumer price inflation and negative producer price inflation.

Initially, the effects of protectionist policies were muted because households and businesses front-loaded consumption and investment, trade patterns shifted through trade diversion, and healthy profit margins absorbed tariff costs. A weaker US dollar also supported global trade and eased inflation pressures. However, adverse effects of protectionist measures are starting to show. Trade diversion and rerouting are costly, and suboptimal reallocation of productive resources, technological decoupling, and limitations on knowledge diffusion will

restrain growth. At the same time, weaker medium-term growth prospects amplify concerns about fiscal sustainability, while the scaling back of international aid erodes standards of living in vulnerable countries.

### **Recent Developments: Resilience Giving Way to Warning Signs**

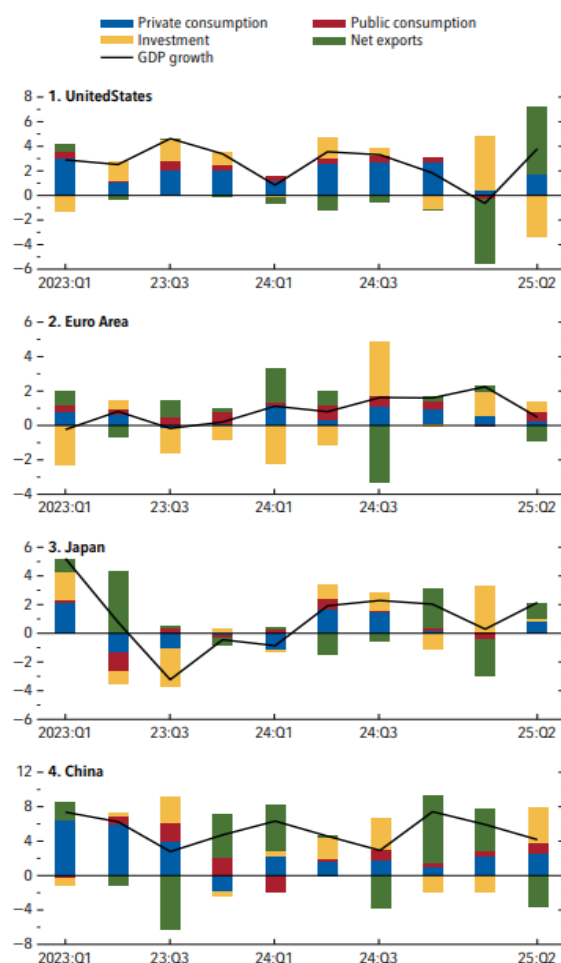
The global economy has shown resilience to the trade policy shocks, partly because these shocks materialized on a smaller scale than expected, but the drag from shifting policies is becoming visible. Several common drivers of growth patterns have emerged across countries, along with important idiosyncratic factors.

In the United States, the last round of tariffs coincided with signs of a material slowdown. GDP grew at 3.8 percent in the second quarter of 2025, mainly because imports and inventories fully reversed the contraction of –0.6 percent in the first quarter. Investment slowed, with reductions in commercial and residential construction. Jobs reports since July were much weaker than expected, and the unemployment rate edged up to 4.3 percent. Net international migration flows plunged and could imply 1.0–1.6 million fewer immigrants than in 2024 and 2.5 million fewer than in 2023.

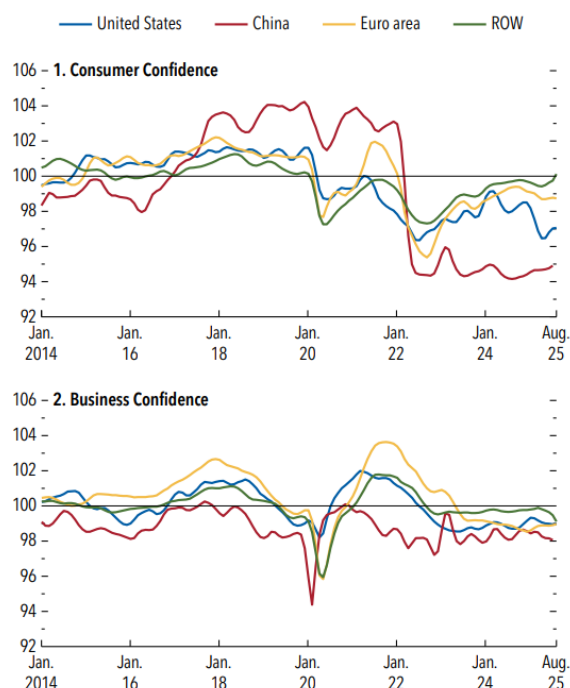
Other major economies are also showing signs of waning of the front-loading that boosted first-quarter outcomes. In China, growth slowed to 4.2 percent from 6.1 percent, with net exports receding and high-frequency indicators pointing to deceleration. In the euro area, growth slowed to 0.5 percent from 2.3 percent; declines were recorded in Germany, Italy, and Ireland. In Japan, the economy grew at 2.2 percent, propelled by strong exports, but new export orders fell and export values dropped.

The composition of contributions to GDP growth indicates few signs of underlying strength in demand. It clearly illustrates the distortions in trade flows in the past few quarters (Figure 1.3). Consumption growth has been subdued and investment has weakened, consistent with depressed consumer and business confidence. (Figure 1.4).

**Figure 1.3. Contributions to Quarterly GDP Growth**  
(Percent, quarter over quarter, annualized)



**Figure 1.4. Consumer and Business Confidence**  
(Index, OECD harmonized)



Beyond China, emerging market and developing economies showed strength, supported by record agricultural output in Brazil, robust service sector expansion in India, and resilient domestic demand in Türkiye. However, momentum is becoming fragile. Higher tariffs imposed by the United States are curtailing external demand, and heightened trade policy uncertainty is dampening firms' appetite for investment. Constrained fiscal space is reducing governments' ability to stimulate demand.

Among low-income countries, some of the world's poorest economies continue to see feeble growth, affected by a dearth of external financing flows and cuts to international aid. Fragile countries caught in conflicts are falling even more behind.

Renewed economic fears, particularly in the United States, briefly set a risk-off tone in financial markets. Global equity indices declined, and US Treasury yields plunged, but quickly reversed. Markets have taken trade and fiscal policy changes in stride, supported by accommodative global financial conditions. Much of the equity rally has been driven by artificial intelligence (AI) stocks. However, stretched valuations and calm raise the risk of market volatility and asset price correction. A decline in aggregate investment could be sharp, especially because investment in data centers and AI has been a key contributor to growth.

### **Growth Forecast for Emerging Market and Developing Economies`**

For emerging market and developing economies, growth is projected to moderate from 4.3 percent in 2024 to 4.2 percent in 2025 and 4.0 percent in 2026. This is virtually unchanged from the July WEO Update and is a cumulative upward revision of 0.6 percentage point from the April 2025 WEO. That said, it is lower than the forecast in October 2024 by a cumulative 0.2 percentage point, with low-income developing countries experiencing a larger downward revision than middle-income economies.

- *Growth in emerging and developing Asia* is expected to decline from 5.3 percent in 2024 to 5.2 percent in 2025 and further to 4.7 percent in 2026. For quite a few countries in the region—particularly in ASEAN, among the most affected—the evolution of growth forecasts largely mimicked that of effective tariff rates. In China, the 2025 GDP growth forecast was revised downward by 0.6 percentage point in the April 2025 WEO, with the escalation of trade tensions between China and the United States, and then upward by 0.8 percentage point in the July WEO Update, following the pause on higher rates in May. Compared with the October 2024 WEO projection, growth, at 4.8 percent, is expected to be 0.3 percentage point higher. Growth is expected to moderate in 2026 to 4.2 percent. A stronger-than-expected outturn in the past few quarters, reflecting front-loading in international trade and relatively robust domestic consumption supported by fiscal expansion in 2025, more than offset the headwinds from higher uncertainty and tariffs. In India, growth is projected to be 6.6 percent in 2025 and 6.2 percent in 2026. Compared with the July WEO Update, this is an upward revision for 2025, with carryover from a strong first quarter more than offsetting the increase in the US effective tariff rate on imports from India since July, and a downward revision for 2026. Compared with the pre-tariff forecast in October 2024, growth is projected to be cumulatively 0.2 percentage point lower.

### **Monetary Policy**

Policymakers are less concerned about exchange rate fluctuations, consistent with smaller pass-through to prices and a shift toward inflation as the economy's nominal anchor. At the same time, the weight associated with deviations of inflation expectations from the target declined, likely because of improved central bank credibility and more strongly anchored long-term inflation expectations. Long-term inflation expectations became better anchored over time, and with better-anchored inflation expectations, central banks in emerging markets can shift attention to curbing output fluctuations. The estimates capture this desirable countercyclical bias in the postcrisis reaction function and are close to those of advanced economies. Results show a progressive decline in the magnitude of the Taylor rule coefficient on expected inflation over time and a marginal increase in the size of the output gap coefficient, pointing to gains in monetary policy credibility. Unlike before the global financial crisis, central banks since then no longer accommodate fiscal spending, leaving long-term inflation expectations close to target, similarly to advanced economies. Domestic shocks transmit strongly to government bond yields, especially at the short end of the yield curve, indicating that monetary policy retains traction on borrowing conditions.

**Source:** (<https://www.imf.org/en/Publications/WEO/Issues/2025/10/14/world-economic-outlook-october-2025> )

## **OVERVIEW OF INDIAN ECONOMY**

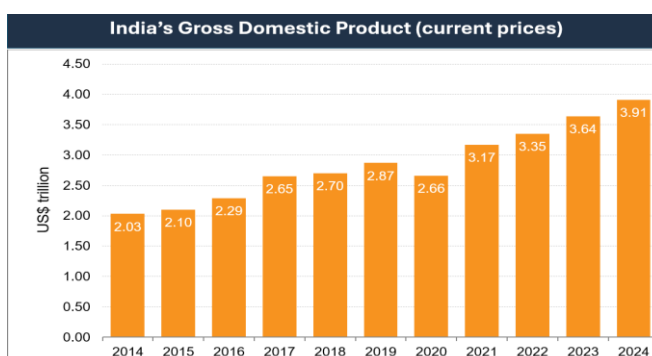
## **Introduction**

India's economic journey over the past few years has been marked by remarkable growth and a steady rise in its position on the global stage. After overtaking the United Kingdom (UK) to become the fifth largest economy in Q1 FY23, India has continued this upward trajectory to surpass Japan in June 2025 to become the fourth largest economy in the world. With a nominal Gross Domestic Product (GDP) of Rs. 3,31,03,000 crore (US\$ 3.78 trillion), India's growth reflects a combination of strong domestic demand and policy reforms positioning the country as a key destination for global capital.

Further, India is projected to reach a GDP of Rs. 4,26,45,000 crore (US\$ 5 trillion) by 2027 and is on course to surpass Germany by 2028. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

## **Market Overview**

India's economy shows robust expansion, with real GDP for FY25 estimated at Rs. 1,87,97,000 crore (US\$ 2.20 trillion), from Rs. 1,76,51,000 crore (US\$ 2.06 trillion) in FY24 with a growth rate of 6.5%. This growth is driven by rising employment and stronger private consumption, supported by improving consumer sentiment, which is expected to keep the momentum going in the near future.



Trade remains a critical pillar of India's growth story with exports reaching Rs. 37,31,000 crore (US\$ 436.6 billion) in FY25, led by Engineering Goods (26.88%), Petroleum Products (13.86%) and Electronic Goods (8.89%). These exports helped the economy stay resilient during the pandemic when other sectors slowed. Union Minister of Commerce and Industry, Mr. Piyush Goyal projects exports to reach Rs. 85,44,000 crore (US\$ 1 trillion) by 2030.

India's ability to attract Foreign Direct Investment (FDI) has also strengthened. The country received record FDI inflows amounting to Rs. 4,21,929 crore (US\$ 49.3 billion) in FY25 a 15% increase over FY24, supported by a stable policy environment, a large domestic market and steady economic growth positioning the country as a key destination for global capital. This capital inflow also complements government plans for increased investment in infrastructure and asset-building projects to further boost economic growth.

India's external economic position is improving. The current account deficit narrowed to Rs. 1,98,726 crore (US\$ 23.30 billion), or 0.6% of GDP, in FY25 from Rs. 2,21,754 crore (US\$ 26.00 billion), or 0.7% of GDP, in FY24. This improvement was due to higher net receipts from services and secondary income, according to the Reserve Bank of India (RBI).

## **Recent Developments**

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With India's economy showing resilient growth, supported by strong domestic demand, policy reforms, and a healthy investment pipeline, several new projects and developments are underway across key sectors. This positive development across key sectors is evident from following key economic data points.

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India's cumulative FDI inflow stood at Rs. 91,45,988 crore (US\$ 1.07 trillion) between April 2000-March 2025 with major share coming from Mauritius at Rs. 15,36,849 crore (US\$ 180.19 billion) with a total share of 25%, followed by Singapore at 24% with Rs. 14,91,603 crore (US\$ 174.88 billion), the United States (US) at 10% with Rs. 6,02,574 crore (US\$ 70.65 billion), the Netherlands at 7% with Rs. 4,54,613 crore (US\$ 53.3 billion), and Japan at 6% with Rs. 3,78,653 crore (US\$ 44.39 billion).
- As of July 4, 2025, India's foreign exchange reserves stood at Rs. 59,68,048 crore (US\$ 699.74 billion).
- In May 2025, private equity (PE) and venture capital (VC) investments reached Rs. 20,470 crore (US\$ 2.4 billion) across 97 deals.

- Foreign Institutional Investors (FII) outflows in FY25 were close to Rs. 1,27,000 crore (US\$ 14.89 billion), while Domestic Institutional Investors (DII) bought in Rs. 6,00,000 crore (US\$ 70.34 billion) in the same period.
- The HSBC India Manufacturing Purchasing Managers' Index (PMI) rose to a 14-month high of 58.4 in June 2025 from 57.6 in May, indicating a strong improvement in manufacturing conditions. Robust domestic and international demand drove sharp increases in output and new orders, while employment saw a record rise as firms expanded their workforce to meet rising workloads. New export orders surged, marking the third-fastest growth since the survey began in 2005. Although input cost inflation eased, producer prices increased as companies passed on higher freight and labour costs to customers.
- India saw a robust 10.35% growth in passengers carried by domestic airlines at 431.98 lakh in FY25, from 391.46 lakh in FY24, according to the Directorate General of Civil Aviation (DGCA).
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks third position in the global number of scientific publications.
- In FY25, the Goods and Services Tax (GST) recorded its highest-ever gross collection at Rs. 22,08,000 crore (US\$ 258 billion), registering a YoY growth of 9.4%. The average monthly collection stood at Rs. 1,84,000 crore (US\$ 21.57 billion).
- In May 2025, the overall Index of Industrial Production (IIP) stood at 156.6 (base 2011–12 = 100), reflecting a YoY growth of 1.2%. The mining, manufacturing and electricity sectors stood at 136.6, 154.3 and 216, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) - Combined inflation was 3.34% in March 2025 against 4.85% in March 2024.
- India's wheat procurement for FY26 has reached 29.7 million tonnes as of May 22, 2025, the highest in four years and up 13.5% YoY. Strong production of 115.43 million tonnes, favourable weather, and bonuses above the Minimum Support Price (MSP) in key states have driven this growth. The Food Corporation of India expects procurement to hit 32.5 million tonnes by season end, raising stocks to 44 million tonnes, well above the 18.4 million tonnes needed for the Public Distribution System.

### **Government Initiatives**

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, several of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- On July 5, 2025, the Union Cabinet approved the Rs. 1,00,000 crore (US\$ 11.72 billion) Research, Development and Innovation (RDI) Scheme, launching long term, low or zero interest funding via a special purpose fund under the ANRF to jump start India's R&D ecosystem and support deep tech and startup innovation.
- On March 27, 2025, the Reserve Bank of India proposed doubling the investment cap for individual foreign investors in listed firms from 5% to 10%, with a combined foreign individual limit increasing to 24%, to counter Foreign Portfolio Investment (FPI) outflows.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- According to a report by Wood Mackenzie in January 2025, India, the US, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.

- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32,07,000 crore (US\$ 375 billion) and Rs. 48,21,000 crore (US\$ 564 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, one crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with Micro, Small and Medium Enterprises (MSME) value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1,309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.

### **Road Ahead**

India's economy grew by 6.5% in FY25. With a 7.4% growth rate in Q4 FY25, with RBI projecting a growth rate of 6.5% in FY26 as well. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. In 2024, India rose to 15th place globally in FDI rankings and retained its position as South Asia's top recipient.

In H1 FY25, India's growth-focused approach was underscored by the government's capital expenditure outlay of Rs. 15,02,000 crore (US\$ 176 billion), reinforcing its commitment to infrastructure-led development.

In the Union Budget of FY26, capital expenditure took lead by steeply increasing the capital expenditure outlay by 10% to Rs. 11,21,000 crore (US\$ 131 billion) over Rs. 10,18,000 crore (US\$ 119 billion) in FY25. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

India's total goods and service exports surged by 76% over the past decade, touching Rs. 70,36,425 crore (US\$ 825 billion) in FY25, driven by strong performance in engineering goods, electronics, and pharmaceuticals. With a reduction in port congestion, supply networks are being restored.

With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall

Source: (<https://www.ibef.org/economy/indian-economy-overview> )

## CHEMICAL INDUSTRY

### An Overview

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the sixth largest producer of chemicals in the world and third in Asia, contributing 7% to India's GDP. India's chemical sector, which was estimated to be worth around Rs. 21,50,750 crore (US\$ 250 billion) in 2024, is anticipated to grow to US\$ 300 billion by 2028 and Rs. 86,03,000 (US\$ 1 trillion) by 2040. This industry remains an active hub of opportunities, even in an environment of global uncertainty.

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world's production of dyestuffs and dye intermediates. Indian colourants industry has emerged as a key player with a global market share of ~15%. The country's chemicals industry is de-licensed, except for a few hazardous chemicals. India has traditionally been a world leader in generics and biosimilars and a major Indian vaccine manufacturer, contributing more than 50% of the global vaccine supply.



India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and eighth in imports at the global level (excluding pharmaceuticals). In FY26 (April-July), India's dye exports (Dyes and Dye Intermediates) totalled US\$ 824.77 million.

Major chemical production reached 966 thousand metric tonnes in April 2025, while petrochemical production reached 1,763 thousand metric tonnes.

In April 25, production levels of various chemicals were as follows:

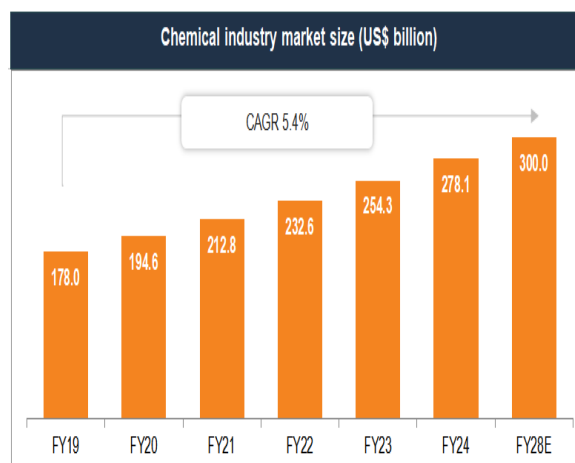
- Soda Ash: 276.98 ('000 MT)
- Caustic Soda: 317.35 ('000 MT)
- Liquid Chlorine: 222.60 ('000 MT)
- Formaldehyde: 293.75 ('000 MT)
- Pesticides and Insecticides: 233.32 ('000 MT)

India's proximity to the Middle East, the world's source of petrochemicals feedstock, enables it to benefit on economies of scale.

### Market Size

India has traditionally been a world leader in generics and biosimilars and major Indian vaccine manufacturers, contributing more than 50% of the global vaccine supply. Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.

An investment of Rs. 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025. Specialty chemicals account for 20% of the global chemicals industry's US\$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025. This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries.



Source: Business Standard, E-Estimated

The Department of Chemicals & Petrochemicals intends to bring PLI in the chemical & petrochemical sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) guidelines.

India achieved its highest-ever urea production of over 314 lakh metric tonnes (LMT) in 2023-24, reflecting a significant increase in domestic production capacity.

India produced around 503 LMT of total fertilizers domestically in 2023-24 out of total consumption of about 601 LMT, reducing import dependence.

A shift in the global supply chain brought on by the China+1 strategy and a resurgence in domestic end-user demand was expected to fuel significant revenue growth of 18-20% in 2022 and 14-15% in 2023.

### **Investments and Recent Developments**

A few recent developments/investments in the Indian chemical sector are as follows:

- In FY26 (April-July 2025), exports of organic chemicals stood at US\$ 2,750.32 million & inorganic stood at US\$ 726.25 million.
- Imports of organic chemicals were US\$ 5,301.48 million) and inorganic chemicals US\$ 2,225.51 million from FY26 (April-July 2025).
- In FY26 (April-July 2025), imports of castor oil, essential oil, and cosmetics and toiletries stood at US\$ 987.94 million.
- Exports of castor oil, essential oil, cosmetics and toiletries are US\$ 1,446.15 million during FY26 (April-July 2025).
- In FY26 (April-July), the export of agrochemicals was US\$ 1,433.89 million, dyes were US\$ 765.26 million and the other dye intermediates were US\$ 59.51 million.
- The import of agrochemicals was US\$ 798.16 million; dyes were US\$ 108.86 million and the other dye intermediates were US\$ 536.02 million during FY26 (April-July).
- In 2024, Alkali chemicals stood at 71% of the total chemical production.
- After three years of discussions, the UK and India have finalized a landmark Free Trade Agreement (FTA). The agreement removes tariffs on 99% of Indian exports and reduces duties on 90% of UK exports to India, with the chemical industry standing out as one of the major winners.
- Kanoria Chemicals commissioned a new Ankleshwar plant on September 6, 2024, at a total cost of Rs. 90 crore (US\$ 10.22 million) financed to add 345 TPD of formaldehyde and 18 TPD of hexamine, thereby supporting the automotive, construction, agriculture, cosmetics, and chemical industries with efficient, sustainable production facilities.
- Tata Chemicals intended to invest about Rs. 8,000 crore (US\$ 967.45 million) by 2027 as capex on an expansion spree that includes scaling businesses sustainably.
- New manufacturing plants are being planned to be launched in 2026 to increase capacity, for example, Shivtek Spechemi Industries has opened a new chemical plant near Hazira, Gujarat, covering over 1 million sq ft. aiming to boost production capacity to 2,50,000 MTPA by 2027-28.

- Sudarshan Chemical announced the acquisition of Germany's Heubach Group on October 11, 2024, and completed the deal in March 2025. This acquisition created a global pigment leader with operations across 19 sites worldwide, strengthening Sudarshan's portfolio and global presence across Europe, the Americas, and Asia.
- In June 2025, Aditya Birla Group acquired Cargill's specialty chemicals manufacturing facility in Dalton, Georgia, USA. This strategic move marked Aditya Birla's entry into the US chemicals market and highlighted the growing ambitions of Indian chemical companies to expand internationally through acquisitions.

### **Government Initiatives**

The government has started various initiatives such as mandating BIS-like certification for imported chemicals to prevent dumping of cheap and substandard chemicals into the country.

In April 2025, Union Minister of Finance Ms. Nirmala Sitharaman said India plans to raise manufacturing's GDP share from 14% to 23% over the next two decades to boost jobs and economic growth.

- Under the Union Budget 2025-26 the government allocated Rs. 1,61,965 crore (US\$ 18.7 billion) to the Ministry of Chemicals and Fertilizers.
- India is prioritizing 14 sunrise sectors such as semiconductors, renewable energy products, medical devices, batteries, and labor-intensive industries like leather and textiles to boost manufacturing's contribution to GDP.
- In February 2025, the government has implemented enhanced quality compliance requirements via Quality Control Orders (QCOs) for more than 150 products across various sectors, including household appliances and industrial materials. This initiative, overseen by the Bureau of Indian Standards (BIS), aims to enforce stricter safety and performance standards.
- The Union Budget 2025 launched the second Asset Monetization Plan targeting Rs. 10 lakh crore (US\$ 113.60 billion) from FY25 to FY30. This plan includes public sector undertakings in the chemical industry like Gujarat Narmada Valley Fertilizers & Chemicals, Gujarat State Fertilizers and Chemicals, and Rashtriya Chemicals & Fertilizers. The initiative aims to attract private investments, fostering public-private partnerships to drive modernization, innovation, and competitiveness in the chemical sector.
- In 2024-25, significant emphasis was placed on skill development for the chemical sector workforce. Institutions like the Central Institute of Petrochemicals Engineering & Technology (CIPET) are offering specialized courses for professionals and technicians to enhance skills tailored to industry needs. This includes training on advanced technologies for modernization of the industry.
- The Rajasthan Refinery Limited (RRL) is expected to be commercially operational by March 31, 2026. The project has seen significant capital investment exceeding Rs. 52,877 crore (US\$ 6.01 billion), generating direct employment for over 35,000 people. The government continues to focus on attracting investors to the PCPIR as part of its broader strategy to develop the petrochemical sector with modern infrastructure and sustainable growth.
- The government approved the five new Centers of Excellence for chemicals and petrochemicals in the month of October 2024. Further plans to establish three more centers are ongoing, supported by a dedicated digital portal connecting about 1,000 industries with 50 research institutions to enhance collaboration and innovation.
- PLI schemes have been introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million).
- The Government of India is considering launching a production-linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports.
- A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement a production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.
- 100% FDI is allowed under the automatic route in the chemicals sector with a few exceptions that include hazardous chemicals. FDI inflows in the chemicals sector (other than fertilizers) reached Rs. 1,39,776 crore (US\$ 22.8 billion) between April 2000-September 2024.
- The government has proposed several incentives for setting up a sourcing or manufacturing platform within an Indian SEZ:

- Single window clearance for central and state-level approvals.
- Duty-free import/domestic procurement of goods for development, operation and maintenance of SEZ units.

### **Road Ahead**

The Indian chemical industry is poised for significant growth, driven by global supply chain shifts and rising demand for environmentally compliant production. Opportunities are emerging as companies diversify away from traditional manufacturing hubs and focus on sustainable, high-value chemical segments. Strategic fiscal support, including tax incentives and benefits under PCPIRs and SEZs, will further enhance production capabilities and encourage downstream development.

The government's focus on dedicated integrated manufacturing hubs under the Petroleum, Chemicals, and Petrochemicals Investment Regions (PCPIR) policy is expected to attract investments of up to Rs. 20 lakh crore (US\$ 276.46 billion) by 2035. Future investments are increasingly emphasizing advanced crude-to-chemicals complexes and specialized refineries designed to produce high-value chemical products, enabling India to move up the global chemical value chain while strengthening domestic capabilities.

Note: The conversion rate used for July 2025 is Rs. 1 = US\$ 0.011

Source: (<https://www.ibef.org/industry/chemical-industry-india>)

### **NET-ZERO STRATEGY FOR INDIA'S CHEMICAL INDUSTRY**

In recent years, the pursuit of net-zero emissions has garnered substantial global attention, with nations worldwide committing to specific timelines to achieve carbon neutrality. Prime Minister of India, Mr. Narendra Modi, promised to cut India's emissions to net zero by 2070 at the COP26 Summit in Glasgow in 2021. A revolutionary shift in the country's energy composition is imperative to realize this ambitious goal and transform it into a net-zero nation. This is particularly challenging as fossil fuels still constitute a significant portion of India's energy consumption. The Indian Chemical Sector, a key player in the country's economic and energy landscape, is now at the forefront of discussions on sustainability and green practices. This blog delves into the strategic initiatives for the Indian chemical sector to contribute to environmental stewardship and support national and global sustainability objectives.

Net-zero emissions refer to the balance between the amount of greenhouse gases produced and the amount removed from the atmosphere. Achieving this delicate equilibrium is essential for combating climate change and preserving the environment for future generations. The Indian Chemical Sector, known for its diverse range of products and processes, holds immense potential for positively impacting the country's carbon footprint.

### **Current Landscape of the Indian Chemical Sector**

The Indian Chemical Sector is pivotal to the nation's economic growth, contributing ~7% to India's GDP in FY 2023, and is the sixth largest chemical producer in the world. From basic chemicals to advanced materials, the sector influences key value chains, impacting agriculture, healthcare, manufacturing, and technology. Beyond domestic markets, it is a major player in global trade, with interconnected supply chains spanning continents.

The chemical industry is pivotal in India's industrial and economic landscape. Data from the Confederation of Indian Industry (CII) reveals that the market size of this sector in the country reached US\$ 220 billion in FY2022 and is expected to reach US\$ 383 billion by 2030. This suggests a robust Compound Annual Growth Rate (CAGR) of 7.2% from 2023 to 2030, underscoring the sector's significant contribution and potential for expansion in the coming years.

### Indian Chemical Industry Set for Steady Growth



The Chemical sector directly contributes only ~4% to India's Greenhouse gas emissions. However, the sector's significance lies in its indispensable role in the supply chain for several sectors viz. fertilizers, pharmaceuticals, construction, and polymers, to name a few.

The sector has historically faced challenges related to environmental sustainability. Industrial processes in chemical manufacturing often involve energy-intensive operations and emit greenhouse gases, contributing to environmental degradation. Recognizing these challenges, the sector is now gearing up to adopt a strategic plan that aligns with the broader goal of achieving net-zero emissions.

#### **Key Government Initiatives to kick-start Journey towards Net-zero**

During the COP26 summit in Glasgow in 2021, The Indian Prime Minister, Mr. Narendra Modi, committed India to achieving net zero by 2070 along with four other key promises to be achieved by 2030:

- Elevating non-fossil energy capacity to 500 Gigawatts (GWs).
- Meeting 50% of energy needs from renewable sources.
- Decreasing the carbon intensity of the economy by 45%.
- Mitigating total estimated carbon emissions by 1 billion tonnes.

The commitment to achieve net-zero emissions by 2070 demands that Indian companies align their strategies with the transition to a low-carbon economy. This will require a substantial increase in investment towards research and development of new technologies and increased skilled manpower availability. The government has implemented a series of measures, delineating key actions for the chemical sector to address escalating environmental challenges domestically while fostering robust growth. The key steps taken by the Indian government are summarized below:

- **Increasing FDI to bring in international expertise in India:** 100% FDI is allowed under the automatic route in the chemicals sector, with few exceptions. The FDI in the chemical sector is gaining traction and grew by a robust 91% in FY 2023. Increased investment from global players brings advanced technologies and sustainable practices, fostering eco-friendly production. This not only enhances the sector's efficiency but also aligns with environmental goals, contributing to India's journey towards a greener future.
- **Focus on skill development:** The Indian government has actively endorsed skill training, technology, academia, and research to boost the chemicals sector. This is evident through the creation of Centers of Excellence (COE) under the National Policy on Petrochemicals and the Chemicals Promotion Development Scheme (CPDS).
- **Boosting the production of non-hazardous chemicals and curbing imports of substandard products:** To bolster indigenous producers, the Indian government enacted the deregulation of non-hazardous chemical production and enforced anti-dumping duties on substandard imports as a protective measure. These actions

are anticipated to uplift domestic manufacturers, fostering increased scale and profitability within the industry.

- **Initiatives in the pipeline:** The suggested reform entails a substantial revision of the 2007 Petroleum, Chemicals & Petrochemical Investment Regions (PCPIRs) policy. Geared towards establishing integrated chemical complexes, PCPIRs aimed to connect diverse chemical industries through shared infrastructure. The policy awaits a comprehensive review. Additionally, the government encourages the formation of plastic park clusters and chemical manufacturing units in specified regions, including SEZ/NIMZ and areas like North-east, Jammu & Kashmir, Himachal Pradesh, and Uttarakhand, fostering the growth of the chemical sector. The Centre is also developing a Production Linked Incentive (PLI) scheme for the chemical sector, likely focusing on agrochemical intermediates, pharmaceutical intermediates, dyes, and multi-use chemicals, to enhance manufacturers' cost competitiveness.

### **Growing ESG adoption further drives focus towards Net zero**

There is mounting pressure from stock exchanges and regulatory bodies in the financial sector for companies to produce high-quality disclosures that Issue a comprehensive view of their ESG strategy, capabilities, risks, and challenges. Organizations are transitioning from voluntary to mandatory reporting due to evolving stakeholder expectations. The shift is complemented by emerging disclosure platforms such as Business Responsibility and Sustainability Reporting (BRSR), aiding Securities and exchange board of India (SEBI) in developing methodologies for climate change reporting. Established platforms like Task Force on Climate-Related Financial Disclosures (TCFD), Carbon disclosure project (CDP), and Sustainability Accounting Standards Board (SASB) are gaining prominence in India, enabling organizations to benchmark globally. With growing investor demand and a changing political landscape, a future with standardized ESG metrics, like the UN's Value Driver Model, is increasingly likely to facilitate the assessment and communication of sustainability impact.

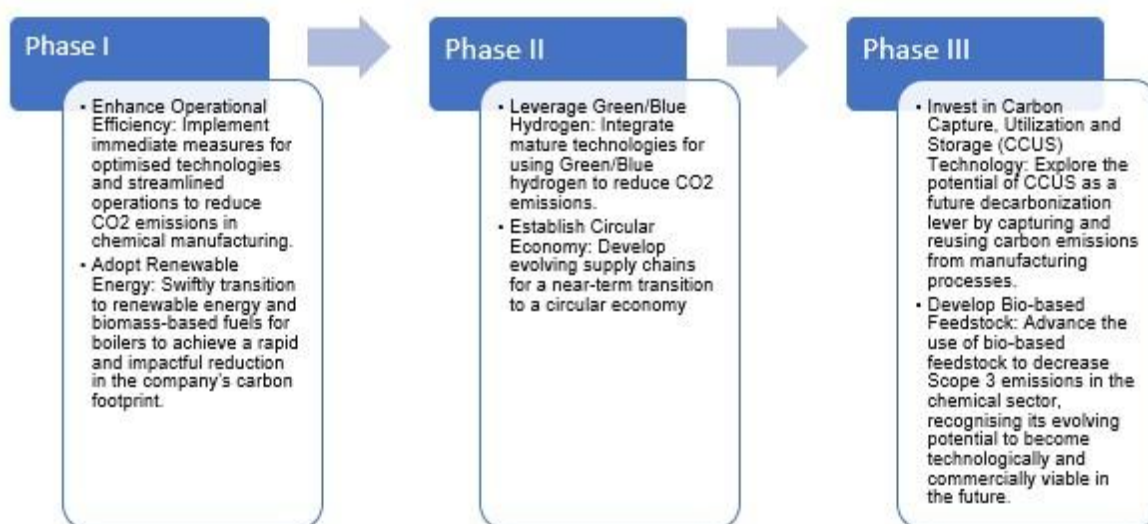
### **The influx of sustainable and green financing further motivates companies to be ESG-compliant**

Responsible investing is gaining momentum in India, with ESG-focused equity funds increasing from US\$330 million in 2019 to US\$1.3 billion in June 2023, according to Avendus Capital reports. The rise is attributed to heightened awareness of the climate crisis and consumer interest in supporting companies perceived as socially responsible. Firms with superior ESG scores experience easier access to funds at lower costs, leading to improved operating margins and shareholder returns. For chemical companies, this serves as an incentive to prioritize sustainability in decision-making processes.

### **Challenges and the road ahead**

The transition to net zero in the Indian chemical sector faces multifaceted challenges. Timely policy actions are critical, whether incentivizing R&D or implementing a carbon tax. Significant capital investment is required for adopting emerging technologies like carbon capture, while a transformative shift in the business model demands collaboration across industries. Manufacturers may hesitate due to anticipated increases in key intermediate costs, posing an additional obstacle. Securing sustainable bio-based alternatives and establishing a consistent supply chain adds complexity, highlighting the need for unified efforts and supportive policies.

In 2022, the Confederation of Indian Industry (CII), in partnership with Kearney, a global management consulting firm, conducted a study outlining the transition plan for the Indian Chemical industry to achieve net-zero emissions. The study highlights that the Chemical sector is expected to reach the tipping points for low-emissions technology later than other key sectors due to challenges like high upstream emissions, uncertain demand for low-emission chemicals, and the need to validate key technologies. The study led to the development of a three-phased plan for effective implementation, summarized below:



Transitioning the chemicals sector to a low-carbon footprint involves a blend of energy efficiency, demand management, and investments in new technologies. The CII study aptly outlined the incremental steps needed to achieve net zero in the Indian chemical sector. Phase one of the suggested plan concentrates on swiftly implementable solutions that promise significant improvements in the near term. The second phase underscores levers evolving in maturity and technological feasibility, like the increased utilization of Green/Blue hydrogen. Phase III homes in on high-potential opportunities with technological immaturity, such as CCUS (Carbon Capture, Utilization, and Storage).

## Conclusion

The omnipresence of the carbon atom in various roles within the chemical industry — as feedstock, fuel, product, and in end-of-life emissions — adds complexity, making it challenging to devise a straightforward set of pathways that comprehensively addresses the entire sector. Consequently, it is plausible to expect that the Indian chemical sector could be the final major sector to shift towards Net Zero emissions.

The Indian chemical sector is actively pursuing a strategic plan for net-zero emissions, spurred by government initiatives like increased FDI, a focus on skill development, and measures to control substandard imports. Proposed reforms, including overhauling PCPIRs and incentives for chemical manufacturing units, underscore a commitment to sectoral growth. The industry's pivot towards responsible investing and ESG-focused funds signals a positive trajectory for the sector's future toward net-zero emissions. However, challenges such as policy alignment, capital investment, and cost implications need addressing for a successful transition. The CII study outlines a phased plan, emphasizing quick solutions, evolving levers, and high-potential opportunities to guide the sector toward a sustainable and low-carbon future.

The successful transition of the Indian chemical sector to net zero relies on advancements in technological development, financial innovation, and robust political leadership. These crucial factors can position India to adeptly navigate the dual transformations of rapidly expanding the chemical sector while ensuring safe and sustainable growth.

**Source:**(<https://www.ibef.org/blogs/mission-net-zero-a-strategic-plan-for-the-indian-chemical-sector> )

## OUR BUSINESS

*To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, “Management’s Discussions and Analysis of Financial Condition and Results of Operations” and “Restated Financial Information” as well as the financial, statistical and other information contained in this Draft Prospectus.*

*Our fiscal year ends on March 31 of each year, so all references to a particular “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Prospectus. For further information, see “Restated Financial Statements” on page 172 of this Draft Prospectus.*

*We have, in this Draft Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Prospectus.*

## OVERVIEW

We are an ISO 9001: 2015 certified Company engaged in the business of manufacturing and trading of textile auxiliaries chemicals. Our Company is engaged in the supplying and blending of wide range of chemicals in the textile industry. Our operations primarily involve the sourcing and blending of textile chemicals essential for various stages of textile processing, including pre-treatment, dyeing, printing, and finishing. Strategically, we cater primarily to dyeing and printing houses within the textile industry, offering tailored chemical solutions to address the specific needs and challenges of this sector, including customized formulations for various applications. These chemicals are essential for improving fabric quality, its texture, enhancing colour vibrancy, and ensuring the durability of the finished textile products. Our main strength of the products are our formulation of chemicals and quality maintenance.

As of September 30, 2025, our product portfolio comprises of 92 SKU’s in our chemical division which are designed to enhance fabric quality, durability, and performance, our products cater to a wide spectrum of textile substrates such as cotton, polyester, silk, and synthetic blends. We focus on creating solutions tailored to specific needs in textile production. This strategic alignment enables us to support diverse industry needs, from enhancing colour vibrancy to imparting functional properties like water repellence, flame resistance, and anti-microbial finishes, UV Absorbers, wrinkle – free resins, driving innovation and value creation in the textile sector.

Our chemical business is predominately conducted on a business-to-business basis. Our Facility spans approximately 301.25 square meters. We have established a strong distribution network in Surat, supported by strategically positioned manufacturing facility.

Hiren Desai promoter of the Company has more than a decade of experience in trading and blending of chemical & textile auxiliaries, through various proprietorships established over the years to cater a diverse range of products and services. In the year 2019, transitioned into a corporate structure under “Vahh Chemicals Limited”. On September 2024, our Company has taken over the proprietary business together with all its assets and liabilities of the —M/s Aayush Chemical, proprietorship of Aayush Hiren Desai; M/s Aayush Bio-Energy, proprietorship of Hetal Hiren bhai Desai, Promoters of our Company. In the 2019 year, Hiren Desai along with the second-generation promoter “Aayush Hiren Desai” commenced the business of nutrition under our subsidiary “HSHS Nutraceuticals Limited”. Divine Nutrition is a product brand of HSHS Nutraceuticals Limited. It distributes across India via online platforms, supplement stores, gym distributors, and plans expansion into the US, Nepal, Dubai and other gulf countries and. The company’s manufacturing facility is registered with the US FDA under its Food Facility Registration (FFR) system, a facility-level registration and not equivalent to FDA approval of specific products Nutra Ingredients. Further, it is marketed as the Indian nutraceutical brand to obtain both FSSAI and FDA facility registration.

Our business model is segregated under three business segments which include:

**1) Trading** – Distribution of textile chemicals, including pre-treatment agents, dyeing auxiliaries, and finishing chemicals to optimize the dyeing and printing processes in textile mills.

**2) Blending** – Customized chemical blends to ensure that textile manufacturers achieve superior results, with formulations designed to enhance the quality.

**3) Nutrition** – Nutraceutical products formulated to support health, wellness, and improved daily nutrition by the subsidiary.

The table below sets forth the breakdown of our product wise revenue from operations for the period ended September 30, 2025 and for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For period ended September 30, 2025		For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%
Blending	873.37	52.85%	1582.93	66.66%	776.33	76.45%	577.84	77.48%
Trading	166.73	10.09%	459.72	19.36%	239.20	23.55%	167.90	22.52%
Nutrition	612.36	37.06%	332.06	13.98%	-	-	-	-
<b>Total</b>	<b>1,652.47</b>	<b>100.00%</b>	<b>2,374.71</b>	<b>100.00%</b>	<b>1,015.53</b>	<b>100.00%</b>	<b>745.74</b>	<b>100.00%</b>

Our Company is guided by a team of experienced Promoters, Hiren Indravadan Desai, Hetal Hiren bhai Desai, and Aayush Hiren Desai, who collectively hold more than a decade of experience in the chemical textile industry. Each of our Promoters is actively involved in the critical aspects of our business, such as process, financial management and marketing strategy. Complementing their leadership, our senior management team comprises with widespread experience in the chemical textile sector.

### Financial Performance of Our Company

A list of certain financial data, based on our Restated Financial Information is set out below for the indicated Fiscals:

*(₹ in Lakhs, unless otherwise specified)*

Particulars	Units	For the period ended September 30, 2025	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Revenue from Operations	₹	1,652.47	2,374.71	1,015.53	745.74
Revenue CAGR <sup>(1)</sup>	%	-	78.45%		
EBITDA <sup>(2)</sup>	₹	339.44	467.60	112.27	42.54
EBITDA Margin <sup>(3)</sup>	%	20.54%	19.69%	11.06%	5.70%
PAT	₹	207.76	258.22	34.46	16.94
PAT Margin <sup>(4)</sup>	%	12.57%	10.87%	3.39%	2.27%
Return on Equity (RoE) <sup>(5)</sup>	%	22.00%	65.40%	40.32%	28.34%
Return on Capital Employed <sup>(6)</sup>	%	16.98%	25.72%	15.53%	12.01%
Net Fixed Asset Turnover Ratio <sup>(7)</sup>	Times	673.10	946.10	353.23	393.53
Net Capital Turnover Ratio <sup>(8)</sup>	Times	0.83	1.31	1.43	2.16

Particulars	Units	For the period ended September 30, 2025	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Debt to Equity Ratio <sup>(9)</sup>	Times	0.66	1.64	5.93	4.06
Return on Assets <sup>(10)</sup>	%	5.09%	10.94%	5.28%	3.94%
Current Ratio <sup>(11)</sup>	Times	1.48	1.31	2.13	1.59
<b>Operational KPI</b>					
Unit sold	Kgs	880040	1639004	754880	616745

Notes:

<sup>(1)</sup> Revenue from operation means revenue from sales.

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses.

<sup>(3)</sup> EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

<sup>(4)</sup> PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.

<sup>(6)</sup> Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization

<sup>(7)</sup> Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset

<sup>(8)</sup> Net Capital Turnover Ratio is calculated as Revenue from operation divided by Capital employed

<sup>(9)</sup> Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities.

<sup>(10)</sup> Debt Service Coverage Ratio is calculated as earnings available for debt services (calculated as Profit after tax + interest expenses + Depreciation and amortisation expenses+(Profit)/Loss on sale of fixed assets) divided by Total interest and principal repayments.

<sup>(11)</sup> Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

## OUR COMPETITIVE STRENGTHS

Our Company has developed a set of key strengths that has enabled it to serve customer needs better. Some of our key competitive strengths are set forth hereunder.

### *Long standing relationships with a diversified customer base*

As on September 30, 2025, we have served over 65 regional and local companies. Of our revenue from operations as on period ended September 30, 2025, and for Fiscal 2025, Fiscal 2024 and Fiscal 2023, our largest customer contributed approximately 17.27%, 16.59%, 23.80% and 21.27%, respectively; our top 5 customers contributed approximately 34.24%, 43.61%, 64.70% and 74.72%, respectively; and our top 10 customers contributed 44.73%, 60.01%, 84.43% and 88.92%, respectively. Our long-term relationships and ongoing active engagements with customers that enables us to plan our capital investments. This strengthens our ability to capitalize on growing economies of scale, with better purchasing power for raw materials and reducing overall costs. Our strong customer relationships have played a key role in expanding our product portfolio.

Our customer engagements are dependent on us delivering quality products consistently. We maintain long-standing relationships with our customers by prioritizing personalized engagement and consistently delivering high-quality products. Our customer acquisition process begins with market segmentation, where we identify and target potential dyeing and printing houses. We generate leads through local networking, word of mouth, and direct outreach, allowing us to establish initial contact with prospective clients. To maintain these relationships, we focus on regular communication and ensure timely deliveries, which help in building trust and customer retention. For an instance, 8 out of top 20 customers have been associated with us for more than 3 years

contributing 13.23%, 33.57%, 53.83% and 67.56% of revenue in the period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023.

The table below sets forth the breakdown of our revenue from operations across our top ten customers, as a percentage of our total revenue from operations for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars*	For period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from Operations (₹ in Lakhs)	% of Revenue	Revenue from Operations (₹ in Lakhs)	% of Revenue	Revenue from Operations (₹ in Lakhs)	% of Revenue	Revenue from Operations (₹ in Lakhs)	% of Revenue
Customer 1	285.37	17.27%	393.93	16.59%	241.73	23.80%	158.60	21.27%
Customer 2	123.55	7.48%	182.48	7.68%	113.44	11.17%	135.73	18.20%
Customer 3	58.24	3.52%	171.53	7.22%	108.89	10.72%	94.25	12.64%
Customer 4	53.83	3.26%	160.62	6.76%	102.99	10.14%	93.10	12.48%
Customer 5	44.84	2.71%	127.28	5.36%	90.04	8.87%	75.56	10.13%
Customer 6	43.61	2.64%	94.91	4.00%	54.26	5.34%	31.36	4.21%
Customer 7	36.86	2.23%	90.83	3.83%	45.00	4.43%	26.58	3.56%
Customer 8	36.10	2.18%	80.62	3.40%	39.82	3.92%	17.18	2.30%
Customer 9	28.70	1.74%	66.15	2.79%	37.06	3.65%	15.89	2.13%
Customer 10	28.13	1.70%	56.72	2.39%	24.15	2.38%	14.84	1.99%
<b>Total</b>	<b>739.23</b>	<b>44.73%</b>	<b>1425.07</b>	<b>60.01%</b>	<b>857.40</b>	<b>84.43%</b>	<b>663.08</b>	<b>88.92%</b>

***Business Model focused on customized solutions and strong customer relationships***

We operate under a business model that revolves around the manufacturing, sourcing, and blending of high-quality textile chemicals, essential for various stages of textile processing. Our product portfolio plays a vital role in improving fabric quality, enhancing color vibrancy, and ensuring the durability of finished textile products. We also focus on customized chemical blending, which allows us to cater to the specific needs of our customers, optimizing the performance of textile production processes.

Our product portfolio covers a wide range of chemicals, including those for pre-treatment, dyeing, printing, and finishing. These chemicals are critical at each stage of textile processing. Our diverse product portfolio caters to different types of textile substrates, including natural fibers like cotton, wool, and silk, as well as synthetic blends such as polyester. This broad offering enables us to meet the unique requirements of our diverse clientele.

Our business model is divided into two main segments:

- Customized Chemical Blending:** We tailor chemical formulations based on the specific needs of our clients, ensuring that the chemicals are optimized for different fabric types and machinery. This flexibility enhances the efficiency and productivity of our customers' operations and helps them achieve the best results in their dyeing, printing, and finishing processes. Additionally, our company provides post-sales technical support to ensure customer satisfaction and successful product application.
- Trading of Textile Chemicals:** We distribute and supply a wide range of textile chemicals sourced from domestic suppliers. Our portfolio includes essential chemicals for pre-treatment chemicals (e.g., wetting agents, detergents), dyeing auxiliaries (e.g., leveling agents, fixing agents), printing chemicals (e.g., thickeners, binders), and finishing chemicals (e.g., softeners, anti-static agents). By working with a variety of suppliers, we offer a diverse range of high-quality products that meet the varied needs of our textile mill clients.

The table below sets forth the breakdown of our segment wise revenue from operations for the period ended September 30, 2025 and for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from Operations (₹ in Lakhs)	% of Revenue	Revenue from Operations (₹ in Lakhs)	% of Revenue	Revenue from Operations (₹ in Lakhs)	% of Revenue	Revenue from Operations (₹ in Lakhs)	% of Revenue
Customized Chemical Blending	873.37	52.85%	1582.93	66.66%	776.33	76.45%	577.84	77.48%
Trading of Textile Chemicals	166.73	10.09%	459.72	19.36%	239.20	23.55%	167.90	22.52%
<b>Total</b>	<b>1,040.10</b>	<b>62.94%</b>	<b>2,042.65</b>	<b>86.02%</b>	<b>1,015.53</b>	<b>100.00%</b>	<b>745.74</b>	<b>100.00%</b>

We work closely with clients through our consultative selling and technical support to understand their unique needs and recommend the most effective chemical solutions for their textile processing requirements. This personalized service allows us to build strong, long-term relationships with our customers. Our commitment to providing tailored solutions, combined with our strong customer relationships, sets us apart in the textile chemical industry. By leveraging our technical expertise in formulations and consultative approach, we ensure that our customers can rely on us as a trusted partner. This has allowed us to expand our product portfolio and innovate continually.

#### ***Experienced Promoters and management team:***

Our Promoters have over a decade of experience altogether in the textile industry. They have played a key role in overseeing our rapidly expanding operations. Under their strategic vision and dynamic leadership, they have not only broadened the product portfolio but also significantly strengthened the market presence within the consumer goods industry. Our Board of Directors comprises highly experienced professionals with extensive expertise spanning various sectors, including customer relations, quality management, sales, marketing, and finance.

We are supported by qualified senior management team with experience in textile industry. Each team leader adds valuable insights to our management, utilizing their deep industry knowledge to guide our strategic initiatives. For further information on our Promoters, Directors and senior management team, please see the sections entitled “Our Promoters and Promoter Group” and “Our Management” on pages 165 and 153, respectively.

## **OUR BUSINESS STRATEGY**

We believe that we have a significant opportunity in our market and focus areas due to our unique value proposition of delivering high-quality, innovative services at a compelling value.

#### ***Manufacturing of chemical***

We aim to gradually transition from fully purchasing key raw materials to manufacturing raw materials in-house, which may support better supply planning, product quality consistency, and better cost management. We intend to evaluate the production of high-volume and widely used inputs such as silicones used in textile softeners and lubricants, polysols applied as binders and film-formers for finishing and printing, OT – Octylphenol Ethoxylate which serves as a wetting agent in sourcing and pre-treatment, as well as printing binders and thickeners required for both rotary and digital printing applications. By internalizing the production of these essential materials, we expect to enhance operational efficiency, increase margin contribution, and strengthen our presence across the textile chemical value chain.

In a strategic move to reduce dependency on third-party manufacturers and control quality, pricing, and secure a reliable supply of essential high-volume components, we propose to setup a backward integration manufacturing facility at Surat focuses on production of:

Chemical	Application	Strategic Value
Silicones	Textile softeners, lubricants	High-margin, import-substitute
Polysols	Binders, film formers	Essential in finishing & printing
OT (Octylphenol Ethoxylate)	Wetting agent in scouring/pre-treatment	High-volume, cost-sensitive
Binders	Pigment printing, digital pre-treatment	Volume driver, price-sensitive
Thickeners	Printing (rotary/digital)	Customization, consistent performance

We propose to finance the capital expenditure requirements for a setting up a new manufacturing facility in proximity to our facility at Surat, Gujarat for manufacturing of chemical. Our existing Unit is located at Plot no. 170 B, Bhidbhanjan Soc. Udhna, Surat, Gujarat admeasuring 759. 93 Sq. Ft. Further, we propose to set up Unit 2 on a land acquired by us on leasehold basis from Darshana Jadiya & others for a period of 11 Months and extendable admeasuring 356.73 square Mtr situated at Plot No. 10, 11, 12 Revenue Survey No. 19,20 TP NO 1 & 6, Final Plot No 124 of Satara Wadi Village Udhna Surat pursuant to lease deed dated September 29, 2025. Currently, we are using the proposed manufacturing plant location as godown.

***Grow our customer base by diversifying into new geographies and maintain relationships with our key customers and other stakeholders***

Currently, our presence is constrained to Surat Gujarat. We intend to build strong local networks in each new geography, engaging with both new and existing stakeholders. This could include forming strategic alliances with local businesses, participating in industry events, and collaborating with government initiatives or programs aimed at fostering business growth. By tapping into local resources, we can create a competitive edge and ensure a smoother transition into each new market. Our approach will also focus on understanding local regulatory environments and ensuring full compliance, which will help mitigate any potential legal or operational risks as we scale.

Ultimately, by combining strong market research, local partnerships, customer-centric strategies, and technological advancements, we aim to establish a strong presence in new geographies while continuing to nurture our existing relationships. This balanced approach will enable sustainable growth and help us build a resilient, multi-regional business model that is prepared for both challenges and opportunities.

***Expand our existing product portfolio***

We intend to diversify our product portfolio which could cater to customers across segments, sectors, and geographies. In accordance with this, while we seek to continue to strengthen our existing product portfolio, we intend to further diversify into products with prospects for increased growth and profitability. We plan to continue to increase offerings in our current business segments as well as diversify into new products which in the view of our management have attractive growth prospects. We intend to draw on our experience, market position and ability to timely deliver quality products to successfully foray into other sectors as well as to other geographies.

**OUR PRODUCT**

As of September 30, 2025, our product portfolio comprised over 92 SKU's. We have a diversified portfolio of products split largely into 5 categories: Pre-treatment, Dyeing Auxiliaries, Finishing chemicals and speciality chemicals. Below information shows our product portfolio is spread in the various categories, as of September 30, 2025.

**Pre-treatment Chemicals**

Pre-treatment forms the foundation of textile processing. Our range of pre-treatment chemicals is meticulously designed to ensure fabrics are optimally prepared for subsequent dyeing and printing processes. The products offered under Pre- treatment chemicals include:

- i. **Wetting Agents:** These reduce surface tension, enabling fabrics to absorb water more effectively for uniform treatment. Non-ionic wetting agents, for instance, enhance water and solution penetration, ensuring consistency during processes like desizing, scouring, or bleaching.

- ii. **Detergents & Scouring Agents:** Essential for removing natural oils, waxes, and impurities from fabrics, these agents enhance brightness and absorbency. Biodegradable detergents offer an eco-friendly solution, often used in scouring baths where heat and agitation intensify their cleaning efficiency.
- iii. **Sequestering Agents:** These agents bind hard water ions, such as calcium and magnesium, to prevent scaling and optimize process efficiency. EDTA-based agents are a prime example, stabilizing pH levels and enhancing scouring and bleaching operations.
- iv. **Bleaching Agents:** Designed to eliminate natural colors from fabrics, bleaching agents prepare materials for vibrant dyeing and printing. Hydrogen peroxide stabilizers ensure controlled bleaching in high-temperature baths for consistent whitening results.
- v. **Anti-crease Agents:** These agents protect fabrics, particularly delicate ones, from creasing during pretreatment. Advanced crease inhibitors, stable even at high temperatures, are integrated during scouring and bleaching cycles to maintain fabric integrity.

### Dyeing Auxiliaries

Our dyeing auxiliaries are designed to maintain consistent and superior colour outcomes. The products offered under dyeing Auxiliaries include:

- i. **Leveling Agents:** These ensure uniform dye distribution across fabrics, preventing patchiness and streaks. Cationic or non-ionic leveling agents, particularly effective with reactive dyes, regulate dye absorption during dyeing, creating a consistent finish.
- ii. **Dispersing Agents:** Vital for maintaining the suspension of dyes in the dye bath, dispersing agents prevent aggregation and ensure smooth dye application. Tailored dispersing agents, especially for vat and disperse dyes, are used to keep dye particles evenly distributed during high-temperature processes.
- iii. **Wetting & Penetration Agents:** These agents improve dye penetration into fibers, achieving rich, deep, and even shades. High-performance wetting agents are particularly effective for difficult-to-dye fabrics, ensuring thorough saturation during the initial stages of the dyeing process.
- iv. **pH Regulators:** These control the acidity or alkalinity of the dye bath, essential for optimal dye fixation. Organic acid-based buffers stabilize the pH, promoting consistent color development throughout the dyeing process.
- v. **Dye Fixing Agents:** Enhancing wash fastness and color stability, these agents securely bond dyes to fabrics. Formaldehyde-free dye fixing agents, ideal for eco-friendly applications, are applied post-dyeing to strengthen color durability against washing and environmental factors.
- vi. **Anti-migration Agents:** These agents prevent dye movement or bleeding during processing, preserving sharp and well-defined colors. Polymer-based anti-migration agents are integrated during high-temperature or drying stages, ensuring patterns and designs remain crisp and intact.

### Printing Auxiliaries

For precision and clarity in textile printing, we offer a wide portfolio of printing auxiliaries which includes:

- i. **Thickeners:** These control the viscosity of printing pastes, enabling precise definition of intricate patterns. Synthetic and natural thickeners are particularly effective for reactive and pigment printing, stabilizing dye and pigment suspensions during the printing process.
- ii. **Binders:** Essential for securing pigments onto fabric surfaces, binders ensure long-lasting adhesion and fastness to washing and rubbing. Acrylic-based binders are commonly used in pigment printing to lock in vibrant colors.
- iii. **Print Enhancers:** These improve the sharpness and brightness of printed designs, ensuring intricate details are vividly captured. High-performance print enhancers prevent bleeding and enhance the depth of multicolor patterns.
- iv. **Anti-bleeding Agents:** Preventing the migration of colors between printed patterns, these agents maintain precise color separation. Crosslinking agents, particularly effective for reactive dyes, are integrated into the printing process to ensure clean and well-defined designs.
- v. **Washing-off Agents:** These remove excess dyes and residues post-printing, preserving the integrity of the printed design while enhancing fabric softness. Low-foam washing agents are used for efficient cleaning without impacting the printed patterns.

### Finishing Chemicals

The finishing stage is where textiles gain their final properties, and our finishing chemicals add functional and aesthetic qualities to textiles, enhancing their appeal and durability. The products offered under finishing chemicals include:

- i. **Softeners:** Imparting a luxurious soft hand feel, softeners enhance the drape and comfort of fabrics. Silicone-based softeners are especially valued for their ability to create a superior finish during the final rinse or padding stages.
- ii. **Water Repellents:** Providing hydrophobic properties, these chemicals make fabrics water-resistant, ideal for outdoor and protective clothing. Fluorocarbon and silicone-based repellents are commonly applied to create long-lasting water resistance.
- iii. **Anti-static Agents:** These reduce static buildup in synthetic fibers like polyester, enhancing fabric usability and comfort. Cationic finishes are particularly effective in minimizing friction and static during the finishing bath.
- iv. **Stiffeners:** Used to provide structural stability and a crisp finish to textiles, resin-based stiffeners are essential for collars, cuffs, and decorative fabrics, maintaining their shape and durability.
- v. **Anti-pilling Agents:** These prevent the formation of pills (small fabric balls), thereby prolonging garment life. Acrylic copolymers, applied during finishing, enhance fiber strength and surface smoothness.
- vi. **Flame Retardants:** Enhancing fire resistance, flame retardants are critical for upholstery and safety textiles. Phosphorus-based finishes are integrated into the finishing process to meet stringent safety standards.
- vii. **Anti-microbial Finishes:** These provide odor-resistance and hygiene, ideal for sportswear and medical textiles. Silver-ion-based solutions are applied via spraying or padding, delivering long-lasting antimicrobial properties.

### Specialty Chemicals

Our specialty chemicals cater to niche textile applications and bring unique functionalities to fabrics. The products offered under specialty chemicals include:

- i. **Optical Brightening Agents (OBAs):** These chemicals enhance fabric whiteness and brightness by absorbing UV light and emitting visible blue light, creating a luminous appearance. Fluorescent agents are commonly used in bleaching or final rinse cycles to achieve superior brightness.
- ii. **UV Absorbers:** Protecting fabrics from UV radiation, these agents improve textile durability and prevent fading. UV stabilizers are particularly important for outdoor fabrics exposed to prolonged sunlight.
- iii. **Wrinkle-free Resins:** Designed to impart wrinkle resistance, these chemicals maintain a crisp appearance and structure in textiles. Formaldehyde-free finishes are increasingly favored for their eco-friendly properties, applied during garment finishing for long-lasting wrinkle resistance.

The below table represents the revenue from operations from top 10 products in the period ended September 30, 2025 and for last 3 FYs across the product categories:

(₹ in Lakhs)

Name of the Product	For period ended September 30, 2025	% to the revenue from operations	FY 2025 (₹)	% to the revenue from operations	Fy 2024 (₹)	% to the revenue from operations	FY 2023 (₹)	% to the revenue from operations
L D S	61.16	3.70%	289.80	12.20%	100.95	9.94%	26.36	3.54%
RDHT-11	-	-	37.38	1.57%	250.52	24.67%	87.75	11.77%
CHEMICLEAN	30.10	1.82%	188.37	7.93%	18.81	1.85%	32.92	4.41%
N-VDHT	70.29	4.25%	151.20	6.37%	23.28	2.29%	6.58	0.88%
WT PLUSE	19.35	1.17%	143.54	6.04%	28.98	2.85%	38.13	5.11%
M-DP	36.00	2.18%	70.30	2.96%	59.89	5.90%	62.68	8.41%
GLOW +	45.96	2.78%	149.62	6.30%	23.52	2.32%	-	-
S B N	1.45	0.09%	-	-	60.72	5.98%	81.62	10.94%
N-PDB	14.18	0.86%	14.15	0.60%	56.86	5.60%	52.65	7.06%
C P (C P)	30.93	1.87%	49.05	2.07%	28.37	2.79%	19.98	2.68%
<b>Total</b>	<b>309.42</b>	<b>18.72%</b>	<b>1,093.41</b>	<b>46.04%</b>	<b>651.90</b>	<b>64.19%</b>	<b>408.67</b>	<b>54.80%</b>

### OUR BUSINESS PROCESS

We follow a systematic approach to ensure the quality production of textile chemicals. Every step of our manufacturing process, from raw material procurement to final distribution, is designed to maintain the highest

standards of quality, safety, and efficiency. There is no dedicated machinery, and the same machine is been utilized for multiple products providing the flexibility to adjust the production mix quickly as demand changes. Each product is a result of various chemistries and processes applied as per the desired results. Below is a detailed breakdown that integrates both our manufacturing steps and key business processes, ensuring a seamless and consistent experience for our customers.



### **1. Raw Material Procurement**

Our manufacturing journey begins with sourcing raw materials from our long – standing relationships with the suppliers. The quality of these materials directly impacts the performance, consistency, and reliability of our final products. As on September 30, 2025, we have successfully sourced raw materials from a network of over 22 suppliers, ensuring a diverse and stable supply chain.

### **2. Blending Process**

Once raw materials are procured, we proceed with the blending process, which forms the core of our production system. We use batch blending systems to mix ingredients in precise formulations, ensuring uniformity and high performance in every batch. Mixers are employed to achieve complete homogenization, while temperature control systems regulate the environment to prevent the degradation of sensitive chemicals. This process ensures the production of textile chemicals that meet our performance standards.

### **3. Quality Control**

Quality assurance is focused on the final product to ensure it meets the required standards.

### **4. Packaging and Storage**

Once a batch passes quality control, it is carefully packaged for delivery. The selection of packaging materials is based on the chemical's properties and the volume required. We use a range of packaging options, including drums and Intermediate Bulk Containers (IBCs), to prevent contamination or degradation during storage and transport. Each package is clearly labeled with product details, batch numbers, and safety instructions, ensuring compliance with safety regulations and providing end-users with all necessary handling information. When the product is being transported, seals and safety measures are used to ensure that the product is not opened, altered, or tampered with before it reaches its destination. The finished products are stored in our unit /godown, ensuring that we can manage stock and fulfill customer orders in a timely manner.

### **5. Distribution**

The distribution process is crucial to ensuring timely delivery and minimizing production downtime for our customers. Our logistics network is optimized for efficiency, working with trusted partners to ensure that products are delivered on time and in excellent condition. Our inventory management system ensures that stock levels align with customer demand, allowing us to fulfill orders quickly while minimizing excess inventory. This supply chain management helps us maintain a consistent supply of products to textile mills and processing units across Surat.

## OUR MARKETING STRATEGY

We have been established in the market for more than 5 years and over the years developed excellent relationship with our clients and many industry players in Surat which would enable the company to tap the market. In addition to management team, we have a dedicated Marketing Staff, who visits the processing houses, understands their requirements and explain the composition of our products. Our management team is continuously involved in the market research about the development of new products which would enable the company to tap the market early.

In order to serve our existing direct end-use customers as well as to secure new direct end-use customers and expand the reach of our products to new markets. We intend to achieve this by having a dedicated team whose primary focus will be on business development in new markets and in certain focus geographies.

## CAPACITY AND CAPACITY UTILISATION

The manufacturing process involved blending of various materials and mix them. The capacity and capital utilisation is not applicable in our case.

## LIST OF PLANT AND MACHINERY

Our manufacturing activity includes mixing of various raw materials. The unit is equipped with all required machineries to achieve the targeted production of various textile auxiliaries.

## COMPETITION

The Industry in which Company operates is highly competitive. Competition emerges not only from organized sector but also from the unorganized sector and from both small and big regional, National and International players. In adverse and competitive market scenario also, we are able to maintain our growth steadily due to our quality of finished auxiliaries product & supply of products with specified requirements. Our experience in this business has enabled us to provide quality products in response to customer's demand for best quality. We face regional competition in Surat from players such as Bhatia Colour Chem Limited.

## RAW MATERIAL

We source our raw materials locally from various suppliers present in Gujarat. During the period ended September 30, 2025 and for fiscal 2025, 2024 and 2023 we had source raw material from 22, 24, 13 and 23 suppliers, respectively. We do not enter into an agreement with our supplier. Expenditure for materials consumed was ₹ 1,461.55 Lakhs, ₹ 2,259.18 Lakhs, ₹ 880.15 Lakhs and ₹ 607.78 Lakhs, aggregating 88.45%, 95.13%, 86.67% and 81.50% of our revenue from operations for period ended September 30, 2025 and for Fiscals 2025, 2024 and 2023, respectively.

### Top Suppliers contribution to Purchase:

(Amount in Lakhs)

Particulars	Suppliers							
	For period ended September 30, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Purchase contribution	% of Purchase	Purchase contribution	% of Purchase	Purchase contribution	% of Purchase	Purchase contribution	% of Purchase
Top 1	193.28	14.69%	495.82	18.56%	290.11	28.89%	184.95	29.32%
Top 3	510.45	38.80%	1,017.13	38.07%	705.81	70.30%	427.21	67.73%
Top 5	745.34	56.66%	1,279.31	47.88%	971.84	96.79%	507.10	80.40%
Top 10	931.60	70.82%	1,698.37	63.57%	1,002.42	99.84%	582.82	92.40%

## LOGISTICS & WAREHOUSING

We typically engage third party transportation service providers for the transportation of our products domestically. We manage our inventory and logistics as well as our entire supply chain from our godowns located in, Surat, Gujarat with an aggregate area of approximately 6,774.86 square feet. Our products are primarily transported by road through local transport partners. We do not have long term contractual relationships with our local transporters.

## HUMAN RESOURCE

We place importance on developing our human resources. We focus on attracting and retaining the best possible talent. Our business model comprises of experienced, qualified and semi qualified personnel. As on the date of this Draft Prospectus, our Company has 9 employees in total. Our work processes and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans. Further, the company does employ workers on contract basis.

Following is the Department wise employees list as on September 30, 2025:

Sr. No	Department	Number of employees
1.	Management	3
2.	Administration & Operations Department	8
3.	Sales and Marketing Department	13
4.	Accounts and Finance Department	3
5.	Legal and Secretarial	1
6.	R&D	1
	<b>Total</b>	<b>29</b>

*Note: This includes 18 no. of employees from our subsidiary HSHS Nutraceuticals Limited*

Please find below the details of EPF contribution paid for our employees are as follow:

PF Details	For period ended September 30, 2025	FY 2024-25	FY 2023-24	FY 2022-23
<b>Total No. of Employees</b>	9	8	6	7
No. of Employees registered with EPFO	6	7	6	6
Total Contribution Paid(₹) (in Lakhs)	0.68	1.51	1.39	1.37

## INSURANCE

We have purchased insurance in order to manage the risk of losses from potentially harmful events, includes: (i) insurance policy covering fire and stocks. This insurance policies is renewed periodically to ensure that the coverage is adequate.

Details of Insurance are set below:

Sr. No.	Insurer	Description of Insurance	Policy No.	Expiry Date	Insured Amount (Rs.)
1.	The New India Assurance Co. Ltd.	Stock Insurance	23010011238700000000	17-01-2026	500,00,000

## EXPORT AND EXPORT OBLIGATIONS

As on the date of this Draft Prospectus, we do not have any export obligation.

## COLLABORATION

We have not entered into any technical or financial or any other collaboration agreement as on the date of filing the Draft Prospectus.

## INFRASTRUCTURE

### Information technology

Our Company has an appropriate information technology infrastructure is important in order to support the growth of our business. Our IT infrastructure enables us to track procurement and sale of our products. We utilize ERP Software for sales, purchase, inventory, and financial reporting, invoicing purposes.

### Power

Our registered office has adequate power supply to carry out business operations. The units receive power from Gujarat state electricity board.

**Water**

Our registered office has access to adequate water facilities for routine operational requirements. The nature of our operations requires only minimal water usage and existing sources are sufficient to meet basic needs.

**Intellectual Property**

For details, see “*Government and Other Approvals – Intellectual Property Registrations*” on page 253.

**PROPERTY**

The following table sets forth the location and other details of the rented / leasehold properties of our Company.

Sr. No.	Date of License and Lease & Term	Name of the Lessor	Name of the Lessee	Area	Location of the Property	Lease Fees (Rs.)	Usage Purpose	Whether Lessor is a related party (Yes/No)
1.	April 01, 2019; 9 years w.e.f. April 01, 2019 to March 31, 2028	Chhayaben Manojbhai Gandhi	1. Vahh Chemicals Limited 2. Vedant Chemical/ Nutrition 3. Vedant Nutraceuticals Limited 4. HSHS Nutraceuticals Limited	1400 Sq. Ft.	5003, 5th Floor, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India	₹ 58,648 as rent per month	Registered office	No
2.	February 28, 2023; 3 years w.e.f. March 01, 2023 to February 28, 2026	Dimpalben Dharmavir Jadiya	Vahh Chemicals Limited	3,494.93 Sq. Ft.	Ground Floor of Plot no.12, having T.P. no.1 & Final Plot no.124, of Revenue Survey No.19 & 20, situated at NavPrabha, City mention street, Village Udhna, Taluka :- Choryasi, Dist. Surat.	₹ 23,150 per month from 1 <sup>st</sup> March 2023 to 28 <sup>th</sup> February 2024, ₹ 24,300 per month from 1 <sup>st</sup> March 2024 to 28 <sup>th</sup> February 2025 and ₹ 25,500 from 1 <sup>st</sup> March 2025 to 28 <sup>th</sup> February 2026	Godown of Vahh Chemicals Limited and HSHS Nutraceuticals Limited	No
3.	April 01, 2025; 11 months w.e.f. April 01, 2025 to February 28, 2026	Govind bhai Ganeshbhai Patel	Vahh Chemicals Limited	759.93 Sq. Ft.	Plot no. 170 B, Bhidbhanjan Soc. Udhna, Surat, Gujarat	₹ 21,500 per month	Manufacturing Unit	No

4.	September 15, 2025; 11 months w.e.f. September 15, 2025 to August 14, 2026	Dahyabhai Hargovandas Patel	Vahh Chemicals Limited	1800.05 Sq. Ft.	Plot No. 134, ground floor, Rupal Industrial Society – 1, near Komal Enterprises Circle, Udhna, Surat	₹ 20,000 per month	Godown premises	No
5.	July 29, 2025; 11 months w.e.f. July 16, 2025 to June 15, 2026	Kalyaniben Ramchandra Kishanwal	Hiren Indravadan Desai	1479.93 Sq. Ft.	Plot No. 205, Bhidbhanjan Society, Udhna, Surat	₹ 15,000 per month	Godown premises	No
6.	October 01, 2025; 11 months w.e.f. October 01, 2025 to August 31, 2026	Navprabha Textiles Proprietor Dharmavir Navitlal Jadiya	1. HSHS Nutraceuticals Limited 2. Hiren Indravadan Desai Proprietor of Vedant Nutrition	1,247.54 sq. ft	Plot No. 13, Rev survey No. 19, 20 T.P. No. 1 & 6, Final Plot No. 124, Village Udhana, Satarawadi, Surat	₹ 26,475 per month	Godown premises	No
7.	September 29, 2025 for 11 months	Darshana Jadiya & others	Vahh Chemicals Limited	3839.81 sq. ft.	Plot No. 10, 11, 12 Revenue Survey No. 19, 20 TP NO 1 & 6, Final Plot No 124 of Satara Wadi Village Udhna Surat	₹ 79,425 per month	Godown & Proposed Manufacturing Facility	No

## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Draft Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page number 248 of this Draft Prospectus.

### BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS

#### The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (“HCR Rules”)

The regulation was firstly enacted in 1989 by the Ministry of Environment & Forests (MoEF) and later amended in 1994 and 2000. It regulates the manufacture, storage and import of **hazardous chemicals** in India. The transport of hazardous chemicals must meet the provisions of the Motor Vehicles Act, 1988.

The HCR Rules are formulated under the EPA(the Environment Protection Act). The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned may agree.

“**Hazardous Chemicals**” includes 3 schedules. Regulatory requirements are different for each schedule.

(i) any chemical which satisfies any of the criteria laid down in Part I of Schedule 1 or listed in Part II of this **Schedule 1**;

(ii) any chemical listed in Column 2 of **Schedule 2**;

(iii) any chemical listed in Column 2 of **Schedule 3**;

For hazardous chemicals covered in schedule 1, site owners must meet the following obligations:

- Identify hazards associated with industrial activity and take adequate steps for prevention and control
- Provide relevant information to persons liable to be affected by a major accident
- Notify the concerned authorities within 48 hours of the occurrence of a major accident
- provide safety data sheets and label every container of hazardous chemicals.

### **The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 (“Chemical Accidents Rules”)**

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents by, inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

### **National Chemical Policy, 2008 (the ‘Chemical Policy’)**

National Chemical Policy, which was first introduced in 2008 and later updated, revolves around creating a sustainable and globally competitive chemical industry. The National Chemical Policy (NCP) of India aims to establish a comprehensive and sustainable framework for the development, regulation, and growth of the chemical industry. The policy envisions transforming India into a global leader in the chemical sector by focusing on safety, innovation, environmental sustainability, and economic growth.

The primary objective of the NCP is to ensure the safe production, use, and disposal of chemicals while promoting the industry's global competitiveness. It seeks to boost domestic manufacturing, reduce dependence on imports, and encourage the export of chemical products. The policy emphasizes research and development (R&D) to innovate safer and more efficient chemical processes and products.

Key components of the policy include improving regulatory frameworks for chemical safety, addressing environmental concerns, and promoting energy-efficient production techniques. The policy also focuses on strengthening the supply chain, ensuring better infrastructure for the industry, and enhancing skilled manpower through training and development programs.

A significant aspect of the NCP is to ensure that chemicals are used responsibly and in compliance with international standards. It aims to reduce the environmental impact of chemical production and use, emphasizing green chemistry, waste management, and recycling.

Additionally, the policy advocates for better collaboration between industry stakeholders, academia, and the government to achieve shared goals. Through these efforts, the National Chemical Policy seeks to contribute to India's overall industrial growth while ensuring the protection of public health and the environment.

### **The Legal Metrology Act, 2009 (“Legal Metrology Act”):**

The Legal Metrology Act, 2009 came into effect on April 01, 2011 and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

### **Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodities Rules”)**

The Packaged Commodities Rules were framed under section 52(1) read with sections 52(2) (j) and (q) of the Legal Metrology Act. The Packaged Commodities Rules lay down specific provisions applicable to packages intended for retail sale, whole sale and for export and import and also regulate pre-packaged commodities in India, inter alia by mandating certain labelling requirements prior to sale of such commodities. Legal Metrology (Packaged Commodities) (Amendment) Rules (“Packaged Commodity Amendment Rules”) issued on June 23, 2017 have introduced important amendments to the Packaged Commodity Rules, especially in relation to e-commerce entities. The Packaged Commodity Amendment Rules came into force from January 1, 2018. The key provisions of the Packaged Commodity Amendment Rules are regarding the size of declarations on the label, declaration on e-commerce platforms, declaration of name and address of the manufacturer and fine for contravention.

### **The Bureau of Indian Standards Act, 2016 (the “BIS Act”):**

The BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. It has broadened BIS's ambit and

allows the Central Government to make it mandatory for certain notified goods, articles, processes etc. to carry standard marks.

### **The Bureau of Indian Standards Rules, 2018 (the “Bureau of Indian Standards Rules”).**

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary

### **The Factories Act, 1948**

The Factories Act, 1948, as amended, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

### **The Micro, Small and Medium Enterprises Development Act, 200**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME), the MSME Act was enacted. In the Union Budget 2025, Finance Minister announced a new MSME classification, increasing the investment limit by 2.5 times and doubling the turnover limits from the existing one which was in effect from July 01, 2020. As per the revised limits which has come into effect from April 1, 2025 the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery does not exceed Rs. 2.5 Crore and annual turnover does not exceed Rs. 10 Crore; Small enterprise, where the investment in plant and machinery does not exceed Rs.25 crore and annual turnover does not exceed Rs. 100 Crore; a Medium enterprise, where the investment in plant and machinery does not exceed Rs. 125 crore and annual turnover does not exceed Rs. 500 Crore.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED**

### **Shops and Establishments laws in various states**

As per the provisions of local Shops and Establishments law applicable in the State of Gujarat, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **Stamp Act in various states**

The purpose of the Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Government of Gujarat, is empowered to prescribe or alter the stamp duty as per their need.

### **Professions, Trade, Callings and Employments Act in various states**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujarat, is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such

persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **TAX RELATED LEGISLATIONS**

### **Income Tax Act, 1961 (“IT Act”)**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company which is assessed to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by October 31<sup>st</sup> of each assessment year.

### **The Goods and Services Tax Act, 201**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on GST is levied on the supply of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax.

## **ENVIRONMENTAL LAW**

### **The Environment Protection Act, 1986 (“EPA”) and The Environment (Protection) Rules, 198**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for coordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests entrusted for overseeing Environmental Impact Assessments. The EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

### **National Environmental Policy, 2006**

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

### **The Water (Prevention and Control of pollution) Act, 1974 (the “Water Act”)**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

### **The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

### **EMPLOYMENT AND LABOUR LAWS**

#### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)**

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms ‘sexual harassment’ and ‘workplace’ are both defined in the Act. Every employer should constitute an “Internal Complaints Committee” and every officer and member of the Committee shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of women at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

#### **Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”)**

The CLPR Act seeks to prohibit the engagement of children in certain occupations and to regulate the conditions of work of children in certain other occupations. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

### **EMPLOYMENT AND LABOUR LAWS CODIFICATION**

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## **EMPLOYMENT AND LABOUR LAWS CODIFICATION**

### **The Code on Social Security, 2020 (the “Social Security Code”)**

The Social Security Code is a central legislation enacted to modernise and consolidate the laws relating to social security with the objective of extending social security coverage to employees and workers in the organised, unorganised, gig and platform sectors across India; it received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment under Section 1(3), has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The Social Security Code consolidates and replaces nine central enactments, including the Employees’ Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine Workers Welfare Fund Act, 1981, the Building and Other Construction Workers Welfare Cess Act, 1996 and the Unorganised Workers’ Social Security Act, 2008. Among other matters, it provides the framework for social security schemes relating to provident fund, pension and deposit-linked insurance, employees’ state insurance, maternity benefits, gratuity, employee compensation and welfare of building and other construction workers, as well as social security schemes for unorganised workers, gig workers and platform workers, and establishes or continues social security organisations such as the Central Board of Trustees of the Employees’ Provident Fund, the Employees’ State Insurance Corporation, the National and State Social Security Boards for unorganised workers and State Building and Other Construction Workers’ Welfare Boards.

The Social Security Code also contemplates electronic registration of establishments, technology-enabled record-keeping and benefit delivery, and empowers the Central and State Governments to extend the application of EPF, ESIC and other schemes to additional classes of establishments and workers.

The Social Security Code and the rules and schemes framed thereunder, provides for to registration of eligible establishments, enrolment of employees under the Employees’ Provident Fund and Employees’ State Insurance schemes, payment of employer and employee contributions, provision of statutory gratuity, maternity and employee compensation benefits, facilitation of social security for eligible contract, unorganised, gig or platform workers engaged in its operations, and maintenance of prescribed records and returns, and any non-compliance may result in interest, penalties and other enforcement action.

### **The Code on Wages, 2019 (the “Wages Code”)**

The Wages Code received the assent of the President of India on August 8, 2019 and the provisions of the Code came into effect from November 21, 2025 after being notified in the Official Gazette by the Central Government. The Wages Code has replaced the four existing ancient laws, namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976.

The Wages Code extends to the whole of India and regulates minimum wages, floor wages, payment of wages, permissible deductions, bonus and remuneration. It introduces a harmonised definition of “wages”, prohibits discrimination on grounds of gender in matters of wages and recruitment for the same work or work of a similar nature, and confers a statutory right to minimum wages for all employees, supported by a national floor wage below which State minimum wages cannot fall. The Wages Code also provides for advisory boards, an Inspector-cum-Facilitator based compliance regime, maintenance of prescribed registers and issuance of wage slips, and offences and penalties for non-compliance.

### **The Occupational Safety, Health and Working Conditions Code, 2020 (the “OSHWC Code”)**

The OSHWC Code is a central legislation enacted to consolidate and amend the laws regulating the occupational safety, health and working conditions of persons employed in an establishment; it received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment, has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws. The OSHWC Code replaces and subsumes 13 central enactments relating to safety, health and working conditions, including, among others, the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Mines Act, 1952, the Plantations Labour Act, 1951, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Motor Transport Workers Act, 1961, the Beedi and Cigar Workers (Conditions of Employment) Act, 1966 and laws governing dock workers, working journalists, cine-workers and sales promotion employees, subject to repeal-and-savings provisions that preserve existing rules and notifications to the extent they are not inconsistent with the Code.

The OSHWC Code applies, inter alia, to establishments employing 10 or more workers and to all mines and docks, as well as to specified categories such as factories, building and other construction works, plantations, motor transport undertakings, audio-visual production units and newspaper establishments, and requires eligible establishments to obtain registration (with deemed migration of existing registrations), comply with notified occupational safety and health standards, provide a safe working environment and prescribed welfare facilities, conduct periodic medical examinations including free annual health check-ups for specified employees, issue letters of appointment to all employees, and report certain accidents, dangerous occurrences and notified occupational diseases. It also contains specific provisions on working hours, leave and overtime, engagement and conditions of contract labour and inter-State migrant workers, and employment of women (including in night shifts and in all types of work subject to consent and prescribed safeguards), and establishes an Inspector-cum-Facilitator and advisory board framework for enforcement and standard-setting.

The OSHWC Code also provides for registration of applicable establishments, maintenance of safe and healthy working environment and welfare facilities, engagement and treatment of contract labour and inter-State migrant workers, employment of women, and maintenance of prescribed registers, records and returns and timely reporting of accidents, dangerous occurrences and occupational diseases.

### **The Industrial Relations Code, 2020 (the “IR Code”)**

The IR Code is a central legislation enacted to consolidate and amend the laws relating to trade unions, conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes; it received the assent of the President of India on September 28, 2020 and, pursuant to notifications issued by the Ministry of Labour and Employment, has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The IR Code consolidates and replaces three key enactments, namely (i) the Industrial Disputes Act, 1947, (ii) the Trade Unions Act, 1926, and (iii) the Industrial Employment (Standing Orders) Act, 1946. It extends to the whole of India and, among other matters, provides a unified framework for (i) registration, governance and recognition of trade unions, including recognition of a negotiating union or negotiating council in industrial establishments having multiple unions; (ii) constitution of bi-partite forums such as Works Committees and Grievance Redressal Committees in establishments above prescribed thresholds; (iii) certification, modification and deemed adoption of standing orders in industrial establishments employing 300 or more workers, aligned with central model standing orders; and (iv) mechanisms for conciliation, voluntary arbitration and adjudication of industrial disputes by Industrial Tribunals and the National Industrial Tribunal.

The IR Code also introduces provisions on fixed term employment with parity of wages and benefits vis-à-vis permanent workers and gratuity eligibility after one year, prescribes conditions and procedures for strikes and lock-outs, and revises the regime governing lay-off, retrenchment and closure in certain industrial establishments, including a higher statutory threshold (currently 300 workers, with power for States to increase this limit) for prior government approval for lay-off, retrenchment and closure, while defining “worker” and “employee” broadly to cover a wider segment of the workforce and prohibiting unfair labour practices.

## **INTELLECTUAL PROPERTY LEGISLATIONS**

### **Trade Marks Act, 1999 (“TM Act”)**

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.

### **Design Act, 2000 ('Design Act')**

The Designs Act, 2000 governs the protection of industrial designs in India. It provides exclusive rights to the owner of a registered design to use it and prevent others from copying or imitating it without authorization. The Act protects the aesthetic or ornamental features of an article — such as its shape, configuration, pattern, or composition of lines and colors — that appeal to the eye. Registration under this Act is valid for ten years from the date of registration and can be extended for a further five years. The purpose of the Designs Act is to encourage innovation in industrial design, promote originality, and ensure that creators can commercially benefit from their creative efforts while preventing unfair competition in the market

### **GENERAL LAWS**

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the following are also applicable to our Company:

The Bharatiya Nyaya Sanhita, 2023

The Bharatiya Nagarik Suraksha Sanhita, 2023

The Bharatiya Sakshya Adhiniyam, 2023

The Negotiable Instrument Act, 1881

The Consumer Protection Act, 2019

The Transfer of Property Act, 1882

The Arbitration & Conciliation Act, 1996

The Information Technology Act, 2000

The Companies Act, 2013

The Sale of Goods Act, 1930

The Foreign Trade (Development and Regulation) Act, 1992

The Foreign Exchange Management Act, 1999 & Rules

The Registration Act, 1908

The Indian Contract Act, 1872

The Specific Relief Act, 1963

The Competition Act, 2002

The Electricity Act, 2003

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was originally incorporated and registered as a Public Limited Company under Companies Act, 2013 under the name and style of “Vahh Chemicals Limited” vide certificate of incorporation dated December 11, 2019 bearing Corporate Identification Number U24110GJ2019PLC111346 issued by the Registrar of Companies, Central Registration Centre.

### Changes in our Registered Office:

There was no change in the registered office of our Company since the date of its incorporation.

### Main objects of Memorandum of Association:

The main objects of our Company as contained in our Clause 3 (A) of Memorandum of Association of our company are as follows:

- To carry on in India or elsewhere the business of trading, Manufacturing, Buying, Selling, Re-selling, Sub-contracting, Exchange, Hiring, Altering, Importing Exporting, Improving, Assembling, Distributing, Servicing, Consulting, Reconditioning, Transporting, Storing, Developing, Marketing, or supplying and dealing in all types of dyeing chemical used in dyeing mills and textile industries.

The main object clause contained in the Memorandum of Association of our Company enables our company to carry on the business presently being carried out.

### Amendments to our Memorandum of Association

The following table set forth details of the amendments to our Memorandum of Association, in the last ten years preceding the date of this Draft Prospectus:

Date of change/ shareholders' resolution	Nature of Amendment
May 09, 2022	Clause 3 (b) of the Memorandum of Association of Company substituted with the clause 3(b)(1) to 3(b)(33) as new ancillary objects.
October 21, 2024	Clause 5 of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing Rs. 5,00,000/- (Rupees Five Lakh only) divided into 50,000 (Fifty Thousand) Equity Shares of Rs. 10/- each (Rupee Ten only) to Rs. 20,00,000/- (Rupees Twenty Lakh only) divided into 2,00,000 (Two Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only).
March 12, 2025	Clause 5 of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing Rs. 20,00,000/- (Rupees Twenty Lakh only) divided into 2,00,000 (Two Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only) to Rs. 8,00,00,000/- (Rupees Eight Crore only) divided into 80,00,000 (Eighty Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only).
October 04, 2025	Clause 5 of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing 8,00,00,000/- (Rupees Eight Crore only) divided into 80,00,000 (Eighty Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only). to Rs. 8,50,00,000/- (Rupees Eight Crore Fifty lakh only) divided into 85,00,000 (Eighty Five Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only).

### Major events, milestones, Awards, accreditations and recognitions of our Company

The below table below sets forth some of the major events in the history of our Company:

Calendar Year	Details
2025	Received ISO 9001 : 2015 certificate for quality management system

### Time/cost overrun

We have not experienced any time or cost overrun in setting up our projects as on the date of this Draft Prospectus.

#### **Defaults or rescheduling/restructuring of borrowings with financial institutions/ banks**

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks or conversion of loans into equity in relation to our Company.

#### **Significant financial or strategic partnerships**

Our Company does not have any significant financial and strategic partners as on the date of this Draft Prospectus.

#### **Details of launch of key products or services, entry in new geographies or exit from existing markets, capacity/facility creation or location of plants**

For details pertaining to launch of key products or services, entry in new geographies or exit from existing markets, capacity/ facility creation, location of our manufacturing facilities, see “Our Business” on page 126.

#### **Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten (10) years.**

Our Company entered into a Business Transfer Agreement (“BTA”) dated September 30, 2024 with Mr. Aayush Hiren Desai (the “Seller”) for the purpose of acquiring the business of his proprietorship concern, Aayush Chemical. Pursuant to the BTA, the Seller transferred his proprietorship business as a going concern on a slump sale basis, together with all its assets, liabilities, rights, obligations, licenses, and contracts, with effect from September 30, 2024.

Aayush Chemical, which was established in 2020 by our Promoter Mr. Aayush Hiren Desai, was engaged in the business of manufacturing and trading of chemicals. Following the transfer, our Company assumed all responsibilities, liabilities, and obligations of the said proprietorship, and continued to operate the business under its fold.

The credit balance in the capital account of the Seller was ₹ 93.05 lakhs as on the close of the proprietorship business as on September 29, 2024. In consideration of the transfer of capital account balance, our Company issued and allotted 28,776 Equity Shares to the Seller of ₹ 10/- each at a premium of ₹ 315/- per share.

Similarly, our Company entered into a Business Transfer Agreement (“BTA”) dated September 30, 2024 with Mrs. Hetal Hiren Desai (the “Seller”) for the purpose of acquiring the business of his another proprietorship concern, Aayush Bio- Energy. Pursuant to the said BTA, the Seller transferred his proprietorship business as a going concern on a slump sale basis, together with all its assets, liabilities, rights, obligations, licenses, and contracts, with effect from September 30, 2024.

Aayush Bio Energy, which was established in 2021 by our Promoter Mrs. Hetal Hiren Desai, was engaged in the business of manufacturing and trading of chemical. Following the transfer, our Company assumed all responsibilities, liabilities, and obligations of the said proprietorship and continues to operate the business under its fold.

The credit balance in the capital account of Mrs. Hetal Hiren Desai in respect of Aayush Bio Energy was ₹ 228.57 lakhs as on September 29, 2024, in consideration of which our Company issued and allotted 70,330 Equity Shares of ₹ 10/- each at a premium of ₹ 315/- per share. For further details, please see “Capital Structure” on page 67.

Except as mentioned herein our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last ten (10) years preceding the date of this Draft Prospectus.

#### **Corporate profile of our Company**

For details in relation to our corporate profile including details of our business, profile, activities, services, market, growth, competition, technology, and managerial competence, see ‘Our Business, ‘Our Management’,

*‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’* and *‘Risk Factors’* on pages 126, 153, 227 and 28, respectively.

### **Our Holding Company**

As on the date of this Draft Prospectus, our Company does not have any holding company.

### **Associate or Joint ventures of our Company**

As on the date of this Draft Prospectus, our Company does not have any Associate or Joint Ventures.

### **Subsidiary of our Company**

As on the date of this Draft Prospectus, our company has one subsidiary namely, HSHS Nutraceuticals Limited. For further details see “*Our Subsidiary*” on page 151.

### **Interest in our Company**

None of our Associates, Subsidiaries or Joint Ventures have any interest in our Company’s business other than as stated in “*Our Business*” and “*Restated Financial Information*” on pages 126 and 172, respectively.

### **Common Pursuits**

Except as disclosed under the chapter “*Our Subsidiary*” on page 151 and in the section “*Restated Financial Information –Related Party Transactions*” on pages 201, there are no common pursuits between our Subsidiary Company and our Company. Our Company shall adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

### **Summary of key agreements**

#### **Details of Shareholders Agreements and Other Material Agreements**

As on the date of this Draft Prospectus, our Company does not have any subsisting shareholders’ agreements and other material agreements.

#### **Other Confirmation**

None of our Key Managerial Personnel or members of the Senior Management, Director, Promoters, or any other employee have entered into any agreement with the any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

#### **Details of guarantees given to third parties by the Promoter.**

For details with respect to guarantees given by the Promoter, see “*Restated Financial Statements*” on page 172 of this Draft Prospectus.

#### **Other Material Agreements**

Except as disclosed in this Draft Prospectus, there are no other agreements, arrangements, clauses, covenants which are material and which are required to be disclosed. Further, there are no clauses or covenants which are adverse or pre-judicial to the interest of the minority/public shareholders or the non-disclosure of which may have bearing on the investment decision.

## OUR SUBSIDIARY

As on the date of this Draft Prospectus, our Company has one (1) subsidiary, the details of which are as below:

### **HSHS Nutraceuticals Limited “HSHS”**

#### ***Corporate Information:***

HSHS was incorporated on November 28, 2019. The Corporate Identification Number of HSHS is U51909GJ2019PLC111035. The registered office of the company is situated at Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India.

#### ***Nature of business***

The main object of HSHS is to carry on in India or elsewhere the business of buying, selling, re-selling, sub-contracting, exchanging, hiring, altering, importing, exporting, improving, assembling, distributing, servicing, consulting, reconditioning, transporting, storing, developing, marketing, or supplying and dealing in all types of nutraceuticals products. i.e.; dietary foods and nutrition supplement products.

#### ***Capital Structure***

As on the date of this Draft Prospectus, the authorized share capital of HSHS is ₹ 15,00,000 divided into 1,50,000 shares with a face value of ₹10/- each.

#### ***Shareholding Pattern***

The shareholding pattern of HSHS Nutraceuticals Limited as on the date of this Draft Prospectus is as follows:

<b>Name of the shareholder</b>	<b>No. of equity shares</b>	<b>Percentage of total capital (%)</b>
Vahh Chemicals Limited	37,496	74.99%
Sahil Khan	11,500	23.00%
Zeenat Khan	500	1.00%
Shahista Khan	500	1.00%
Hiren Indravadan Desai	1	0.00%
Manish Harshadlal Sarkari	1	0.00%
Hetal Hirenbbhai Desai	1	0.00%
Aayush Hiren Desai	1	0.00%
<b>Total</b>	<b>50,000</b>	<b>100.00%</b>

#### ***Financial Information:***

Certain financial information derived from the audited financial statements of HSHS Nutraceuticals Limited for Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, as required by the SEBI ICDR Regulations, is available on our website at [www.vahhchemicals.com](http://www.vahhchemicals.com).

#### ***Accumulated profits or losses***

There are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company in the Restated Financial Information as per applicable accounting standards.

#### ***Business interest in our Company***

Other than as disclosed in “Note 29 – Related Party Transactions” our Subsidiaries or Associates have no business interests in our Company.

#### ***Common Pursuits***

None of our Subsidiaries are engaged in a business similar to the business of our Company.

#### ***Other Confirmations***

None of our Subsidiary Company have any securities listed on any stock exchange in India or abroad. Further, none of our Subsidiary Company have made any public or rights issue as defined under the SEBI ICDR Regulations of securities in the three years preceding the date of this Draft Prospectus.

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and Our Subsidiary Company or their respective directors.

Except for the registered office of our Company and HSHS Nutraceuticals Limited (Subsidiary Company) is the same i.e., Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India. There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Subsidiary Company or their respective directors.

## OUR MANAGEMENT

### Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is authorised to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of this Draft Prospectus, we have 6 Directors on our Board, comprising of 2 Executive Directors and 1 Non-Executive Non-Independent Director and 3 Non-Executive Independent Directors. Out of 6 Directors, we have 1 Women Director on our Board. Our Company is in compliance with the laws prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Prospectus:

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN	Age (Years)	Other Directorships
<b>Hiren Indravadan Desai</b> <b>Designation:</b> Chairman & Managing Director <b>Date of Birth:</b> October 05, 1969 <b>Address:</b> A-901, Mapple leaf, Surat dumas Road, Near V R Mall, Surat – 395007, Gujrat, India <b>Occupation:</b> Business <b>Period of directorship:</b> Since December 11, 2019 <b>Current Term:</b> Five years commencing from January 16, 2025 <b>Nationality:</b> Indian <b>DIN:</b> 08622752	56	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>BFS Nutrition India Private Limited</li> <li>HSHS Nutraceuticals Limited</li> </ul> <b>Foreign Companies</b> Nil
<b>Aayush Hiren Desai</b> <b>Designation:</b> Whole - time Director <b>Date of Birth:</b> October 08, 1998 <b>Address:</b> A-901, Mapple leaf, Surat dumas Road, Near V R Mall, Surat – 395007, Gujrat, India <b>Occupation:</b> Business <b>Period of directorship:</b> Since December 11, 2019 <b>Current Term:</b> For a term of five years with effect from April 10, 2025 <b>Nationality:</b> Indian <b>DIN:</b> 08636117	27	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>HSHS Nutraceuticals Limited</li> <li>BFS Nutrition India Private Limited</li> </ul> <b>Foreign Companies</b> Nil
<b>Hetal Hiren bhai Desai</b> <b>Designation:</b> Non – Executive Director <b>Date of Birth:</b> November 13, 1976 <b>Address:</b> A-901, Mapple leaf, Surat dumas Road, Near V R Mall, Surat – 395007, Gujrat, India <b>Occupation:</b> Business <b>Period of directorship:</b> Since December 11, 2019 <b>Current Term:</b> Liable to retire by rotation <b>Nationality:</b> Indian <b>DIN:</b> 08622843	49	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>HSHS Nutraceuticals Limited</li> </ul> <b>Foreign Companies</b> Nil
<b>Jigar Vyas</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> 26 November, 1987	38	<b>Indian Companies</b> Nil  <b>Foreign Companies</b> Nil

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN	Age (Years)	Other Directorships
<b>Address:</b> Poonam Palace, Adarsh Society, Athwalines, Surat City, Surat - 395007, Gujarat, India <b>Occupation:</b> Professional <b>Period of directorship:</b> Since February 7, 2025 <b>Current Term:</b> For a term of five years with effect from February 7, 2025 <b>Nationality:</b> Indian <b>DIN:</b> 10911042		
<b>Dhairya Bharat Tulsiani</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> February 01, 2000 <b>Address:</b> C-402 Four Seasons Apartment, Gymkhana Road, Opp Ginger Hotel, Surat, Surat City, Svr College, Surat - 395007, Gujarat, India <b>Occupation:</b> Business <b>Period of directorship:</b> Since January 16, 2025 <b>Current Term:</b> For a term of five years with effect from January 16, 2025 <b>Nationality:</b> Indian <b>DIN:</b> 10308776	25	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>Aakash Plastopack Private Limited</li> </ul> <b>Foreign Companies</b> Nil
<b>Param Vipulkumar Desai</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> 25 August, 1998 <b>Address:</b> 1-A, Brij Kutir App. Brijwasi Estate, Opp. Umrigar School, Parle Point, Surat City, Surat - 395007, Gujarat, India <b>Occupation:</b> Business <b>Period of directorship:</b> Since January 16, 2025 <b>Current Term:</b> For a term of five years with effect from January 16, 2025 <b>Nationality:</b> Indian <b>DIN:</b> 08609597	27	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>Valiant Entech Private Limited</li> <li>Varunika Prints Private Limited</li> </ul> <b>Foreign Companies</b> Nil

#### Brief Profile of Directors of our Company:

**Hiren Indravadan Desai** aged 56, is the Chairman, Managing Director and Promoter of our Company. He holds a diploma in Civil Engineering from Technical Examinations Board, Gujarat with an experience in textile auxiliaries and chemical industry. He has over a decade of entrepreneurial experience in chemicals and nutraceuticals. He managed and operated Hetal Dye Chem, a proprietary enterprise and later establishing Vedant Nutrition, also a proprietary enterprise, focused on dietary supplements and health products. In 2019–20, he promoted VAHH Chemicals Limited and HSHS Nutraceuticals Limited, expanding into specialty chemicals. He is responsible for overseeing the R&D department, growth plans, technical support and day to day activities.

**Aayush Hiren Desai** aged 27, is the Whole-Time Director and Promoter of our company. He holds a degree in Bachelor of Business Administration in Entrepreneurship and Family Business and Master of Business Administration (MBA) in Entrepreneurship and Family Business from SVKM's Narsee Monjee Institute of Management Studies. He has 5 years of experience in nutraceuticals business and textile auxiliaries. He oversees operations, management, procurement, and administrative functions.

**Hetal Hirenbbhai Desai** aged 49, is the Non-Executive Director and Promoter of our company. She does not possess any formal education. She has 8 years of work experience in financial operations, business management and strategic consulting.

**Jigar Vyas** aged 39 years is the Non-Executive Independent Director of our Company. He holds a Bachelor of Commerce degree from Veer Narmad South Gujrat University. He is a Fellow Member of the Institute of Company secretary of India and the Proprietor of M/s. Jigar Vyas & Associates, a duly registered Practicing Company Secretary firm. Prior to joining our Company, he was associated with Garden Silk Mills Limited, Surat textile Mills Limited and Diamond Research and Mercantile City Limited. He has over a decade of experience in secretarial and corporate legal advisory services.

**Dhairya Bharat Tulsiani** aged 24, is the Non-Executive Independent Director of our Company. He holds a Master of Business Administration in Technology Management from SVKM'S Narsee Monjee Institute of Management Studies (NMIMS), Mumbai. He has 2 years of experience in strategy, business development, market research, and product development.

**Param Vipulkumar Desai** aged 26 years is the Non-Executive Independent Director of our Company. He holds a degree in Bachelor of Science (Honours) from The University of Manchester, England. He has 4 years of experience in Finance. Prior to joining our Company, he was associated with Varunika Prints Private Ltd, Valiant Entech Private Limited, Agriflex Farmtech LLP and Naturetech Enviro Protection Limited.

### **Confirmations**

None of our Directors were or are directors of listed company, during the preceding five years of this Draft Prospectus whose shares have been or were suspended from being traded on any stock exchanges during his / her tenure as a director of such listed company.

None of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers or Fugitive Economic Offender as defined under the SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

There are no conflict of interests between the third party service providers (crucial for operations of the Company) and the Company, Directors and Key Managerial Personnel.

Except for the business relationship that may exist between the Company, Directors and Key Managerial Personnel and the lessor of the immovable properties, (crucial for operations of the company), there are no conflict of interest between the lessor and the Company, Directors and Key Managerial Personnel.

### **Relationship between our Directors**

**Except as mentioned below, none of the Directors are related to each other:**

<b>Name of Director</b>	<b>Relation with</b>	<b>Relationship</b>
Hiren Indravadan Desai	Hetal Hirenbbhai Desai	Spouse
Hiren Indravadan Desai	Aayush Hiren Desai	Father-Son
Hetal Hirenbbhai Desai	Aayush Hiren Desai	Mother-Son

### **Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which our Directors were selected as a Director**

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors has been appointed on the Board.

### **Service contract with Directors**

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

## Terms of employment of our Managing Director & Whole Time Directors

### 1. Hiren Indravadan Desai

He was appointed as the Managing Director of our Company pursuant to the resolution passed by our Shareholders on January 16, 2025 for a period of five years with effect from January 16, 2025 on the following terms:

Remuneration: Up to Rs. 48,00,000 /- (Rupees Forty-Eight Lakhs Only) per annum from January 16, 2025, including all allowances, perquisites, and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.

### 2. Aayush Hiren Desai

He was appointed as the Whole-time Director of our Company pursuant to the resolution passed by our Shareholders on April 14, 2025, for a period of 5 years with effect from April 10, 2025 on the following terms:

Remuneration: Up to Rs. 48,00,000 /- (Rupees Forty-Eight Lakhs Only) per annum from April 10, 2025, including all allowances, perquisites, and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.

## Terms of appointment of our Non-Executive Directors and Independent Directors

Our Board of Directors and the Nomination and Remuneration Committee, pursuant to their resolution dated October 04, 2025, have decided that no sitting fees shall be paid to each Non- Executive Directors and Independent Directors for attending the Board Meetings, Audit Committee meetings, or any other committee meetings for financial year 2024-25 and the upcoming meetings.

### Payment or benefits to Directors

The details of payments and benefits made to our Directors by our Company, in Fiscal 2025 are as follows:

#### Executive Directors

S. No.	Name of the Executive Director	Designation	Amount
1	Hiren Indravadan Desai	Managing Director	Nil
2	Aayush Hiren Desai	Whole-time Director	Nil
3	Hetal Hirenbbhai Desai	Managing Director*	Nil

\*Change in designation to Non-Executive Director w.e.f. December 23, 2024

#### Non-Executive Directors and Independent Directors

S. No.	Name of the Non-Executive Directors & Independent Director	Designation	Amount
1	Hetal Hirenbbhai Desai	Non-Executive Director*	Nil
2	Dhairya Bharat Tulsiani	Non-Executive Independent Director	Nil
3	Param Vipulkumar Desai	Non-Executive Independent Director	Nil
4	Jigar Vyas	Non-Executive Independent Director	Nil

\*Change in designation to Non-Executive Director w.e.f. December 23, 2024

### Remuneration paid or payable to our Directors from our Subsidiaries

Our subsidiary has not paid any remuneration to our Directors and there is no remuneration payable by our subsidiary to our Directors.

### Bonus or profit-sharing plan of the Directors

None of our Directors are entitled to any bonus or profit-sharing plan of our Company.

### Contingent or Deferred Compensation to our Directors

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

### Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares, as on the date of this Draft Prospectus:

Name of Director	No. of Equity Shares held	% of the Pre-Issue paid up share capital
Hiren Indravadan Desai	13,49,856	22.26%
Hetal Hirenbbhai Desai	27,65,880	45.61%
Aayush Hiren Desai	12,51,936	20.65%
<b>Total</b>	<b>53,67,672</b>	<b>88.52%</b>

### Interests of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company. Our Non-Executive Directors or Independent Directors may be deemed to be interested to the extent of as sitting fees and commission, if any, payable to them for attending meetings of our Board or Committees thereof as approved by our Board and or shareholders and reimbursement of expenses payable to them, as approved by our Board. For further details, please see the section entitled “*Terms of Appointment of our Managing Director*” and “*Payment or benefit to Directors of our Company*”.

Further, except as disclosed under ‘*Shareholding of Directors in our Company*’ above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company.

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 any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company. For details, see “*Restated Financial Information –Note 29: Related Party Disclosures*” on page 201.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No loans have been availed by the Directors from our Company. Further, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company, except to the extent of related party transactions already disclosed under “*Restated Financial Information –Note 29: Related Party Disclosures*” on page 201.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Issue.

As on the date of this Draft Prospectus, except for Hiren Indravadan Desai, Hetal Hirenbbhai Desai and Aayush Hiren Desai, who are the Promoters of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see “*Our Promoters and Promoter Group*” on page 165.

### Changes in Board of Directors in Last 3 Years

Except as mentioned below, there have been no changes in our Directors in the last three years:

<b>Name</b>	<b>Date of Change</b>	<b>Reason</b>
Hetal Hirenbbhai Desai	January 01, 2023	Appointment as Managing Director
Hetal Hirenbbhai Desai	December 23, 2024	Resignation from the position of Managing Director
Hetal Hirenbbhai Desai	December 23, 2024	Change in designation as a Non-Executive Director
Aayush Hiren Desai	December 23, 2024	Appointment as an Executive Director
Dhairya Bharat Tulsiani	January 16, 2025	Appointment as a Non-Executive Independent Director
Param Vipulkumar Desai	January 16, 2025	Appointment as a Non-Executive Independent Director
Hiren Indravadan Desai	January 16, 2025	Change in Designation as a Managing Director
Jigar Vyas	February 07, 2025	Appointment as a Non-Executive Independent Director
Aayush Hiren Desai	April 10, 2025	Change in Designation as Whole-Time Director*
Hiren Indravadan Desai	April 10, 2025	Appointment as a Chairman

*\*Regularised as a Whole time Director pursuant to a resolution passed in the EGM dated April 14, 2025.*

### **Details of Borrowing Powers of Directors**

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to Special resolution passed at Annual General Meeting dated December 30, 2020, our Board is authorized to borrow money by way of term loans, fund based, non-fund-based credit facilities, working capital facilities or any other kind of financial assistance, whether secured or unsecured, granted by banks and financial institutions or otherwise, subject to an amount not exceeding a limit of Rs. 300 Crores.

### **Corporate Governance**

The provisions of the Companies Act, 2013, SEBI LODR Regulations and SEBI ICDR Regulations relating to corporate governance, will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the Stock Exchanges. We are in compliance to the extent applicable with the requirements of the SEBI LODR Regulations, the Companies Act, 2013 and other applicable regulations, in respect of corporate governance in respect of the constitution of the Board and Committees thereof, and formulation and adoption of policies.

As on the date of filing of the Draft Prospectus, our Board of Directors consist of 6 directors of which 1 Managing Director, 1 Non- Executive Director 1 Whole-Time Director, 3 are Independent Directors, and we have 1 women directors on the Board. The constitution of our Board is in compliance with the Companies Act, 2013 and SEBI LODR Regulations, to the extent applicable.

### **Committees of our Board**

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute other committees for various functions as may be required.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Responsibility Committee

#### **(a) Audit Committee**

Our Company has reconstituted an Audit Committee ("Audit Committee"), vide Board Resolution dated March 12, 2025 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The current constituted Audit Committee comprises following members:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Jigar Kamlesh Vyas	Chairperson	Non-Executive Independent Director
Dhairya Bharat Tulsiani	Member	Non-Executive Independent Director
Hiren Indravadan Desai	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

*Terms of Reference of Audit Committee:*

**Role of Audit Committee**

The scope of Audit Committee shall include, but shall not be restricted to, the following:

- 1) Oversight of the listed entity's financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 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 clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) 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) 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 / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussion with internal auditors of any significant findings and follow up there on;

- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16) Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) To review the functioning of the whistle blower mechanism;
- 19) Approving the appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc., of the candidate;
- 20) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- 21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- 22) Consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity an its shareholders.

#### Review of information by Audit Committee

the Audit Committee shall mandatorily review the following inforamtion:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 3) Internal audit reports relating to internal control weaknesses; and
- 4) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 5) 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).
  - b. Annual statement of funds utilized for purposes other than those stated in the Issue document/Draft Prospectus/notice in terms of Regulation 32(7).

#### Powers of the Audit Committee

The Audit Committee shall have powers, which should include the following:

- 1) to investigate any activity within its terms of reference;
- 2) to seek information from any employee;
- 3) to obtain outside legal or other professional advice;
- 4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

#### (b) Stakeholders Relationship Committee

Our Company has constituted the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated April 10, 2025. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Directors	Status in Committee	Nature of Directorship
Dhairya Bharat Tulsiani	Chairperson	Non-Executive Independent Director

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Jigar Kamlesh Vyas	Member	Non-Executive Independent Director
Aayush Hiren Desai	Member	Whole-Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

***Terms of Reference of Stakeholders Relationship Committee:***

The role of the Stakeholders Relationship Committee shall include the following:

- 1) Resolving the grievances of our security holders, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**(c) Nomination and Remuneration Committee**

Our Company has constituted the Nomination and Remuneration Committee, vide Board Resolution dated February 07, 2025 as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee comprise the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Dhairya Bharat Tulsiani	Chairperson	Non-Executive Independent Director
Jigar Kamlesh Vyas	Member	Non-Executive Independent Director
Param Vipulkumar Desai	Member	Non-Executive Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

***Terms of reference of Nomination and Remuneration Committee:***

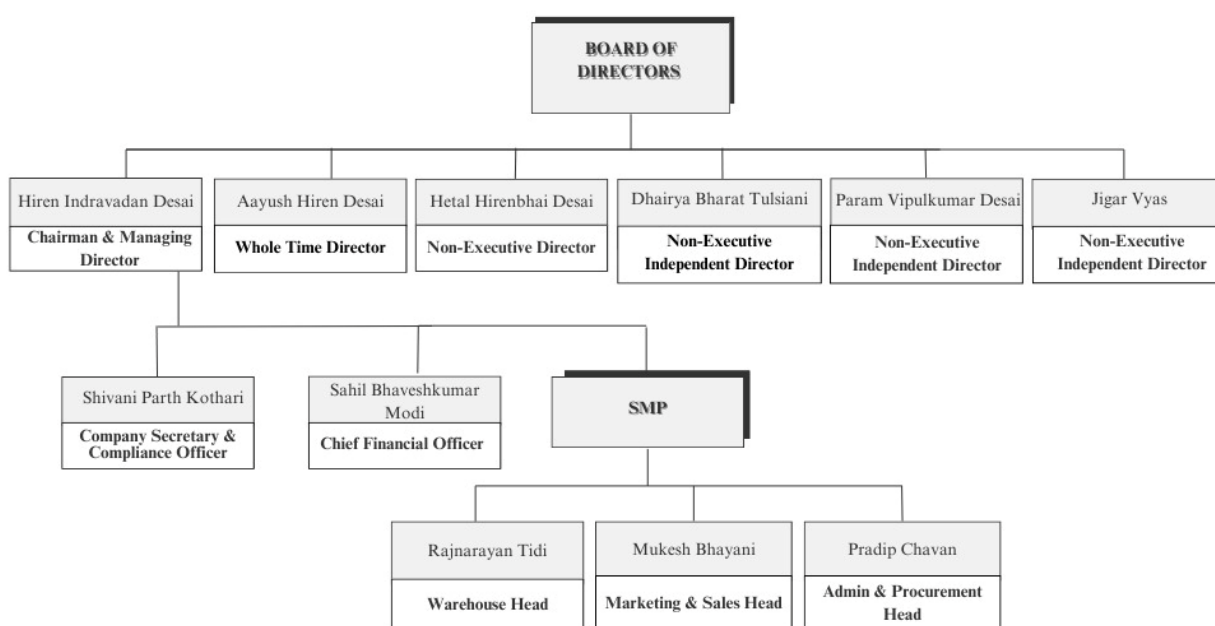
The role of the Nomination and Remuneration Committee shall include the following:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) For every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. For the purpose of identifying suitable candidates as an independent director, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates
- 3) Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- 4) Devising a policy on Board diversity;
- 5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

- 6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 7) Recommend to the board, all remuneration, in whatever form, payable to senior management.
- 8) Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- 9) Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

## MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



## Key Managerial Personnel and Senior Management

### Key Managerial Personnel

In addition to Hiren Indravadan Desai our Managing Director and Aayush Hiren Desai our Whole – time Director whose details are provided in “Our Management” on page 153, the details of our other Key Managerial Personnel as on the date of this Draft Prospectus are as set forth below:

**Shivani Parth Kothari** aged 31 years is the Company secretary and Compliance officer of our Company. She holds the certificate of membership from Institute of Company secretary of India. Further she holds degree in Bachelor of commerce from Devi Ahilya Vishwavidyalaya, Indore (formerly known as University of Indore). She has been associated with our company since September 04, 2025 and is responsible for secretarial and compliance of our Company. She has 3 years of experience in secretarial and finance. Prior to joining our Company, she was associated with Sunrise Efficient Marketing Limited and Jigar Vyas & Associates. Since she was appointed on September 04, 2025 in our company, she was not paid any remuneration in the Financial Year 2025.

**Sahil Bhaveshkumar Modi** aged 25 years is the Chief Financial Officer of our company. He holds a Bachelor of Commerce degree from Veer Narmad South Gujrat. He has been associated with our Company since June 20, 2025 and is responsible for Accounts & Finance function in the Company. He has approximately 7 years of experience in handling Organization's Finance Management, Accounting, Audit of corporate and non-corporate

entities, Taxation of corporate and non-corporate entities. Prior to joining our Company, he was associated with Manoj Sandhya & Co, J N Shah & Co and Adv. Krunal Icecreamwala. Since he was appointed as Chief Financial Officer on June 20, 2025, he was not paid any remuneration for his role as CFO in our Company in Financial year 2025.

### ***Senior Management Personnel***

In addition to the Company Secretary and the Chief Financial Officer of our Company, whose details are provided in “*Our Management – Key Managerial Personnel*” on page 162, the details of our Senior Management, as on the date of this Draft Prospectus are as follows:

**Mukesh Bhayani** aged 45 years is the Marketing and Sales head of our Company. He holds the degree of B.E in textile processing from South Gujarat University. He is involved in marketing and sales of the Company. He has been associated with our company since January 1, 2020 and has over a decade of work experience in the field of textiles. He is responsible for marketing our products, explaining their applications to various printing and dyeing houses, and maintaining regular communication with the SMOs of these units. Prior to joining our Company, he was associated with Vedant Chemicals. He was paid remuneration ₹ 8.70 Lakhs per annum for his role as the Marketing and Sales Head in our Company in Financial year 2025.

**Pradip Chavan** aged 44 years is the Admin and Procurement head of our Company. He has been associated with our Company since January 1, 2020 and is responsible for managing day-to-day operations, including general administration and procurement of raw materials. He has over a decade of experience in operations management, process optimisation and team leadership. Prior to joining our Company, he was associated with Vedant Chemicals. He was paid remuneration ₹ 8.40 Lakhs per annum for his role as the Admin and Procurement Head in our Company in Financial year 2025.

**Rajnarayan Tidi** aged 48 is the Warehouse Head and The Key Formulator of our Company. He has been associated with our company since January 1, 2020 and is responsible in maintaining daily inward and outward movement of stock and product formulation. He has over a decade of work experience in production operations and safety compliance. Prior to joining our Company, he was associated with Vedant Chemicals. He was paid remuneration ₹ 5.04 Lakhs per annum for his role as the Warehouse Head and The Key Formulator Head in our Company in Financial year 2025.

### **Confirmations**

Except as disclosed under the heading “Relationship between our Directors” herein above, none of our Directors are related to any of our Key Managerial Personnel or Senior Management and none of our Key Managerial Personnel or Senior Management are related to each other:

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our other Key Managerial Personnel or Senior Management were selected as key managerial personnel or senior management personnel.

### **Interest of Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management have any interest in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business, and (ii) the Equity Shares held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding.

There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel or Senior Management, even if the compensation is payable at a later date.

Other than as disclosed in this section and as disclosed in “*Note 29 – Related Party Transactions*” on page 201, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel and Senior Management in all capacities in Fiscal 2024.

No loans have been availed by our Key Management Personnel or Senior Management from our Company as on the date of this Draft Prospectus.

For further details of the interest of our Executive Directors in our Company, see “*Interests of Directors*” on page 157.

### **Payment or Benefit to Key Managerial Personnel and Senior Management**

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel, Senior Management, is entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Except as disclosed in “*Interests of Directors*” on page 157 and stated otherwise in this Draft Prospectus and any statutory payments made by our Company, no amount or benefits in kind has been paid or given, in the two years preceding the date of this Draft Prospectus, or is intended to be paid or given to any of our Company’s officers including the Key Managerial Personnel and Senior Management except remuneration and re-imbursements for services rendered as Directors, officers or employees of our Company

### **Bonus or profit-sharing plans for our Key Managerial Personnel or Senior Management**

Other than as disclosed in “*Bonus or profit-sharing plan of the Directors*”, and the annual variable payments which our Key Managerial Personnel or Senior Management are entitled to, our Key Managerial Personnel or Senior Management are not parties to any bonus or profit-sharing plan of our Company.

### **Shareholding of our Key Managerial Personnel or Senior Management in our Company**

None of our Key Managerial Personnel or Senior Management Personnel is entitled to any bonus (excluding performance linked incentive which is part of their remuneration) or profit-sharing plans of our Company.

### **Changes in Key Managerial Personnel and Senior Management Personnel in the three immediately preceding years.**

Except as mentioned below, there have been no changes in our Key Managerial Personnel and Senior Management Personnel in the last three years:

<b>Name</b>	<b>Date of appointment / change in designation / cessation</b>	<b>Reason</b>
Amar Ashokkumar Jariwala	January 16, 2025	Appointment of Chief Financial Officer
Ghanshyam Mohta	May 04, 2025	Appointment of Company Secretary and Compliance Officer
Amar Ashokkumar Jariwala	June 20, 2025	Cessation of Chief Financial Officer
Sahil Bhaveshkumar Modi	June 20, 2025	Appointment of Chief Financial Officer
Ghanshyam Mohta	July 15, 2025	Cessation of Company Secretary and Compliance Officer
Shivani Parth Kothari	September 4, 2025	Appointment of Company Secretary and Compliance Officer

The attrition of the Key Managerial Personnel and Senior Management of our Company is not high as compared to the industry. For details, see “*35 Risk Factors– Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.*” on page 46”.

### **Employee stock option schemes**

As on date of this Draft Prospectus, our Company does not have any employee stock option scheme.



For details of the employee stock option schemes and grant of options made thereunder, see “*Capital Structure – Employee Stock Option Schemes*” on page 71.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoters

The promoters of our Company are Hiren Indravadan Desai, Hetal Hirenbhai Desai & Aayush Hiren Desai. As on date of this Draft Prospectus, our Promoters in aggregate, holds 53,67,672 Equity Shares in our Company, representing 88.52 % of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of shareholding of the Promoter in our Company, see “*Capital Structure – Capital Build Up in respect of shareholding of our Promoters*” on page 75 of this DP.

### Details of our Individual Promoters are as follows:

	<p><b>Hiren Indravadan Desai</b> is one of our Promoters and is the Chairman &amp; Managing Director of our Company. For a complete profile of Hiren Indravadan Desai, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 153.</p> <p>As on date of filing of this Draft Prospectus, Hiren Indravadan Desai holds 13,49,856 Equity Shares representing 22.26% of the subscribed and paid-up Equity Share capital of our Company.</p> <p>His permanent account number is AASPD5636K.</p> <p>Other than as disclosed in “<i>Our Promoter and Promoter Group</i>” and “<i>Our Management</i>” on pages 165 and 153, respectively, Hiren Indravadan Desai is not involved in any other venture.</p>
	<p><b>Hetal Hirenbhai Desai</b> is one of our Promoters and is Non-Executive Non-Independent Director of our Company. For a complete profile of Hetal Hirenbhai Desai, i.e., her date of birth, age, residential address, educational qualifications, professional experience, her business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 153.</p> <p>As on date of filing of this Draft Prospectus, Hetal Hirenbhai Desai holds 27,65,880 Equity Shares representing 45.61 % of the subscribed and paid-up Equity Share capital of our Company.</p> <p>Her permanent account number is ACCPD5531F.</p> <p>Other than as disclosed in “<i>Our Promoter and Promoter Group</i>” and “<i>Our Management</i>” on pages 165 and 153, respectively, Hetal Hirenbhai Desai is not involved in any other venture.</p>



**Aayush Hiren Desai** is one of our Promoters and is Whole Time Director of our Company. For a complete profile of Aayush Hiren Desai, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “*Our Management*” on page 153.

As on date of filing of this Draft Prospectus, Aayush Hiren Desai holds 12,51,936 Equity Shares representing 20.65 % of the subscribed and paid-up Equity Share capital of our Company.

His permanent account number is EMVPD3955A.

Other than as disclosed in “*Our Promoter and Promoter Group*” and “*Our Management*” on pages 165 and 153, respectively, Aayush Hiren Desai is not involved in any other venture.

Our Company confirms that the permanent account number, bank account number, passport number, Aadhar number and driving license number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus.

#### **Change in control of our Company**

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

#### **Interest of Promoter in promotion of our Company**

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company (ii) of their respective shareholding directly or indirectly along with that of their relatives in our Company, (iii) their directorship in our Company (wherever applicable), (iv) interest payable on the loans provided to our Company and (v) the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives in our Company. For further details of our Promoter’s shareholding, see “*Capital Structure*” on page 67 of this DP. For further details of interest of our Promoter in our Company, see “*Capital Structure*”, “*Our Management – Interest of Directors*” and “*Restated Financial Statements*” on pages 67, 157 and 172 of this DP.

#### **Interest of Promoter in property of our Company**

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

#### **Business Interests**

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which such Promoter is interested as a member, in cash or shares or otherwise by any person either to induce them to become or to qualify them as a Director (as applicable) or otherwise for services rendered by them or by such Promoters or such firm or company in connection with the promotion or formation of our Company.

For details of related party transactions entered into by our Company with our Promoters during the financial year immediately preceding the date of this Draft Prospectus, please see “*Restated Financial Statement—Related Party Transactions*” on page 201.

#### **Payment or benefits to our Promoter or our Promoter Group**

There has been no payment of benefits to our Promoters or the Promoter Group during the two years immediately

preceding the date of filing of this Draft Prospectus nor is there any intention to pay or give any benefit to our Promoter or any member of the Promoter Group by the Company as on the date of this Draft Prospectus except remuneration received / sitting fees / Professional fees received as disclosed herein and as stated in “*Restated Financial Statements*” beginning on 172.

Our Company has not entered into any contract, agreement or arrangements during the two years immediately preceding the date of this Draft Prospectus and does not propose to enter into any such contract in which our Promoters or the Promoter Group are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made other than as disclosed in “*History and Certain Corporate Matters—Shareholders’ Agreements and Other Agreements*”, “*Our Management*” and “*Restated Financial Statement—Related Party Transactions*” on pages 149, 153 and 201, respectively.

#### **Companies or firms with which our Promoter has disassociated in the last three years**

Except as stated below, our Promoters have not disassociated himself from any company or firm in the three years immediately preceding the date of this Draft Prospectus.

<b>Name of the Promoter</b>	<b>Year of Disassociation</b>	<b>Name of Company/Firm</b>	<b>Reason of Disassociation</b>
Hiren Indravadan Desai	2024	Vedant Nutraceuticals Limited	Cessation from Directorship
Aayush Hiren Desai	2024	Vedant Nutraceuticals Limited	Cessation from Directorship
Hetal Hirenbbhai Desai	2024	Vedant Nutraceuticals Limited	Cessation from Directorship

#### **Material Guarantees**

Other than as disclosed in “*Financial Indebtedness – Guarantee*” on page 224, our Promoter have not given any material guarantees to any third parties with respect to the Equity Shares of our Company, on behalf of the Company.

#### **Confirmations**

Our Promoter and members of our Promoter Group have not been declared wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.

Our Promoter 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 Promoter and members of our Promoter Group is not and has never been promoter, director, or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Further, there are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issue.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Draft Prospectus, except as disclosed under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 242 of this Draft Prospectus.

There are no conflict of interests between the third-party service providers (crucial for operations of the Company) and the Company, Promoters and Promoter Group.

Except for the business relationship that may exist between the Company, Promoters and Promoter Group and the lessor of the immovable properties, (crucial for operations of the company), there are no conflict of interest between the lessor and the Company, Promoters and Promoter Group.

#### **Our Promoter Group**

In addition to our Promoters, individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

**A. Individuals forming part of our Promoter Group**

**The individuals forming a part of our Promoter Group are as follows:**

Relationship with the Promoters	Hiren Indravadan Desai	Hetal Hiren bhai Desai	Aayush Hiren Desai
Father	Late Indravadan J Desai	Late Kirit B Desai	Hiren Indravadan Desai
Mother	Late Mrudula I Desai	Daxaben K Desai	Hetal Hiren bhai Desai
Spouse	Hetal Hiren bhai Desai	Hiren Indravadan Desai	Nidhi Sandipkumar Vyas
Brother	-	Munjal K Desai	Vedant Hiren Desai
Sister	Bina P Patel	-	-
Son	Aayush Hiren Desai Vedant Hiren Desai	Aayush Hiren Desai Vedant Hiren Desai	-
Daughter	-	-	-
Spouse's Father	Late Kirit B Desai	Late Indravadan J Desai	Late Sandipkumar Shanyubhai Vyas
Spouse's Mother	Daksha K Desai	Late Mrudula I Desai	Jaimini Sandipkumar Vyas
Spouse's Brother(s)	Munjal K Desai	-	Chaitanya Sandipkumar Vyas
Spouse's Sister(s)	-	Bina P Patel	-

**B. The entities forming a part of our Promoter Group**

S. No.	Particulars
1.	BFS Nutrition India Private Limited
2.	HSNS Nutraceuticals Limited
3.	Vedant Nutraceuticals Limited
4.	Cravexnuts Foods LLP
5.	Divine Nutrition USA LLC
6.	Hiren I Desai HUF
7.	Hetal Dye Chem
8.	M.I. Chemicals
9.	Vedant Nutrition / Vedant Chemicals

## OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), “group companies” in relation to the disclosure in Issue Documents, our Company shall include (i) the companies (other than our Subsidiaries and Promoter, as applicable) with which there were related party transactions, in accordance with AS 18, as disclosed in the Restated Financial Information; and (ii) such other companies as considered material by our Board pursuant to the materiality policy.

With respect to (ii) above, our Board in its meeting held on October 04, 2025 has approved that such companies that are a part of the promoter group (as defined in the SEBI ICDR Regulations) with which there were transactions in the most recent financial year and stub period, if any, to be included in the Issue Documents (“**Test Period**”), which individually or in the aggregate, exceed 10% of the total restated Revenue from Operations of our Company for the Test Period, shall also be classified as group companies.

Accordingly, based on the parameters outlined above, as on the date of this Draft Prospectus, our Company has identified and considered the following as Group Companies:

1. Vedant Nutraceuticals Limited

### **Details of our Group Companies**

#### **Vedant Nutraceuticals Limited**

##### ***Corporate Information:***

Vedant Nutraceuticals Limited having CIN U51909GJ2019PLC111271 was incorporated on December 06, 2019. The registered office of the company is situated at Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India.

##### ***Financial Information:***

Certain financial information derived from the audited financial statements of Vedant Nutraceuticals Limited for Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 as required by the SEBI ICDR Regulations, is available on our website at [www.vahhchemicals.com](http://www.vahhchemicals.com).

##### ***Nature and extent of interest of our Group Companies***

##### ***In the promotion of our Company***

None of our Group Companies have any interest in the promotion of our Company.

##### ***In the properties acquired by our Company in the past three years before filing this Draft 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 Draft Prospectus or proposed to be acquired by us as on the date of this Draft Prospectus.

##### ***In transactions for acquisition of land, construction of building and supply of machinery, etc.***

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery, except in ordinary course business and as disclosed in “*Restated Financial Information – Note 29: Related Party Disclosures*” on page 201.

##### **Common pursuits among our Group Companies and our Company**

Except as disclosed in “*Restated Financial Information – Note 29: Related Party Disclosures*” on page 201, our Group Companies are not involved in any kind of common pursuits with our Company or other Group Companies as on the date of this Draft Prospectus.

***Related business transactions within our Group Companies and significance on the financial performance of our Company***

Except transaction as disclosed in “*Restated Financial Information – Note 29: Related Party Disclosures*” on page 201 which are in ordinary course of business, our Group Companies are not involved in any related business transaction with our Company as on the date of this Draft Prospectus.

**Litigation**

Except as mentioned in the chapter titled “*Outstanding Litigations and Material Developments*” on page 242 of this Draft Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

**Business interest of our Group Companies**

Except in the ordinary course of business and as stated in “*Restated Financial Information – Note 29: Related Party Disclosures*” on page 201, none of our Group Companies have any business interest in our Company.

**Other Confirmations**

None of our Group Companies have any securities listed on any stock exchange in India or abroad. Further, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Prospectus.

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and Our Group Company or their respective directors.

Except for the registered office of our Company and Vedant Nutraceuticals Limited (Group Company) is the same i.e., Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darawaja, Ring Road, Surat – 395002, Gujarat, India. There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Group Company or their respective.

## **DIVIDEND POLICY**

The declaration and payment of dividends on the Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act and rules made thereunder, to the extent applicable to our Company, and the SEBI Listing Regulations and the dividend policy of our Company, which may be reviewed and amended periodically by the Board.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, please see “*Financial Indebtedness*” on page 173 of this DP. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time. For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” beginning on page 28 of the Draft Prospectus. Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not declared any dividends on our Equity Shares during the last three Financial Years 2025, 2024, 2023 and for the period ended September 30, 2025 and for the period from October 01, 2025 until the date of this Draft Prospectus.

**SECTION VII- FINANCIAL INFORMATION**  
**RESTATED FINANCIAL STATEMENTS**

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## **Independent Auditor's Examination Report on Restated Financial Information**

To

### **The Board of Directors**

Vahh Chemicals Limited  
Plot 2/5198 ETC, 5th  
Floor, 5003, World Trade  
Centre, Near Udhna  
Darawaja, Ring Road,  
Surat, Gujarat-395002,  
INDIA

Dear Sirs,

1. We M/s. ACG & Co., Chartered Accountants ("we" or "us") have examined the attached Restated Financial Information of Vahh Chemicals Limited (hereinafter referred to as "the Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period ended September 30, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the summary Statements of Significant Accounting Policies, and other explanatory information (collectively referred to as the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 02-12-2025 for the purpose of inclusion in the Draft Prospectus/Prospectus Prepared by the company in connection with its proposed Initial Public Offering of equity shares on the SME Platform ("IPO" or "SME IPO") prepared in terms of the requirement 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 (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"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus / prospectus to be filed with Securities and Exchange Board of India and Registrar of Companies, Ahmedabad in connection with the proposed IPO.

The Restated Financial Information has been prepared by the management on the basis of preparation stated in Annexure V & VI to the Restated financial information. The board of Director's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Director's are also responsible for identifying and ensuring that the company complies with the act, ICDR Regulations, and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

- a. The terms of reference to our engagement letter with you, requesting us to carry out the assignment, in connection with the Draft Prospectus/Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform ("IPO" or "SME IPO") of the company; and
- b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial 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 IPO.

4. This Restated Financial Information has been compiled by the management from Following:

- a. Special Purpose Audited Financial Statements of the Company as at and for the Period ended September 30, 2025 prepared by the Company in accordance with the Accounting Standards (Indian GAAP) as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 02/12/2025.
- b. Audited Financial Statements of the Company as at and for the Year ended March 31, 2025 prepared by the Company in accordance with the Accounting Standards (Indian GAAP) as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 02/09/2025.
- c. Audited Financial Statements of the Company as at and for the Year ended March 31, 2024 prepared by the Company in accordance with the Accounting Standards (Indian GAAP) as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 29/09/2024.
- d. Audited Financial Statements of the Company as at and for the Year ended March 31, 2023 prepared by the Company in accordance with the Accounting Standards (Indian GAAP) as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 05/09/2023.

5. For the purpose of our examination, we have relied on:

- a. Auditors' report issued by us dated 02/09/2025 on the financial statement as at and for the year ended March 31, 2025 as mentioned above;
- b. Auditors' report issued by M/s. Jinendra Mehta & Associates, Chartered Accountants dated 29/09/2024 on the financial statement as at and for the year ended March 31, 2024 as mentioned above;
- c. Auditors' report issued by M/s. Rasesh Shah & Associates, Chartered Accountants dated 05/09/2023 on the financial statement as at and for the year ended March 31, 2023 as mentioned above;

The examination report included for the said year is based solely on the report submitted by the Previous Auditor. Our opinion on the financial statements were not modified in respect of these matters.

6. Based on our examination and according to the information and explanations given to us, we report that:

- a. The "Restated statement of Asset and Liabilities" as set out in Annexure I to this report, of the company as at and for the period ended on September

30, 2025 and as at and for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 have been prepared after making such adjustments and regrouping/ reclassifications retrospectively to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & Annexure V to this Report.

- b. The "Restated statement of Profit and Loss" as set out in Annexure II to this report, of the company as at and for the period ended on September 30, 2025 and as at and for the financial years ended on March 31, 2025, March

31, 2024 and March 31, 2023 have been prepared after making such adjustments and regrouping/reclassifications retrospectively to the individual financial statements of the Company, as in our

opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & Annexure V to this Report.

- c. The “Restated statement of Cash Flows” as set out in Annexure III to this report, of the company as at and for the period ended on September 30, 2025 and as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 have been prepared after making such adjustments and regrouping/reclassifications retrospectively to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & Annexure V to this Report.
- d. The Restated Standalone Summary Statement has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.
- f. The Restated Summary Statements have been made after incorporating adjustments for the prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications that require adjustments.
- g. Extraordinary items that need to be disclosed separately in the accounts have been disclosed wherever required.
- h. There were No Qualifications in the Audit Reports issued by the Statutory Auditors for the period/year ended on March 31 st,2025, March 31 st,2024 and March 31st,2023. which would require adjustments in this Restated Financial Statements of the Company;
- i. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to thereon as set out in Annexure IV & V to this report;
- j. There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements except as mentioned in clause (g) above.
- k. There are no Revaluation Reserves, which need to be disclosed separately in the Restated Financial Statements;
- l. The company has not declared any dividend in past effective for the said period.

7. We have also examined the following other financial information relating to the company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the company as at and for the period ended on September 30, 2025 and as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023.

Annexure No.	Particulars
I	Restated Statement of Assets and Liabilities
II	Restated Statement of Profit and Loss
Other Annexures:	
III	Restated Statement of Cash Flow
IV	Statement of Significant Accounting Policies and Notes
V	Notes to the Re-stated Financial Statements
VI	Statement of Capitalization, As Restated
VII	Statement of Tax Shelter, As Restated

8. We, M/s. ACG & CO, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate. Our Peer reviewed certificate number 028477N shall remain valid till 31 -12-2026 issued by the “Peer Review Board” of the ICAI.
9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. The firm has established and maintained a system of quality control in accordance with the requirements of Standard on Quality Control (SQC) 1 – Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, issued by the Institute of Chartered Accountants of India (ICAI).
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use by the management and for inclusion in the Offer Document in connection with the SME IPO of the company. Our report should not be used, referred to, or adjusted for any other purpose except with our 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 ACG & Co.,  
Chartered Accountants  
Firm Registration Number: 028477N

CA Anuj Arora  
(Partner)-SD

Membership Number: 418737  
UDIN: 25418737BMLJFU8409  
Date: 03-12-2025  
Place: Surat

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

(All amounts in ₹ lakhs unless otherwise stated)

Restated Consolidated Statement of Assets and Liabilities

Annexure I

Particulars	Note No.	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
		Consolidated	Consolidated	Standalone	Standalone
<b>Equity and liabilities</b>					
<b>Shareholders' funds</b>					
Equity share capital	3	606.39	536.78	5.00	5.00
Reserves and surplus	4	595.06	150.21	97.70	63.24
Minority Interest		52.40	37.87	-	-
<b>Non-current liabilities</b>					
Long-term borrowings	5	141.83	223.06	319.81	124.25
<b>Current liabilities</b>					
Short-term borrowings	6	651.45	902.29	289.62	152.54
Trade payables					
Total outstanding dues of micro enterprises and small enterprises	7	1,361.68	874.64	48.23	73.20
Total outstanding dues of creditors other than micro enterprises and small enterprises		591.81	832.91	7.00	83.24
Other current liabilities	8	22.18	233.19	10.28	3.43
Short-term provisions	9	208.64	136.74	15.31	7.43
<b>Total</b>		<b>4,231.44</b>	<b>3,927.69</b>	<b>792.95</b>	<b>512.33</b>
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment and intangible assets	10				
Property, plant & equipment		2.15	2.76	2.26	3.49
Intangible assets		1.15	1.22	-	-
Other non-current assets	11	26.64	25.79	0.10	0.10
Deferred tax assets	12	0.60	0.52	0.34	0.10
<b>Current assets</b>					
Inventories	13	1,413.59	1,248.53	260.15	59.15
Trade receivables	14	1,664.76	2,040.18	380.59	432.50
Cash and cash equivalents	15	302.59	249.67	64.00	14.05
Short-term loans and advances	16	54.56	47.70	-	-
Other current assets	17	765.40	311.32	85.51	2.94
<b>Total</b>		<b>4,231.44</b>	<b>3,927.69</b>	<b>792.95</b>	<b>512.33</b>

The above statement should be read with significant accounting policies and notes to financial information appearing in annexure IV &amp; V respectively.

**As per our report of even date attached****For ACG & Co.**

Chartered Accountants

Firm Reg. No.: 0028477N

**For & on behalf of Board of Directors****VAHH Chemicals Limited****Anuj Arora**

(Partner)-SD

Membership No.: 418737

**Hiren Desai**

(Director)-SD

DIN: 08622752

**Aayush Desai**

(Director)-SD

DIN: 0863117

**Sahil Bhaveshkumar Modi**

(CFO)-SD

PAN: EKXPM8967H

**Shivani Parth Kothari**

(Company Secretary)-SD

CS ID: ACS-46602

UDIN: 25418737BMLJFU8409

Place: Surat

Date: 03/12/2025

**VAHH CHEMICALS LIMITED**  
CIN : U24110GJ2019PLC111346  
(All amounts in ₹ lakhs unless otherwise stated)  
Restated Consolidated Statement of Profit and Loss Accounts  
Annexure II

Particulars	Note No.	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
		Consolidated	Consolidated	Standalone	Standalone
<b>Revenue</b>					
Revenue from operations	18	1,652.47	2,374.71	1,015.53	745.74
Other income	19	0.86	0.03	0.04	0.10
<b>Total income</b>		<b>1,653.33</b>	<b>2,374.74</b>	<b>1,015.57</b>	<b>745.84</b>
<b>Expenses</b>					
Cost of material consumed	20	1,461.55	2,259.18	880.15	607.78
Changes in inventories of traded goods	21	(311.15)	(580.08)	(77.09)	-
Employee benefits expenses	22	85.18	103.81	47.46	49.06
Finance costs	23	65.67	100.12	68.73	17.53
Depreciation and amortization expense	24	0.68	1.54	1.67	1.11
Other expenses	25	72.76	121.95	45.33	46.36
<b>Total expenses</b>		<b>1,374.69</b>	<b>2,006.52</b>	<b>966.25</b>	<b>721.84</b>
<b>Profit /(loss) before tax</b>		<b>278.64</b>	<b>368.22</b>	<b>49.32</b>	<b>24.00</b>
<b>Tax expense</b>					
Current tax		70.96	110.18	15.10	7.19
Deferred tax (credit)/ charge		(0.08)	(0.18)	(0.24)	(0.13)
<b>Total tax expenses</b>		<b>70.88</b>	<b>110.00</b>	<b>14.86</b>	<b>7.06</b>
<b>Profit/(loss) for the year/ period</b>		<b>207.76</b>	<b>258.22</b>	<b>34.46</b>	<b>16.94</b>
<b>Profit attributable to Owner of the parent</b>		193.23	264.62	34.46	16.94
<b>Profit/ (loss) attributable to minority shareholders</b>		14.53	(6.40)	-	-
		<b>207.76</b>	<b>258.22</b>	<b>34.46</b>	<b>16.94</b>
<b>Earning per equity share (face value of Rs. 10 each/-)</b>	26				
(a) Basic		3.25	4.99	0.65	0.32
(b) Diluted		3.25	4.99	0.65	0.32

\* Earnings per share (EPS) for the period of September 2025 has been presented on a non-annualized basis

The above statement should be read with significant accounting policies and notes to financial information appearing in annexure IV & V respectively.

**As per our report of even date attached**

**For ACG & Co.**

Chartered Accountants

Firm Reg. No.: 0028477N

**For & on behalf of Board of Directors**

**VAHH Chemicals Limited**

**Anuj Arora**  
(Partner)-SD  
Membership No.: 418737

**Hiren Desai**  
(Director)-SD  
DIN: 08622752

**Aayush Desai**  
(Director)-SD  
DIN: 0863117

**Sahil Bhaveshkumar Modi**  
(CFO)-SD  
PAN: EKXPM8967H

**Shivani Parth Kothari**  
(Company Secretary)-SD  
CS ID: ACS-46602

UDIN: 25418737BMLJFU8409  
Place: Surat  
Date: 03/12/2025

Particulars		Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
		Consolidated	Consolidated	Standalone	Standalone
<b>Cash flow from operating activities</b>					
Net profit before tax		278.64	368.22	49.32	24.00
<b>Add</b>					
Depreciation		0.68	1.54	1.67	1.11
Interest paid		65.67	100.12	68.73	17.53
Unrealised foreign exchange on translation		1.74	(2.64)	-	-
<b>Less</b>					
Interest received		(0.86)	(0.03)	(0.04)	(0.10)
<b>Operating cash flows before working capital changes</b>		<b>345.87</b>	<b>467.21</b>	<b>119.68</b>	<b>42.54</b>
<b>Changes in working capital</b>					
(Increase) / decrease in inventory		(165.06)	(988.38)	(201.00)	(22.96)
(Increase) / decrease in trade receivables		375.42	(1,659.59)	51.91	(146.20)
(Increase) / decrease in loans & advances		(6.86)	(47.70)	-	0.10
(Increase) / decrease in other current assets		(454.08)	(225.81)	(82.57)	(1.02)
Increase/ (decrease) in trade payables		245.94	1,652.32	(101.21)	(9.57)
Increase/ (decrease) in provision		1.00	11.93	0.05	0.15
Increase/(decrease) in other current liabilities		(211.01)	222.91	6.85	(0.74)
Increase/(decrease) in short term borrowings		(250.84)	612.67	137.08	114.08
<b>Cash generated/(used) in operations</b>		<b>(119.62)</b>	<b>45.56</b>	<b>(69.21)</b>	<b>(23.62)</b>
Income taxes (Net)		(0.06)	(0.68)	(7.27)	(6.42)
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>(119.68)</b>	<b>44.88</b>	<b>(76.48)</b>	<b>(30.04)</b>
<b>Cash flow from investing activities</b>					
Purchase of property, plant and equipment		-	(3.26)	(0.44)	(4.29)
Interest received		0.86	0.03	0.04	0.10
Investment in deposits		(0.85)	(25.69)	-	(0.10)
<b>Net cash generated (used) in investing activities</b>	<b>B</b>	<b>0.01</b>	<b>(28.92)</b>	<b>(0.40)</b>	<b>(4.29)</b>
<b>Cash flow from financing activities</b>					
Repayment from long term borrowings (net)		(81.23)	(96.75)	-	-
Proceeds from long term borrowings (net)		-	-	195.56	43.11
Interest paid		(65.67)	(100.12)	(68.73)	(17.53)
Minority Shareholders		-	44.27	-	-
Proceeds from issue of share (net)		319.49	322.31	-	-
<b>Net cash generated /(used) in financing activities</b>	<b>C</b>	<b>172.59</b>	<b>169.71</b>	<b>126.83</b>	<b>25.58</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(A+B+C)</b>	<b>52.92</b>	<b>185.67</b>	<b>49.95</b>	<b>(8.75)</b>
Cash & cash equivalents at the beginning of the year		249.67	64.00	14.05	22.80
<b>Cash &amp; cash equivalents at the end of the year / period</b>		<b>302.59</b>	<b>249.67</b>	<b>64.00</b>	<b>14.05</b>

Cash and cash equivalents as per above comprise of the following

Particulars		Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash &amp; cash equivalents comprise</b>					
Cash in hand		104.00	101.96	20.04	8.62
Balance in CC account with banks		198.59	147.71	43.96	5.43
<b>Total</b>		<b>302.59</b>	<b>249.67</b>	<b>64.00</b>	<b>14.05</b>

Statement of cash flow has been prepared under the indirect method as set out in AS-3 on statement of cash flows specified under Sec-133 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

As per our report of even date attached

For ACG & Co.

Chartered Accountants

Firm Reg. No.: 0028477N

For & on behalf of Board of Directors

VAHH Chemicals Limited

Anuj Arora

(Partner)-SD

Membership No.: 418737

Hiren Desai

(Director)-SD

DIN: 08622752

Aayush Desai

(Director)-SD

DIN: 0863117

Sahil Bhaveshkumar Modi

(CFO)-SD

PAN: EKXPM8967H

Shivani Parth Kothari

(Company Secretary)-SD

CS ID: ACS-46602

UDIN: 25418737BMLJFU8409

Place: Surat

Date: 03/12/2025

## **VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Consolidated Financial Statements including a summary of significant accounting policies and other explanatory information

Annexure IV

### **1 Parent Overview**

#### **Corporate Information**

Vahh Chemicals Limited ("the parent") is a parent limited by shares, incorporated under the Companies Act, 2013 in India. The parent is registered with the Registrar of Companies, Ahmedabad under Corporate Identification Number (CIN) U24110GJ2019PLC111346. The parent company was incorporated on December 11, 2019.

Its registered office is located at Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darwaja, Ring Road, Surat, Gujarat, India, 395002. The parent is classified as a Public Non-Government Company.

#### **Nature of Business**

The principal business of the parent is the manufacture of basic chemicals except fertilizers and nitrogen compounds.

### **2 Basis of Preparation of Restated Financial Statements**

The restated financial statements have been prepared on an accrual basis and under the historical cost convention, assuming that the entity is a going concern. These accounting policies have been applied consistently by the Parent parent.

The restated financial statements comply, in all material respects, with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014, and other relevant provisions of the Act.

The preparation of these restated financial statements involves the use of estimates and assumptions. The management makes these estimates and assumptions on the basis of knowledge and experience to determine the carrying values of assets and liabilities at the date of the financial statements, and the amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

The Restated Financial Information of the parent comprises:

The Restated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024, and March 31, 2023;

The Restated Statement of Profit and Loss and the Restated Cash Flow Statements for the stub period September 30, 2025 and for the periods ended March 31, 2025, March 31, 2024, and March 31, 2023; and

The Statement of Significant Accounting Policies and the Explanatory Notes (collectively referred to as the "Restated Financial Information").

These Restated Financial Information have been compiled by the management from the audited financial statements of the parent for the respective period ended September 30, 2025, years ended March 31, 2025, March 31, 2024, and March 31, 2023, each approved by the Board of Directors.

## **VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Consolidated Financial Statements including a summary of significant accounting policies and other explanatory information

Annexure IV

The Restated Statements have been prepared in accordance with the provisions of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013;
- 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 parent Prospectuses (Revised 2019), as amended, issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

These Restated Financial Information have been prepared specifically for inclusion in the Draft Red Herring Prospectus to be filed by the parent with the relevant stock exchanges in connection with its proposed Initial Public Offering of equity shares.

The Restated Financial Information have been prepared under Indian Generally Accepted Accounting Principles (Indian GAAP), on an accrual basis and under the historical cost convention.

### **2.1 Significant Accounting Policies**

#### **Use of Estimates**

The preparation of the restated financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the restated financial statements, and the reported amounts of revenues and expenses during the reporting period. The parent's most significant estimates include those on the useful life of assets, deferred taxes and provision for taxes. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

#### **Going Concern**

The financial statements are prepared on a going concern basis. Management has assessed the parent's ability to continue as a going concern, taking into account all available information about the future, including the foreseeable future (at least twelve months from the reporting date). In making this assessment, management has considered projected cash flows, committed and known obligations, the current financial position, access to financing, and other relevant events and conditions.

Unless management either intends to liquidate the parent or to cease operations, or has no realistic alternative but to do so, the going concern assumption is appropriate. If management becomes aware of material uncertainties that may cast significant doubt on the entity's ability to continue as a going concern, these uncertainties will be disclosed in the notes to the financial statements, including the nature of such uncertainties and management's plans to mitigate them.

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Notes forming part of Restated Consolidated Financial Statements including a summary of significant accounting policies and other explanatory information

Annexure IV

**Revenue Recognition**

Revenue is recognized only when it is probable that the economic benefits will flow to the Parent entity and the amount of revenue can be measured reliably.

**Trading (Sale of Goods)**

Revenue derived from trading activities is recognized when the significant risks and rewards of ownership of the products are transferred to the customer. This transfer typically occurs at a point in time upon shipment or delivery of the goods according to the terms of sale.

**Blending and Nutrition Services (Rendering of Services)**

Revenue from blending, custom formulation, technical support, or nutrition consulting services is recognized as the performance obligation is satisfied. This is generally recognized upon the completion of performance of the specified service and acceptance by the customer. For lengthy service contracts (e.g., long-term blending arrangements), revenue may be recognized over time if the contractual criteria for continuous transfer of control are met.

**Interest Income**

Interest income is recognized on an accrual basis. The income is measured and recognized on a time-proportion basis using the effective interest method over the period the corresponding asset is held.

**Property, Plant & Equipment's**

Property, Plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

All cost, including financing cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variation attributable to the tangible assets are capitalized.

Depreciation is provided on written down value (WDV) basis for Property, Plant and Equipment in the manner prescribed in Schedule II to the companies act, 2013 over their useful life.

When an assets is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in Profit and loss.

**Depreciation**

Depreciation is provided on written down value (WDV) basis for Property, Plant and Equipment in the manner prescribed in Schedule II to the companies act, 2013 over their useful life.

When an assets is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in Profit and loss.

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**Foreign Currency Transaction**

All transactions denominated in foreign currencies are initially recorded at the spot exchange rate at the date of the transaction. At each balance sheet date, monetary foreign currency items (e.g. receivables, payables) are translated using the closing rate. Non-monetary items measured at historical cost are translated using the rate in effect on the date of transaction, whereas non-monetary items measured at fair value are translated using the rate at the date when fair value was determined. Exchange differences arising from settlement of monetary items or translation at rates different than those at which they were originally recorded are recognized in profit or loss in the period in which they arise.

**Investments**

Investments held by the parent are classified into current investments and long-term investments. Current investments are those which are readily realisable and intended to be held for not more than one year from the date of acquisition, whereas long-term investments are those not so classified. The cost of an investment includes all acquisition charges such as brokerage, fees and duties. When investments are acquired in exchange for securities or other assets, the cost is determined by reference to the fair value of securities issued or assets given up. Current investments are carried in the financial statements at the lower of cost and fair value; any diminution in value is recognised in the profit and loss statement, and any subsequent increase (where the reasons for earlier write-down no longer exist) is also taken to profit or loss. Long-term investments are carried at cost. However, if there is a decline, other than temporary, in the value of a long-term investment, the carrying amount is written down to recognise this decline. Upon disposal of an investment, the difference between its carrying amount and the net disposal proceeds, less any disposal expenses, is recognised in profit or loss. Detailed disclosures are made in the financial statements, including classification of quoted and unquoted investments, aggregate cost, market value (for quoted investments), income from investments, and provision for diminution in value, in accordance with AS 13.

**Valuation of Inventory**

Inventories are valued at the lower of cost and net realizable value (NRV). Cost comprises all expenditures directly attributable to bringing the inventory to its present location and condition. This includes purchase cost, conversion cost, and other direct costs. The cost is determined using appropriate cost formulas such as FIFO (First In, First Out) or weighted average cost.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down to NRV when the cost exceeds the NRV, and such write-downs are recognized as an expense in the period the write-down occurs. The reversal of any write-down is recognized as a reduction in the cost of goods sold in the period in which the reversal occurs.

Inventories include items held for sale in the ordinary course of business, in the process of production for such sale, and in the form of materials or supplies to be consumed in the production process or in the rendering of services. They exclude work in progress arising under construction contracts, work in progress arising in the ordinary course of business of service providers, shares, debentures, and other financial instruments held as stock-in-trade, and producer's inventories of livestock, agricultural and forest products, and mineral oils, ores, and gases to the extent that they are measured at net realizable value in accordance with well-established practices in those industries.

The parent consistently applies the chosen cost formula and regularly reviews the carrying amount of inventories to ensure that they are not carried at amounts higher than their net realizable value.

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**Borrowing cost**

Borrowing costs are interest and other costs incurred by the parent in connection with the borrowing of funds. These include interest and commitment charges, amortisation of discounts or premiums, amortisation of ancillary costs, finance lease charges, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs commences when expenditures for the asset are being incurred, borrowing costs are being incurred, and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation is suspended during extended periods in which active development is interrupted. Capitalisation of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

**Retirement Benefits**

The parent provides retirement benefits to its employees in the form of:

Defined Contribution Plans: Such as Provident Fund, where the parent's contribution is fixed and recognised as an expense during the period in which the employee renders service.

Other Long-Term Benefits: Such as long-service awards, which are recognised based on actuarial valuations.

The parent recognises the cost of providing these benefits as an expense in the profit and loss statement over the periods during which the employee renders service. Actuarial gains and losses are recognised immediately in the period in which they occur, and past service costs are recognised immediately to the extent that the benefits are already vested, or otherwise over the vesting period.

**Taxes on Income**

The parent accounts for taxes on income in accordance with Accounting Standard (AS) 22, "Accounting for Taxes on Income," issued by the Institute of Chartered Accountants of India (ICAI). This standard prescribes the accounting treatment for taxes on income, including current tax and deferred tax.

**Current Tax**

Current tax is determined based on the taxable income for the period, calculated in accordance with the provisions of the Income Tax Act, 1961. The amount of current tax is recognised as an expense in the period in which the related income is recognised.

**Deferred Tax**

Deferred tax is recognised on timing differences between the accounting income and taxable income for the period.

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**Annexure IV**

These timing differences arise due to differences in the treatment of certain items for accounting and tax purposes. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

**Recognition of Deferred Tax Assets:** Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If there is no reasonable certainty, a deferred tax asset is recognised only to the extent of deferred tax liability.

**Presentation in Financial Statements:** Current tax and deferred tax are recognised in the statement of profit and loss, except when they relate to items recognised directly in equity or in other comprehensive income, in which case the tax is recognised in equity or other comprehensive income, respectively.

The parent reviews its tax positions and estimates on an ongoing basis to ensure that the recognised amounts reflect the current tax laws and the parent's tax status.

**Provisions, Contingent Liabilities and Contingent Assets**

The parent recognizes provisions when:

Present obligations (legal or constructive) exist due to past events;

An outflow of resources is probable to settle the obligation; and

A reliable estimate can be made of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Contingent liabilities are disclosed when:

It is possible that an outflow of resources embodying economic benefits will be required to settle the obligation; or

The amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

The parent reviews provisions at each balance sheet date and adjusts them to reflect the current best estimate. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

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**Cash Flow Statements**

The parent prepares a Cash Flow Statement in accordance with Accounting Standard (AS) 3, "Cash Flow Statements," issued by the Institute of Chartered Accountants of India (ICAI). This statement provides information about the historical changes in cash and cash equivalents by classifying cash flows during the period into operating, investing, and financing activities.

**Operating Activities:** These are the principal revenue-producing activities of the parent and other activities that are not investing or financing activities. Cash flows from operating activities are reported using either the direct method (gross receipts and payments) or the indirect method (adjustment to net profit). The parent uses the indirect method for reporting operating cash flows.

**Investing Activities:** These include the acquisition and disposal of long-term assets and other investments not included in cash equivalents. Cash flows from investing activities are reported using the direct method.

**Financing Activities:** These activities result in changes in the size and composition of the equity capital and borrowings of the parent. Cash flows from financing activities are reported using the direct method.

The Cash Flow Statement is prepared using the indirect method, adjusting net profit or loss for the effects of:

Changes during the period in inventories and operating receivables and payables.

Non-cash items such as depreciation, provisions, and deferred tax.

Other items that are investing or financing cash flows.

Cash and cash equivalents comprise cash on hand, demand deposits with banks, and short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

The parent discloses separately the cash flows arising from interest and dividends received and paid, as well as taxes on income, in accordance with AS 3.

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Annexure IV

**Earning Per Share (EPS)**

Earnings Per Share (EPS) is a key financial metric that indicates the profitability of the parent on a per-share basis. It is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is calculated by adjusting the basic EPS for the effects of all potential dilutive equity shares, such as convertible securities, stock options, and warrants, that were outstanding during the period. This provides a more conservative measure of EPS, reflecting the potential dilution of earnings.

The parent presents both basic and diluted EPS on the face of the Statement of Profit and Loss for each class of equity share capital. The weighted average number of shares is adjusted for events such as stock splits, bonus shares, and rights issues.

EPS is disclosed in accordance with the requirements of AS 20 and is presented in the financial statements to provide users with a measure of the parent's profitability on a per-share basis.

**Related party disclosure**

The group complies with Accounting Standard (AS) 18, "Related Party Disclosures," issued by the Institute of Chartered Accountants of India (ICAI), to ensure transparency in reporting related party relationships and transactions.

Related parties include:

Enterprises that directly or indirectly control, are controlled by, or are under common control with the group.

Associates and joint ventures of the group.

Individuals owning, directly or indirectly, an interest in the voting power of the group that gives them control or significant influence over the group, and their relatives.

Key management personnel and their relatives.

Enterprises over which any person described above has significant influence.

**Employee Benefits**

The group accounts for all forms of employee benefits in accordance with Accounting Standard (AS) 15, "Employee Benefits," issued by the Institute of Chartered Accountants of India (ICAI). Employee benefits encompass all forms of consideration provided by the group in exchange for services rendered by employees.

The balances of Sundry Debtors, Sundry Creditors, Unsecured Loans, and Loans & Advances are subject to confirmation from the respective parties.

Previous Year figures have been Re grouped and/or reclassified where ever necessary to make them comparable with those of Current Year.

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Annexure V

**3 Share Capital**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>Authorised equity share capital</b> September 30, 2025, and March 31, 2025: 80,00,000 equity shares of ₹10.00 each March 31, 2024, and March 31, 2023: 50,000 equity shares of ₹10.00 each	800.00	800.00	5.00	5.00
<b>Issued, subscribed and fully paid-up shares capital</b> Fully paid up share As on September 30, 2025: 60,63,868 equity shares of ₹10.00 each As on March 31, 2025: 53,67,816 equity shares of ₹10.00 each As on March 31, 2024, and March 31, 2023: 50,000 equity shares of ₹10.00 each	606.39	536.78	5.00	5.00
<b>Total</b>	<b>606.39</b>	<b>536.78</b>	<b>5.00</b>	<b>5.00</b>

**3a Terms/rights attached to equity shares**

The group has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation of the group, the equity shareholders are entitled to receive the remaining assets of the group, after distribution of all preferential amounts, in proportion of their shareholding. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the group, the holders of equity shares shall be entitled to receive any of the remaining assets of the group, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

**3b Issue of shares****Fresh issue**

During the financial year, the Company issued equity shares through private placement for cash consideration, as approved by the shareholders in Extraordinary General Meetings (EGMs). On March 25, 2025, the Company approved the issue of 4,79,300 equity shares at ₹45.90 per share, aggregating to ₹2,17,08,150. The allotment for this issue was approved in the Board meeting held on April 30, 2025. Subsequently, another issue was approved in the EGM held on May 5, 2025, for 2,16,752 equity shares at ₹45.90 per share, amounting to ₹98,62,216. The allotment of these shares was approved by the Board on May 8, 2025. All the shares issued are fully paid-up and rank pari-passu with the existing equity shares of the Company. The proceeds from the share issues have been / will be utilised for general corporate purposes and business operations.

During the previous year, the parent company issued 99,106 fully paid equity shares at ₹325 per share on 23 November 2024. The issuance was made in accordance with Section 63 of the Companies Act, 2013 and the relevant applicable rules. These shares were allotted as consideration for a business acquisition of Aayush Chemicals and Aayush Bio Energy.

**Bonus issue**

During the year, the parent company issued 52,18,710 fully paid bonus equity shares in the ratio of 35:1 by capitalising free reserves and securities premium. The bonus issue was approved by the Board of Directors and the shareholders on March 15, 2025. The issuance was carried out in compliance with Section 63 of the Companies Act, 2013 and the applicable rules as of March 15, 2025.

**3c Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

The group has not issued any bonus shares, nor issued shares pursuant to contract for consideration other than cash or bought back any shares during the period of five years immediately preceding the reporting date.

**3d Other disclosures**

The figures presented above are derived from the restated summary statement of assets and liabilities of the Group.

The Group does not have a revaluation reserve.

There are no unpaid calls by any Director or officer of the Group.

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Annexure V

**3e Reconciliation of no. of Shares outstanding:**

Particular	As at September 30, 2025		As at March 31, 2025	
	Number	Rs.	Number	Rs.
Equity shares at the beginning of the year/ period	53,67,816	536.78	50,000	5.00
Add: Shares issued during the year/ period	6,96,052	69.61	53,17,816	531.78
Less: Redeem during the current financial year/ period	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>60,63,868</b>	<b>606.39</b>	<b>53,67,816</b>	<b>536.78</b>

Particular	As at March 31, 2024		As at March 31, 2023	
	Number	Rs.	Number	Rs.
Equity shares at the beginning of the year/ period	50,000	5.00	50,000	5.00
Add: Shares issued during the year/ period	-	-	-	-
Less: Redeem during the current financial year/ period	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>50,000</b>	<b>5.00</b>	<b>50,000</b>	<b>5.00</b>

**3f Details of shareholders holding of more than 5% shares**

Name of Shareholder	As at September 30, 2025		As at March 31, 2025	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Hiren I. Desai	22.26%	13,49,856	25.15%	13,49,856
Hetal H. Desai	45.61%	27,65,880	51.53%	27,65,880
Aayush H. Desai	20.65%	12,51,936	23.32%	12,51,936
<b>Total</b>	<b>88.52%</b>	<b>53,67,672</b>	<b>100.00%</b>	<b>53,67,672</b>

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Hiren I. Desai	75.00%	37,496	75.00%	37,496
Hetal H. Desai	13.00%	6,500	13.00%	6,500
Aayush H. Desai	12.00%	6,000	12.00%	6,000
<b>Total</b>	<b>100.00%</b>	<b>49,996</b>	<b>100.00%</b>	<b>49,996</b>

**3g Details of Shares held by promoters**

Name of Shareholder	As at September 30, 2025		As at March 31, 2025	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Hiren I. Desai	22.26%	13,49,856	25.15%	13,49,856
Hetal H. Desai	45.61%	27,65,880	51.53%	27,65,880
Aayush H. Desai	20.65%	12,51,936	23.32%	12,51,936
<b>Total</b>	<b>88.52%</b>	<b>53,67,672</b>	<b>100.00%</b>	<b>53,67,672</b>

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Hiren I. Desai	75.00%	37,496	75.00%	37,496
Hetal H. Desai	13.00%	6,500	13.00%	6,500
Aayush H. Desai	12.00%	6,000	12.00%	6,000
<b>Total</b>	<b>100.00%</b>	<b>49,996</b>	<b>100.00%</b>	<b>49,996</b>

List of persons/entities classified as 'Promoters' and 'Promoter Group' has been determined by the Management in consultation with the compliance officer

**Details of the Movement in Equity Share for the period and the preceding five years ending September 30, 2025**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024
Equity shares issued as private placement	6,96,052	99,106	-
Equity shares issued as bonus	-	52,18,710	-

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity shares issued as private placement	-	-	-
Equity shares issued as bonus	-	-	-

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Annexure V

**4 Reserves and Surplus**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Statement of profit and loss	345.86	152.63	97.70	63.24
Securities Premium	249.88	-	-	-
Capital reserve	0.22	0.22	-	-
Foreign Translation reserve	(0.90)	(2.64)	-	-
<b>Total</b>	<b>595.06</b>	<b>150.21</b>	<b>97.70</b>	<b>63.24</b>

**Statement of profit and loss**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	152.63	97.70	63.24	46.30
Add : Profit For the year	193.23	264.62	34.46	16.94
Bonus share issued	-	(209.69)	-	-
<b>Closing Balance</b>	<b>345.86</b>	<b>152.63</b>	<b>97.70</b>	<b>63.24</b>

**Securities Premium**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	-	-	-
During the year	249.88	312.18	-	-
Utilized	-	(312.18)	-	-
<b>Closing Balance</b>	<b>249.88</b>	<b>-</b>	<b>-</b>	<b>-</b>

During the period, the Company issued 4,79,300 and 2,16,752 equity shares at a premium of ₹35.90 per share over the face value.

Previous year, Company issued 99,106 fully paid equity shares at a premium of ₹315 per share. The securities premium collected has been fully utilized towards the issue of bonus shares during the financial year.

**Foreign Translation Reserve**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening Balance	(2.64)	-	-	-
During the year	1.74	(2.64)	-	-
Utilized	-	-	-	-
<b>Closing Balance</b>	<b>(0.90)</b>	<b>(2.64)</b>	<b>-</b>	<b>-</b>

**Capital reserve**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.22	-	-	-
During the year	-	0.22	-	-
Utilized	-	-	-	-
<b>Closing Balance</b>	<b>0.22</b>	<b>0.22</b>	<b>-</b>	<b>-</b>

Capital reserve created pursuant to the acquisition of HSHS Nutraceuticals Limited.

**Statement of profit and loss**

Retained Earnings represents accumulated profits of the group as on reporting date. This is a free reserve and will be used in a manner specified as per the provisions of the Companies Act, 2013

**Securities Premium**

Securities premium is used to record the premium received on issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

**Foreign Translation Reserve**

The Foreign Currency Translation Reserve represents the accumulated exchange differences arising on the translation of the financial statements of non-integral foreign operations, in accordance with Accounting Standard (AS) 11 – The Effects of Changes in Foreign Exchange Rates. These translation differences are not recognized in the Profit and Loss Account but are accumulated under this reserve. The balance in this reserve is reclassified to the Profit and Loss Account only upon the disposal of the respective non-integral foreign operation.

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Annexure V

**5 Long Term Borrowings**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>Unsecured Loans</b>				
- From Related parties	-	68.37	153.51	124.25
- From Banks	74.83	103.22	108.73	-
- From NBFC & other Corporates	308.70	309.20	180.94	-
Less: Current maturities of long term borrowing	(241.70)	(257.73)	(123.37)	-
<b>Total</b>	<b>141.83</b>	<b>223.06</b>	<b>319.81</b>	<b>124.25</b>

The Company has received an interest-free unsecured loan from its Director, utilized for business operational purposes.

**6 Short Term Borrowings**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>				
Bank Overdraft	406.19	642.74	166.25	152.54
<b>Unsecured</b>				
Credit Card	3.56	1.82	-	-
Current Maturities of long term borrowing	241.70	257.73	123.37	-
<b>Total</b>	<b>651.45</b>	<b>902.29</b>	<b>289.62</b>	<b>152.54</b>

These have been classified under short-term borrowings in accordance with AS 1 – Disclosure of Accounting Policies, and appropriate disclosure is made considering their nature.

The group has received interest-free loans from the related parties.

**6a Loan Details****Long Term Borrowings**

All non-current loans are unsecured in nature and are repayable in 48 equal monthly installments. The interest rates applicable to these loans range from 15.00% to 19.50% per annum.

**Short Term Borrowing**

The bank overdraft facility is secured by the hypothecation of stock and book debts.

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Annexure V

**7 Trade Payables**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	1,361.68	874.64	48.23	73.20
Total outstanding dues of creditors other than micro enterprises and small enterprises	591.81	832.91	7.00	83.24
<b>Total</b>	<b>1,953.49</b>	<b>1,707.55</b>	<b>55.23</b>	<b>156.44</b>

**7a Disclosures required under Section 22 of the Micro, Small & Medium Enterprises Development Act, 2006**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Principal amount due to MSMEs as at year-end	1,361.68	874.64	48.23	73.20
Interest due on above	-	-	-	-
Interest paid under Section 16 of MSMED Act	-	-	-	-
Payments made to MSMEs beyond appointed day during the year	-	-	-	-
Interest due but not paid for delays during the year	-	-	-	-
Interest accrued but unpaid as of year-end	-	-	-	-
Interest remaining payable in subsequent years (until actually paid)	-	-	-	-

As per the information available with the group and confirmations received from suppliers regarding their registration under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), no interest has been provided or paid during the year on delayed payments to such suppliers. Further, the group has not received any claims for interest from MSME creditors as at the balance sheet date. Accordingly, no provision for interest under Section 16 of the MSMED Act has been made in the books of account.

**7b Trade Payables ageing schedule****Trade Payable Ageing Schedule as on September 30, 2025**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	1,190.68	171.00	-	-	1,361.68
Others	584.72	7.09	-	-	591.81
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,775.40</b>	<b>178.09</b>	<b>-</b>	<b>-</b>	<b>1,953.49</b>

**Trade Payable Ageing Schedule as on March 31, 2025**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	709.40	165.24	-	-	874.64
Others	831.59	0.06	-	1.26	832.91
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,540.99</b>	<b>165.30</b>	<b>-</b>	<b>1.26</b>	<b>1,707.55</b>

**Trade Payable Ageing Schedule as on March 31, 2024**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	48.23	-	-	-	48.23
Others	0.98	5.96	0.06	-	7.00
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>49.21</b>	<b>5.96</b>	<b>0.06</b>	<b>-</b>	<b>55.23</b>

**Trade Payable Ageing Schedule as on March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	73.20	-	-	-	73.20
Others	83.18	0.06	-	-	83.24
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>156.38</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>156.44</b>

Not Due and Unbilled Payables (as defined under Schedule III/relevant accounting standards) are NIL for all reporting dates: September 30, 2025, March 31, 2025, March 31, 2024, and March 31, 2023

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Annexure V

**8 Other Current Liabilities**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>Statutory Dues</b>				
Goods and Service Tax	8.50	16.99	-	2.07
Tax Deducted at Source	2.75	5.66	6.27	1.10
Contribution to Employee Benefit Fund	0.43	0.61	0.13	0.26
Advance from Customer	0.65	200.20	-	-
Payable to Employees	9.85	9.73	3.88	-
<b>Total</b>	<b>22.18</b>	<b>233.19</b>	<b>10.28</b>	<b>3.43</b>

**9 Short Term Provisions**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provision for Audit Fees	2.00	1.00	0.70	0.65
Provision for Tax (Net of advance tax)	206.64	135.74	14.61	6.78
<b>Total</b>	<b>208.64</b>	<b>136.74</b>	<b>15.31</b>	<b>7.43</b>

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Annexure V

**10 Property Plant and Equipment's**

Particular	Office Equipment	Computer	Total Tangible Assets	Intangible Assets
<b>As at March 31, 2022</b>	<b>0.12</b>	<b>0.68</b>	<b>0.80</b>	-
Addition During the Year	4.29	-	4.29	-
Disposals	-	-	-	-
<b>As at March 31, 2023</b>	<b>4.41</b>	<b>0.68</b>	<b>5.09</b>	-
Addition During the Year	0.44	-	0.44	-
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>4.85</b>	<b>0.68</b>	<b>5.53</b>	-
<b>Acquisition adjustment*</b>	1.41	1.29	2.70	2.15
Addition During the Year	1.50	-	1.50	-
Disposals	-	-	-	-
<b>As at March 31, 2025</b>	<b>7.76</b>	<b>1.97</b>	<b>9.73</b>	<b>2.15</b>
Addition During the period	-	-	-	-
Disposals	-	-	-	-
<b>As at September 30, 2025</b>	<b>7.76</b>	<b>1.97</b>	<b>9.73</b>	<b>2.15</b>
<b>Accumulated Depreciation</b>				
<b>As at March 31, 2022</b>	<b>0.03</b>	<b>0.46</b>	<b>0.49</b>	
Addition During the Year	0.98	0.13	1.11	
Disposals	-	-	-	
<b>As at March 31, 2023</b>	<b>1.01</b>	<b>0.59</b>	<b>1.60</b>	-
Addition During the Year	1.67	-	1.67	
Disposals	-	-	-	
<b>As at March 31, 2024</b>	<b>2.68</b>	<b>0.59</b>	<b>3.27</b>	-
<b>Acquisition adjustment*</b>	1.12	1.11	2.23	0.86
Addition During the Year	1.40	0.07	1.47	0.07
Disposals	-	-	-	
<b>As at March 31, 2025</b>	<b>5.20</b>	<b>1.77</b>	<b>6.97</b>	<b>0.93</b>
Addition During the period	0.57	0.04	0.61	<b>0.07</b>
Disposals	-	-	-	
<b>As at September 30, 2025</b>	<b>5.77</b>	<b>1.81</b>	<b>7.58</b>	<b>1.00</b>
<b>Net Block</b>				
<b>As at March 31, 2023</b>	<b>3.40</b>	<b>0.09</b>	<b>3.49</b>	-
<b>As at March 31, 2024</b>	<b>2.17</b>	<b>0.09</b>	<b>2.26</b>	-
<b>As at March 31, 2025</b>	<b>2.56</b>	<b>0.20</b>	<b>2.76</b>	<b>1.22</b>
<b>As at September 30, 2025</b>	<b>1.99</b>	<b>0.16</b>	<b>2.15</b>	<b>1.15</b>

The title deeds of all immovable properties are held in the name of the Group. No revaluation of property, plant, and equipment was carried out during the year.

The Group did not own or deal with any investment property during the period.

The Company has not revalued any property, plant and equipment during the year.

**Acquisition\***

The parent company acquired HSHS Nutraceuticals Limited on September 30, 2024.

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Annexure V

**11 Other non-current assets**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Fixed Deposit	26.44	25.59	-	-
Deposit given to regulator	0.20	0.20	0.10	0.10
<b>Total</b>	<b>26.64</b>	<b>25.79</b>	<b>0.10</b>	<b>0.10</b>

**12 Deferred Tax Asset**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Deferred Tax Asset	0.60	0.52	0.34	0.10
<b>Total</b>	<b>0.60</b>	<b>0.52</b>	<b>0.34</b>	<b>0.10</b>

**12a Movement Deferred tax (asset)/ liability**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>DTL on account of</b>				
Depreciation as per Companies Act	0.68	1.54	1.67	1.11
<b>DTA on account of</b>				
Depreciation as per Income Tax Act	0.38	0.81	0.72	0.59
Timing difference existing at the end of the year	0.30	0.73	0.95	0.52
<b>(Credit)/ charge during the year</b>	<b>(0.08)</b>	<b>(0.18)</b>	<b>(0.24)</b>	<b>(0.13)</b>
<b>Less: Already existing (at the beginning of the year)</b>	<b>(0.52)</b>	<b>(0.34)</b>	<b>(0.10)</b>	<b>0.03</b>
<b>Net Deferred Tax (Asset)/Liability</b>	<b>(0.60)</b>	<b>(0.52)</b>	<b>(0.34)</b>	<b>(0.10)</b>

### 13 Inventories

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Finished goods	968.32	657.17	77.09	-
Raw material	441.64	589.94	183.06	58.99
Spares & packing	3.63	1.42	-	0.16
<b>Total</b>	<b>1,413.59</b>	<b>1,248.53</b>	<b>260.15</b>	<b>59.15</b>

Inventories are measured at the lower of cost and net realisable value (NRV), in accordance with applicable accounting standards.  
 Inventory has been physically verified by the management of the Group at the end of respective period/year

### 14 Trade Receivables

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>				
Undisputed and considered good	1,664.76	2,040.18	380.59	432.50
Less: Provision for doubtful debts	-	-	-	-
<b>Total</b>	<b>1,664.76</b>	<b>2,040.18</b>	<b>380.59</b>	<b>432.50</b>

#### Notes:

The group maintains regular monitoring and follows up on outstanding balances, and no significant default has been observed as on the reporting date. Hence, in management's view, no provision for doubtful debts is currently necessary

Ageing of the Trade receivable, alongwith any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

#### Trade Receivable Ageing Schedule as on September 30, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,303.98	249.25	67.75	43.78	-	1,664.76
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,303.98</b>	<b>249.25</b>	<b>67.75</b>	<b>43.78</b>	<b>-</b>	<b>1,664.76</b>

#### Trade Receivable Ageing Schedule as on March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,749.43	225.97	60.29	4.49	-	2,040.18
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,749.43</b>	<b>225.97</b>	<b>60.29</b>	<b>4.49</b>	<b>-</b>	<b>2,040.18</b>

#### Trade Receivable Ageing Schedule as on March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables – considered good	281.48	95.71	2.15	1.25	-	380.59
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>281.48</b>	<b>95.71</b>	<b>2.15</b>	<b>1.25</b>	<b>-</b>	<b>380.59</b>

#### Trade Receivable Ageing Schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables – considered good	388.12	36.09	4.43	3.86	-	432.50
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>388.12</b>	<b>36.09</b>	<b>4.43</b>	<b>3.86</b>	<b>-</b>	<b>432.50</b>

Trade receivables represent amounts due from customers for sale of goods and services rendered in the ordinary course of business. As at the balance sheet date, there are no unbilled receivables and no receivables which are not yet due for payment. All receivable balances are within the normal credit terms agreed with the customers and are considered good and recoverable.

Unbilled and Not Due Receivables are NIL for all reporting dates: September 30, 2025, March 31, 2025, March 31, 2024, and March 31, 2023

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(All amounts in ₹ lakhs unless otherwise stated)

Annexure V

**15 Cash and Cash Equivalents**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>Cash</b>				
Cash in Hand	104.00	101.96	20.04	8.62
<b>Bank balances</b>				
Balance in current account	198.59	147.71	43.96	5.43
<b>Total</b>	<b>302.59</b>	<b>249.67</b>	<b>64.00</b>	<b>14.05</b>

**16 Short Term Loans and Advances**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Advance to employees	54.56	47.70	-	-
<b>Total</b>	<b>54.56</b>	<b>47.70</b>	<b>-</b>	<b>-</b>

**17 Other Current Assets**

Particular	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance with Govt. Authorities	40.97	64.24	11.48	-
Advance to suppliers	557.76	81.35	70.88	0.65
Prepaid Expenses	0.86	2.08	0.37	-
Advance for IPO*	4.00	3.00	-	-
Advance Commission*^	32.19	32.19	-	-
Advance for Marketing*^	118.61	118.61	-	-
Deposit for Premises	2.95	1.20	-	-
Others^	8.06	8.65	2.78	0.19
Fixed Deposit having maturities more than 3 Month but less than 12 Months	-	-	-	2.10
<b>Total</b>	<b>765.40</b>	<b>311.32</b>	<b>85.51</b>	<b>2.94</b>

^Other current assets comprise TDS paid recoverable from Non-Banking Financial Company (NBFC)

\*IPO-related expenses were incurred and recorded as a current asset. The same is treated as a capital expenditure. This expenditure is capital in nature and will be adjusted with the IPO proceeds

\*^ The subsidiary company, HSHS Nutrition Limited, had provided advances prior to its acquisition. The company has initiated legal proceedings in respect of these advances, and the matter is currently under dispute.

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Annexure V

**18 Revenue from operations**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sales</b>				
Sales	1,671.12	2,420.14	1,053.46	753.02
Discount	(18.65)	(45.43)	(37.93)	(7.28)
<b>Total</b>	<b>1,652.47</b>	<b>2,374.71</b>	<b>1,015.53</b>	<b>745.74</b>

Value of Revenue from Operations, does not include Goods &amp; Service Tax and other taxes

**18a Revenue Segment**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Trading	166.73	459.72	239.20	167.90
Blending	873.37	1,582.93	776.33	577.84
Nutrition	612.37	332.06	-	-
<b>Total</b>	<b>1,652.47</b>	<b>2,374.71</b>	<b>1,015.53</b>	<b>745.74</b>

**19 Other income**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Interest on FD	0.86	0.03	0.04	0.10
<b>Total</b>	<b>0.86</b>	<b>0.03</b>	<b>0.04</b>	<b>0.10</b>

**20 Cost of material consumed**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
<b>Consumption of raw material</b>				
Opening stock	589.94	183.06	58.99	36.11
Add :- Purchase during the year	1,294.89	2,652.25	1,004.06	612.90
Discount	-	(4.30)	-	-
	<b>1,884.83</b>	<b>2,831.01</b>	<b>1,063.05</b>	<b>649.01</b>
Less :- Closing stock	441.64	589.94	183.06	58.99
<b>Total</b>	<b>1,443.19</b>	<b>2,241.07</b>	<b>879.99</b>	<b>590.02</b>
<b>Consumption of Spares / packing materials</b>				
Opening stock	1.42	-	0.16	0.08
Add :- purchase during the year	20.57	19.53	-	17.84
	<b>21.99</b>	<b>19.53</b>	<b>0.16</b>	<b>17.92</b>
Less :- Closing stock	3.63	1.42	-	0.16
<b>Total</b>	<b>18.36</b>	<b>18.11</b>	<b>0.16</b>	<b>17.76</b>
<b>Total</b>	<b>1,461.55</b>	<b>2,259.18</b>	<b>880.15</b>	<b>607.78</b>

**21 Changes in inventory**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
<b>Change in inventories of finished goods</b>				
Opening stock	657.17	77.09	-	-
Closing stock	968.32	657.17	77.09	-
<b>Change in Inventories</b>	<b>(311.15)</b>	<b>(580.08)</b>	<b>(77.09)</b>	<b>-</b>

**22 Employee benefit expense**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Salary and wages	78.87	101.34	46.02	47.63
Contribution to employees PF and ESIC	1.31	2.47	1.44	1.43
Directors Remuneration	5.00	-	-	-
<b>Total</b>	<b>85.18</b>	<b>103.81</b>	<b>47.46</b>	<b>49.06</b>

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Annexure V

**23 Finance cost**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Bank Interest	23.25	28.35	22.61	15.21
Interest on Loan	37.73	69.52	38.71	2.32
Loan Processing Charges	4.69	2.25	7.41	-
<b>Total</b>	<b>65.67</b>	<b>100.12</b>	<b>68.73</b>	<b>17.53</b>

**24 Depreciation & amortisation**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation & Amortization	0.68	1.54	1.67	1.11
<b>Total</b>	<b>0.68</b>	<b>1.54</b>	<b>1.67</b>	<b>1.11</b>

**25 Other expense**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Bank Charges	1.39	9.87	0.42	1.38
Advertisement Expenses	5.77	6.55	-	-
Auditor Remuneration	1.00	0.60	0.35	0.35
Repairs and Maintenance	0.01	0.58	0.16	-
Brokerage Expenses	-	3.66	13.59	20.61
Legal and Professional Charges	9.28	21.57	2.80	0.83
Internet & Website Expense	1.97	1.55	0.36	-
Electricity Expenses	0.80	0.44	0.12	0.11
Maintenance Charges	0.01	0.09	-	-
Stamp duty and registration charges	-	14.45	-	-
Rent, Rates and Taxes	10.08	16.69	3.75	2.70
Donation Expenses	0.11	0.11	-	-
Insurance Expense	2.35	2.76	2.49	0.22
Transportation Charges	23.65	25.36	13.41	8.43
Packing & Sampling	1.22	1.36	-	-
Office Expense	1.39	1.87	-	-
Communication Expenses	0.06	0.05	-	-
Travelling & Conveyance	9.94	6.89	3.87	11.05
Other Expenses	3.73	7.50	4.01	0.68
<b>Total</b>	<b>72.76</b>	<b>121.95</b>	<b>45.33</b>	<b>46.36</b>

**25a Auditor's remuneration**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Audit Fees	0.60	0.40	0.18	0.18
Tax Audit Fees	0.40	0.20	0.17	0.17
Others	-	-	-	-
<b>Total</b>	<b>1.00</b>	<b>0.60</b>	<b>0.35</b>	<b>0.35</b>

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Annexure V

**26 Tax expenses**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Current tax expenses	70.96	110.18	15.10	7.19
Deferred tax (income)/expenses	(0.08)	(0.18)	(0.24)	(0.13)
<b>Total</b>	<b>70.88</b>	<b>110.00</b>	<b>14.86</b>	<b>7.06</b>

**Significant components of Deferred Tax charged during the year**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Difference between book and tax depreciation	0.08	0.18	0.24	0.13
<b>Total</b>	<b>0.08</b>	<b>0.18</b>	<b>0.24</b>	<b>0.13</b>

**27 Earnings per share**

Particular	Period ended September 30, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Net profit after tax	193.23	264.62	34.46	16.94
Actual number of equity shares at the end of the year	60,63,868.00	53,67,816.00	50,000.00	50,000.00
Weighted average number of equity shares after considering bonus impact with retrospective effect	59,44,089.00	53,03,737.00	52,83,144.82	52,83,144.82
<b>Basic &amp; diluted earning per share after considering bonus impact with retrospective effect (face value of Rs.10/- fully paid)</b>	<b>3.25</b>	<b>4.99</b>	<b>0.65</b>	<b>0.32</b>

As per Accounting Standard 20 (AS - 20), in case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in resources. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equities shares outstanding as if the event had occurred at the beginning of the earliest period reported.

**28 Corporate social responsibility activities**

The company has not incurred any expenditure on Corporate Social Responsibility (CSR) activities during the period ended September 30, 2025, or the preceding years ended March 31, 2025, March 31, 2024, and March 31, 2023, as the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, were not applicable to the company based on the prescribed threshold criteria (Net Worth, Turnover, or Net Profit).

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Consolidated Financial Statements

(All amounts in ₹ lakhs unless otherwise stated)

Annexure V

**29 Related Party Disclosure**

Name	Relations
<b>Key Managerial Personnel &amp; their relatives</b>	
Hetal Hiren Bhai Desai	Director
Hiren Indravadan Desai	Director
Aayush Hiren Desai	Director
Zeenat Zahid Hasan Khan	Director
Shivani Parth Kothari	Company Secretary
Sahil Bhaveshkumar Modi	Chief Financial Officer
Nidhi Vyas	Relatives of KMP

<b>Entities controlled or significantly influenced by KMP/relatives</b>	
HSBS Nutraceuticals Limited	Enterprises significantly influenced by KMP or their relatives - (Subsidiary Since 2024-25)
Vedant Nutraceuticals Limited	Enterprises significantly influenced by KMP or their relatives
Vedant Nutrition	Enterprises significantly influenced by KMP or their relatives
Cravexnuts Foods LLP	Enterprises significantly influenced by KMP or their relatives
M. I. Chemicals	Enterprises significantly influenced by KMP or their relatives
Hetal Dye Chem	Enterprises significantly influenced by KMP or their relatives
Vedant Chemical	Enterprises significantly influenced by KMP or their relatives
Aayush Bio	Enterprises significantly influenced by KMP or their relatives
Aayush Chemical	Enterprises significantly influenced by KMP or their relatives

**The detail of Related Party disclosure, as required by AS-18 "Related Party Disclosure" is as under.****Transactions made during the year**

Particular	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
<b>Key managerial personnel</b>				
<b>Hiren Indravadan Desai</b>				
Loan repayment	75.31	225.24	10.00	35.50
Loan received	23.59	276.96	-	17.00
Advances given	-	-	66.72	-
Advances repaid	-	-	66.72	-
Subsidiaries Acquisition	-	82.87	-	-
Sales	0.28	0.33	-	-
Remuneration	2.50	-	-	-
<b>Hetal Hiren Bhai Desai</b>				
Loan repayment	-	2,67,17,041.42	500.44	166.00
Loan received	-	2,39,56,033.42	528.05	132.00
Subsidiaries Acquisition	-	19.50	-	-
Proprietorship Business Acquisition	-	196.11	-	-
Professional Fees	2.50	-	-	-
<b>Aayush Hiren Desai</b>				
Loan repayment	16.65	144.57	276.29	83.45
Loan received	-	100.33	337.19	83.45
Sales	-	0.03	-	-
Subsidiaries Acquisition	-	19.50	-	-
Proprietorship Business Acquisition	-	176.21	-	-
Remuneration	2.50	-	-	-
<b>Entities controlled or significantly influenced by KMP/relatives</b>				
<b>Vedant Nutraceuticals Limited</b>				
Loan repayment	-	26.45	1.20	-
Loan received	-	2.05	14.60	11.00

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Consolidated Financial Statements

(All amounts in ₹ lakhs unless otherwise stated)

Annexure V

**29 Related Party Disclosure**

<b>HSHS Nutraceuticals Limited</b>				
Loan repayment	-	-	307.70	24.00
Loan received	-	-	245.05	127.25
<b>M. I. Chemicals</b>				
Advance given	-	-	4.35	-
Purchase	-	-	-	10.00
Payment	-	-	-	35.00
<b>Hetal Dye Chem</b>				
Advance given	-	3.00	-	0.41
Advance repayment received	-	4.16	-	-
Purchase	-	-	-	24.68
Payment for purchase	-	-	0.75	43.68
<b>Vedant Chemical</b>				
Purchase	157.20	-	-	-
<b>Vedant Nutrition</b>				
Sales	38.53	6.30	-	-
Purchase	-	264.68	-	-
Loan Accepted	2.00	-	-	-
Advance given	412.64	-	-	-
Loan Repayment	2.00	-	-	-
<b>Vedant Nutraceuticals Limited</b>				
Sales	4.75	2.65	-	-
<b>Cravexnuts Foods LLP</b>				
Sales	0.08	0.08	-	-
Purchase	0.04	0.63	-	-
<b>Relative of KMP</b>				
<b>Nidhi Vyas</b>				
Loan Accepted	-	19.79	-	-
Loan Repayment	-	19.79	-	-
Salary	3.25	-	-	-
<b>Balances outstanding at the end of the year</b>				
<b>Particular</b>	<b>September 30, 2025</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Key managerial personnel</b>				
<b>Outstanding loan</b>				
Hiren Indravadan Desai	-	51.72	-	10.00
Hetal Hiren Bhai Desai	-	-	27.61	-
Aayush Hiren Desai	-	16.65	60.90	-
<b>Trade Receivable</b>				
Hiren Indravadan Desai	-	2.79	-	-
<b>Entities controlled or significantly influenced by KMP/relatives</b>				
<b>Outstanding trade payable</b>				
M. I. Chemicals	-	4.35	-	-
Hetal Dye Chem	-	-	-	-
Cravexnuts Foods LLP	10,568.08	-	-	-
Vedant Nutraceuticals Limited	-	1.26	-	-
Vedant Nutrition	127.06	162.16	-	-
<b>Outstanding trade receivables</b>				
Aayush Hiren Desai	0.04	-	-	-
Vedant Nutraceuticals Limited	6.72	1.26	-	-
Vedant Nutrition	4.04	-	-	-

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Consolidated Financial Statements

(All amounts in ₹ lakhs unless otherwise stated)

Annexure V

**29 Related Party Disclosure**

<b>Advance to supplier</b>				
M. I. Chemicals	-	-	4.35	-
Hetal Dye Chem	-	-	1.16	0.41
Vedant Chemical	411.94	-	-	-
<b>Advace from Customer</b>				
Cravexnuts Foods LLP	-	0.06	-	-
<b>Outstanding loan</b>				
Vedant Nutraceuticals Limited	-	-	24.40	11.00
HSHS Nutraceuticals Limited	-	-	40.60	103.25

**VAHH CHEMICALS LIMITED**

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Notes forming part of Restated Consolidated Financial Statements

(All amounts in ₹ lakhs unless otherwise stated)

Annexure V

**30 Ratio Analysis**

\*\*Ratio analysis for the period ended September 30, 2025, has not been provided due to non-comparability with the annual figures for the year ended March 31, 2025.

Particulars	2024-25	2023-2024	Change in (%)	Reason
Current Ratio (times)	1.31	2.13	(38.69)	Refer Note A
Debt- equity ratio (times)	1.64	5.93	(72.40)	Refer Note B
Debt service coverage ratio (times)	4.81	0.60	703.16	Refer Note C
Return on equity ratio (percentage)	37.59%	0.34	12.02	NA
Inventory turnover ratio (times)	2.23	5.03	(55.75)	Refer Note D
Trade receivables turnover ratio (times)	1.96	2.50	(21.46)	NA
Trade payables turnover ratio (times)	120.41	38.47	212.97	Refer Note E
Net working capital turnover ratio (times)	258.79%	2.42	6.98	NA
Net profit ratio (percentage)	10.87%	0.03	220.45	Refer Note F
Return on capital employed (percentage)	51.49%	0.28	84.15	Refer Note G

Particulars	2023-2024	2022-2023	Change in (%)	Reason
Current Ratio (times)	2.13	1.59	34.14	Refer Note H
Debt- equity ratio (times)	5.93	4.06	46.30	Refer Note I
Debt service coverage ratio (times)	0.60	0.32	89.85	NA
Return on equity ratio (percentage)	33.55%	24.82%	35.17	Refer Note J
Inventory turnover ratio (times)	5.03	12.75	(60.55)	Refer Note K
Trade receivables turnover ratio (times)	2.50	2.07	20.39	NA
Trade payables turnover ratio (times)	38.47	93.30	(58.76)	Refer Note L
Net working capital turnover ratio (times)	241.90%	394.99%	(38.76)	Refer Note M
Net profit ratio (percentage)	3.39%	2.27%	49.38	Refer Note N
Return on capital employed (percentage)	27.96%	21.59%	29.54	Refer Note O

Current Ratio = Current Assets / Current Liabilities.

Debt- equity ratio = Total debt / Shareholders' equity

Debt service coverage ratio = EBITDA/ (Principal + Interest).

Return on equity ratio= Net profit after taxes / Avg. Shareholder's Equity

Inventory turnover ratio=Cost of goods sold or sales/Average inventory

Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.

Trade payables turnover ratio=Direct Expenses/Average trade payables

Net working capital turnover ratio=Net sales/Average working capital

Net profit ratio= Net profit after taxes/Total Revenue

Return on capital employed= Earnings before interest and taxes/Capital employed.

**Note:**

- A.** Decline is due to an increase in current liabilities being higher than the increase in current assets.
- B.** Addition of borrowings and infusion of equity during the year.
- C.** Improvement due to higher operating profits relative to debt service obligations.
- D.** Decline attributable to higher average inventory holding during the year.
- E.** Increase due to lower average payables outstanding.
- F.** Significant increase driven by higher profitability and better cost management.
- G.** Improvement due to higher operating profit in relation to capital employed.
- H.** Improvement is mainly due to proportionately higher increase in current assets compared to current liabilities.
- I.** Increase is on account of additional borrowings raised during the year.
- J.** Increase attributable to higher profitability during the year, resulting in improved return on shareholders' funds.
- K.** Decline is due to higher average inventory holding during the year.
- L.** Decrease due to higher average trade payables outstanding as compared to the previous year.
- M.** Decline is primarily on account of changes in the working capital, with higher current assets relative to current liabilities.
- N.** Improvement due to higher profitability and better control over operating costs.
- O.** Increase is attributable to higher operating profit in relation to the capital employed.

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Consolidated Financial Statements

(All amounts in ₹ lakhs unless otherwise stated)

Annexure V

**31 Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements as on September 30, 2025****Details of Parent Company and Subsidiaries Included in Consolidation**

The Consolidated Financial Statements comprise the financial information of **Vahh Chemicals Limited** ("the Parent") and its subsidiaries for the year ended **September 30, 2025**.

**List of Company and Ownership Details**

Name of Company	Country of Incorporation	Relationship	As at September 30, 2025	As at March 31, 2025
			% of Ownership / Voting Power	% of Ownership / Voting Power
Vahh Chemicals Limited	India	Parent	100%	100%
HSHS Nutraceuticals Limited	India	Subsidiaries	74.99%	74.99%
Divine Nutritions LLC	USA	Step-down Subsidiary	72.19%	72.19%

**Summary of Financial Information of the Parent and Subsidiaries as at September 30, 2025**

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)	
	As % of consolidated net assets	Rs.	As % of consolidated (profit) or loss	Rs.
Vahh Chemicals Limited	98.03%	1,177.75	72.02%	149.63
HSHS Nutraceuticals Limited	15.92%	191.27	27.97%	58.12
Consolidated Adjustment	-13.95%	(167.61)	0.00%	0.01
<b>Total</b>	<b>100.00%</b>	<b>1,201.45</b>	<b>100.00%</b>	<b>207.76</b>

**Summary of Financial Information of the Parent and Subsidiaries as at March 31, 2025**

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)	
	As % of consolidated net assets	Rs.	As % of consolidated (profit) or loss	Rs.
Vahh Chemicals Limited	103.15%	708.63	109.92%	283.84
HSHS Nutraceuticals Limited	19.58%	134.48	22.03%	56.88
Consolidated Adjustment	-22.73%	(156.12)	-31.95%	(82.50)
<b>Total</b>	<b>100.00%</b>	<b>686.99</b>	<b>100.00%</b>	<b>258.22</b>

**VAHH CHEMICALS LIMITED**

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Notes forming part of Restated Consolidated Financial Statements

(All amounts in ₹ lakhs unless otherwise stated)

Annexure V

**32 Additional regulatory information required by Schedule III****(i) Details of benami property held**

No proceedings have been initiated on or are pending against the parent for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**(ii) Borrowing secured against current assets**

The parent has sanctioned borrowings/facilities from banks on the basis of security of current assets. The monthly returns or statements of current assets filed by the parent with banks and financial institutions are in agreement with the books of account.

**(iii) Wilful defaulter**

The parent has not been declared wilful defaulter by any bank or financial institution or any lender.

**(iv) Relationship with struck off companies**

The parent has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The parent has complied with the number of layers prescribed under the Companies Act, 2013.

**(vi) Compliance with approved scheme(s) of arrangements**

The parent has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(vii) Utilisation of borrowed funds and share premium**

The parent has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the parent (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The parent has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the parent shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**(viii) Undisclosed Income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(ix) Details of crypto currency or virtual currency**

The parent has neither traded nor invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025 and for the year ended on March 31, 2024 and March 31, 2023. Further, the parent has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency

**(x) Valuation of PP&E, intangible asset and investment property**

The parent has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**(xi) Title deeds of immovable properties not held in name of the parent**

The title deeds of all the immovable properties (other than properties where the parent is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the parent.

**(xii) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**33 Subsequent Events**

The parent has evaluated all events and transactions that occurred after the balance sheet date up to the date on which these financial statements were authorized for issue. Based on this review, the parent has not identified any subsequent events that would require adjustment to, or disclosure in, the financial statements.

**34 Segment reporting**

Since the Company has identified only one reportable segment, as defined by AS-17 Segment Reporting, separate segment information disclosures are not required in these financial statements.

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Consolidated Financial Statements

(All amounts in ₹ lakhs unless otherwise stated)

Annexure V

**35 Contingent liabilities**

As a result of the ongoing evaluation of current conditions and circumstances, the management is of the opinion that there are no commitments or potential claims that qualify as contingent liabilities as on the balance sheet date.

**36 Intangible Assets under Development Ageing Schedule**

As the Company has no Intangible Assets under Development (IAUD) as on the balance sheet date, the requirement for disclosure regarding the ageing schedule of IAUD for the periods under consideration is not applicable.

**37 Capital Work-in-Progress Ageing Schedule**

As the Company holds no Capital Work-in-Progress (CWIP) as on the balance sheet date, the requirement for disclosure regarding the ageing schedule of CWIP for the periods under consideration is not applicable.

**38 Audit Trail**

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which use accounting software for maintaining its books of account, to only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change was made and ensuring that the audit trail cannot be disabled.

The Company maintains its books of account using accounting software which incorporates an audit trail (edit-log) feature. This feature records details of all relevant transactions including creation, modification and deletion of entries. During the year, the audit trail feature was operational for all material transactions and records. There were no instances noted of tampering or disabling of the audit trail facility. The audit trail records, including backups, have been preserved in accordance with statutory record retention requirements.

**39 Material Regrouping**

Appropriate adjustments have been made in the restated summary Statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the reparenting's as per the audited financials of the parent for the stub period September 30, 2025, year ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with Revised schedule III to the Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

The Restated Financial Information presented herein was formally approved and authorized for public dissemination by the Board of Directors via resolution dated December 03 2025.

**Notes for Signature 1 to 40****As per our report of even date attached****For ACG & Co.**

Chartered Accountants

Firm Reg. No.: 0028477N

**For & on behalf of Board of Directors****VAHH CHEMICALS LIMITED****Anuj Arora**

(Partner)-SD

Membership No.: 418737

**Hiren Desai**

(Director)-SD

DIN: 08622752

**Aayush Desai**

(Director)-SD

DIN: 0863117

**Sahil Bhaveshkumar Modi**

(CFO)-SD

PAN: EKXPM8967H

**Shivani Parth Kothari**

(Company Secretary)-SD

CS ID: ACS-46602

UDIN: 25418737BMLJFU8409

Place: Surat

Date: 03/12/2025

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

(All amounts in ₹ lakhs unless otherwise stated)

Annexure VI

**Statement of Adjustments to the Restated Consolidated Financial Information****Reconciliation of Restated Profits:**

The following table summarizes the material adjustments made to the Audited Financial Statements for the years ended March 31, 2025, March 31, 2024, and March 31, 2023. These adjustments outline their impact on the Restated Statement of Profit and Loss and the consequential effect on the Equity of the Company

Particulars	For the Period ended September 30, 2025	For the Year ended March 31, 2025	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Net profit/(Loss) after Tax as per Audited Profit &amp; Loss Account</b>	207.76	258.22	35.59	17.77
<b>Adjustments for:</b>				
Interest on Income Tax related to previous year	-	-	(1.14)	(0.82)
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>207.76</b>	<b>258.22</b>	<b>34.45</b>	<b>16.95</b>

**Reconciliation of reserves:**

he table below summarizes the restatement adjustments made to the Equity of the Company for the periods ended March 31, 2025, March 31, 2024, and March 31, 2023, detailing their consequential impact on the reported Equity balances.

Particulars	For the Period ended September 30, 2025	For the Year ended March 31, 2025	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Reserve &amp; Surplus as per audited Balance Sheet</b>	595.06	150.21	99.65	64.06
<b>Adjustments for:</b>				
Interest on Income Tax related to previous year	-	-	(1.96)	(0.82)
<b>Reserve &amp; Surplus as per Restated Balance Sheet</b>	<b>595.06</b>	<b>150.21</b>	<b>97.69</b>	<b>63.24</b>

**For ACG & Co.**

Chartered Accountants

Firm Reg. No.: 0028477N

**For & on behalf of Board of Directors****VAHH CHEMICALS LIMITED****Anuj Arora**

(Partner)-SD

Membership No.: 418737

**Hiren Desai****(Director)-SD**

DIN: 08622752

**Aayush Desai****(Director)-SD**

DIN: 0863117

**Sahil Bhaveshkumar Modi****(CFO)-SD**

PAN: EKXPM8967H

**Shivani Parth Kothari****(Company Secretary)-SD**

CS ID: ACS-46602

UDIN: 25418737BMLJFU8409

Place: Surat

Date: 03/12/2025

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

(All amounts in ₹ lakhs unless otherwise stated)

Annexure VII

**Other financial information**

In compliance with **Paragraph 11 of Part A of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations)**, the required accounting ratios are presented below

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Restated profit attributable to equity shareholders (₹) (A)	193.23	264.62	34.46	16.94
Weighted average number of equity shares in calculating basic EPS (B)	59,44,089	53,03,737	52,83,145	52,83,145
Weighted average number of equity shares in calculating diluted EPS (C)	59,44,089	53,03,737	52,83,145	52,83,145
<b>Basic earnings per share (₹ per share) (D=A/B)</b>	<b>3.25</b>	<b>4.99</b>	<b>0.65</b>	<b>0.32</b>
<b>Diluted earnings per share (₹ per share) (E=A/C)</b>	<b>3.25</b>	<b>4.99</b>	<b>0.65</b>	<b>0.32</b>
Weighted average number of equity shares in calculating basic EPS - post bonus shares (F)	59,44,089	53,03,737	52,83,145	52,83,145
Weighted average number of equity shares in calculating diluted EPS - post bonus shares (G)	59,44,089	53,03,737	52,83,145	52,83,145
<b>Basic earnings per share - post sub-division of shares (₹ per share) (H=A/F)</b>	<b>3.25</b>	<b>4.99</b>	<b>0.65</b>	<b>0.32</b>
<b>Diluted earnings per share - post sub-division of shares (₹ per share) (I=A/G)</b>	<b>3.25</b>	<b>4.99</b>	<b>0.65</b>	<b>0.32</b>
Net worth (A)	1,201.45	686.99	102.70	68.24
Restated profit attributable to shareholders (B)	193.23	264.62	34.46	16.94
<b>Restated Return on net worth (%) (C=B/A)</b>	<b>16.08%</b>	<b>38.52%</b>	<b>33.55%</b>	<b>24.82%</b>
Net Assets (₹) (A)	1,201	687	103	68
Number of equity shares outstanding at the end of the year (B)	60,63,868	53,67,816	50,000	50,000
<b>Restated Net asset value per share (C=A/B)</b>	<b>19.81</b>	<b>12.80</b>	<b>205.40</b>	<b>136.48</b>
Number of equity shares outstanding at the end of the year - post bonus shares (F)	59,44,089	53,03,737	52,83,145	52,83,145
<b>Restated Net asset value per share - post bonus shares (G=A/F)</b>	<b>20.21</b>	<b>12.95</b>	<b>1.94</b>	<b>1.29</b>
Restated profit for the year (a)	207.76	258.22	34.46	16.94
Restated profit for the year from discontinued operation	-	-	-	-
<b>Restated profit for the year from continuing operations (c=a-b)</b>	<b>207.76</b>	<b>258.22</b>	<b>34.46</b>	<b>16.94</b>
Total tax expenses (d)	70.88	110.00	14.86	7.06
Finance costs (e)	65.67	100.12	68.73	17.53
Depreciation and amortization expense (f)	0.68	1.54	1.67	1.11
Other income (g)	0.86	0.03	0.04	0.10
<b>EBITDA (i=c+d+e+f-g)</b>	<b>344.13</b>	<b>469.85</b>	<b>119.68</b>	<b>42.54</b>
Share based payment expense (j)	-	-	-	-
<b>Adjusted EBITDA (k=i+j)</b>	<b>344.13</b>	<b>469.85</b>	<b>119.68</b>	<b>42.54</b>

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

(All amounts in ₹ lakhs unless otherwise stated)

Annexure VII

**Other financial information****Notes:****Net worth is derived as below**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Share capital	606.39	536.78	5.00	5.00
Reserves and Surplus				
Retained Earnings	595.06	150.21	97.70	63.24
<b>Net worth</b>	<b>1,201.45</b>	<b>686.99</b>	<b>102.70</b>	<b>68.24</b>

**The ratios on the basis of Restated Financial Information have been computed as below**

Basic Earnings per share (₹)	=	Restated Net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company
		Weighted average number of Equity Shares outstanding during the year/period post sub-division/bonus
Diluted Earnings per share (₹)	=	Restated Net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company
		Weighted average number of Equity Shares outstanding during the year/period adjusted for the effects of all dilutive potential Equity shares post sub-division/bonus
Return on Net Worth (%)	=	Restated net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company
		Restated total equity attributable to equity holders
Net asset value per Equity Share	=	Restated Total equity attributable to equity holders
		Weighted Average Number of equity shares outstanding during the year/ period post sub-division/bonus
Net Assets	=	Total assets less total liabilities
EBITDA	=	Restated profit/(loss) for the respective year/period + total tax expenses + exceptional items + finance costs + depreciation and amortization - other income

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

(All amounts in ₹ lakhs unless otherwise stated)

Annexure VIII

**Restated Consolidated Statement of Capitalisation**

Particular	Pre- Issue	Post Issue*
	September 30, 2025	
<b>Debt</b>		
Current borrowing (excluding current maturity)	651.45	-
Non Current borrowing (including current maturity)	141.83	-
<b>Total Debt</b>	<b>793.28</b>	-
<b>Shareholders' Fund (Equity)</b>		
Equity Share Capital	606.39	-
Reserves & Surplus	595.06	-
Less: Miscellaneous Expenses not w/off	-	-
<b>Total Shareholders' Fund (Equity)</b>	<b>1,201.45</b>	-
<b>Long Term Debt/Equity</b>	<b>0.66</b>	-
<b>Total Debt/Equity</b>	<b>0.66</b>	-

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The above statement should be read with the significant accounting policies, Material adjustment and Restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows.
4. The figures disclosed above are based on restated statement of Assets and Liabilities of the group as at September 30, 2025

\* The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

**VAHH CHEMICALS LIMITED**

CIN : U24110GJ2019PLC111346

(All amounts in ₹ lakhs unless otherwise stated)

Annexure IX

**Restated Consolidated Statement of Tax Shelter**

Particulars	For the period ended	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Profit before taxes as restated before extra ordinary items excluding long term gain on Mutual Funds	278.64	368.22	49.32	24.00
Tax Rate Applicable %	25.17%	25.17%	25.17%	25.17%
<b>Tax Impact on above (i)</b>	<b>70.13</b>	<b>92.67</b>	<b>12.41</b>	<b>6.04</b>
Non taxable Gain/ (Loss)	(1.97)	(4.82)	-	-
Tax Rate Applicable %	25.17%	25.17%	-	-
<b>Tax Impact on above (ii)</b>	<b>(0.50)</b>	<b>1.21</b>	<b>-</b>	<b>-</b>
<b>Total Tax (i+ii) (A)</b>	<b>69.63</b>	<b>93.88</b>	<b>12.41</b>	<b>6.04</b>
<b>Adjustments:</b>				
<b>Permanent Differences</b>				
Donation	-	0.11	-	-
TDS & TCS	-	6.59	0.12	0.13
ROC Fees	-	-	0.17	0.05
GST	-	1.43	0.45	0.03
Provident Fund	-	2.37	0.94	0.94
<b>Total Permanent Differences (iii)</b>	<b>-</b>	<b>10.50</b>	<b>1.68</b>	<b>1.15</b>
<b>Temporary Timing Difference</b>				
Difference between tax depreciation and book depreciation	0.30	0.73	0.95	0.52
<b>Total Temporary Timing Difference (iv)</b>	<b>0.30</b>	<b>0.73</b>	<b>0.95</b>	<b>0.52</b>
<b>Total Timing Differences (iii+iv)</b>	<b>0.30</b>	<b>11.23</b>	<b>2.63</b>	<b>1.67</b>
<b>Net Adjustment</b>				
Tax Expenses/ (Saving) on timing difference (B)	0.08	2.83	0.66	0.42
Tax Liability, After Considering the effect of Adjustment (A+B)	69.71	96.71	13.07	6.46
Interest U/s 234A, B and C of Income Tax Act	1.25	13.47	2.03	0.73
<b>Total Tax expenses</b>	<b>70.96</b>	<b>110.18</b>	<b>15.10</b>	<b>7.19</b>
Tax Paid Under (Normal/MAT) in Income Tax Return Filed by	Normal - U/s 115BAA Opted			

**Tax Expenses as per statement of profit and loss accounts**

Particulars	Period ended	Year ended	Year ended	Year ended
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
<b>Tax expenses</b>				
Current tax	70.96	110.18	15.10	7.19
Deferred tax (credit)/ charge	(0.08)	(0.18)	(0.24)	(0.13)
<b>Total</b>	<b>70.88</b>	<b>110.00</b>	<b>14.86</b>	<b>7.06</b>

**Notes**

The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the group. The permanent/timing differences have been computed considering the acknowledged copies of the income tax returns/Provisional computation of total income of respective years as stated above. Further

During the period of Restatement, group has Opted the Section 115BAA, therefore MAT provisions are not applicable to the group.

The above statement should be read with the significant accounting policies, Material adjustment and Restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows.

## PROFORMA FINANCIAL STATEMENTS

To,  
**The Board of Directors**  
Vahh Chemicals Limited  
Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre,  
Near Udhna Darwaja, Ring Road, Surat, Gujarat, India, 395002

Dear Sirs,

We, **ACG & Co.** Chartered Accountants, have completed our assurance engagement to report on the Compilation of Pro Forma Consolidated Financial Information of **Vahh Chemicals Limited** ('the Holding Company') and its subsidiaries (together referred to as 'the Group') (Refer Annexure 1 for the list of subsidiaries included in the Group for the year ended March 31, 2025) included in the Pro forma Consolidated Financial Information. The Pro Forma Consolidated Financial Information consists of the Pro Forma Consolidated Balance Sheet as at March 31, 2025, the Pro Forma Consolidated Statement of Profit and Loss for the year ended March 31, 2025 including the related notes thereon (hereinafter referred as 'Pro Forma Consolidated Financial Information'). The applicable criteria on the basis of which the management has compiled the Pro Forma Consolidated Financial Information are specified in the "Basis of preparation paragraph" as described in note 2 to the Pro Forma Consolidated Financial Information.

1. The Pro Forma Consolidated Financial Information has been prepared by Management to demonstrate the impact of the Group's significant business acquisition of Proprietorship Ayush Bio Energy, Ayush Chemical, and its material subsidiary, HSHS Nutraceuticals Limited, completed on September 30, 2024 (as described in Annexure 1). This information illustrates the effect of the acquisition on the Group's financial position as of March 31, 2025, as if the transaction had occurred on that date, and on the Group's financial performance for the year ended March 31, 2025, as if the acquisition had been completed at the start of the financial year on April 1, 2024.
2. As a part of this process, information about the Group's financial position and financial performance has been extracted by Management from the following financial statements / financial information:
  - a) Restated Consolidated Financial Information of the Group as of and for the period ended September 30, 2025, on which we have issued the examination report dated December 03, 2025; and
  - b) Audited financial statements of HSHS Nutraceuticals Limited for the year ended March 31, 2025 on which auditors have issued unmodified audit opinion vide their audit report dated 02, September 2025.
  - c) Special purpose financial statements of Ayush Bio Energy for the period ended September 30, 2024 on which auditors have issued unmodified audit opinion vide their audit report dated 22, October 2025.
  - d) Special purpose financial statements of Ayush Chemical for the period ended September 30, 2024 on which auditors have issued unmodified audit opinion vide their audit report dated 22, October 2025.

### Management's Responsibility for the Pro Forma Consolidated Financial Information

The management is responsible for compiling the Pro Forma Consolidated Financial Information on the basis stated in note 2 to the Pro Forma Consolidated Financial Information which has been approved by the Board of Directors of the Holding Company. The management's responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Pro Forma Consolidated Financial Information on the basis stated in note 2 to the Pro Forma Consolidated Financial Information that is free from material misstatement, whether due to fraud or error. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Pro Forma Consolidated Financial Information.

### Practitioner's Responsibilities

Our responsibility is to express an opinion on whether the Pro Forma Consolidated Financial Information of the Group has been compiled, in all material respects, by the Management on the basis stated in note 2 to the Pro Forma Consolidated Financial Information.

We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Pro Forma Consolidated Financial Information on the basis stated in note 2 to the Pro Forma Consolidated Financial Information.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Financial Information. The purpose of Pro Forma Consolidated Financial Information included in the DP is solely to illustrate the impact of material acquisition as stated in note 2 on unadjusted financial information of the Group as if the acquisition had been made at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the material acquisition as at April 1, 2024 would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Financial Information has been compiled, in all material respects, on the basis stated in note 2 to the Pro Forma Consolidated Financial Information, involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Pro Forma Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Consolidated Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the Pro Forma Consolidated Financial Information has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Financial Information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

### **Opinion**

In our opinion, the Pro Forma Consolidated Financial Information has been compiled, in all material respects, on the basis stated in note 2 to the Pro Forma Consolidated Financial Information.

### **Restrictions on Use**

This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report issued by us. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

The Pro Forma Consolidated Financial Information has been prepared by the management for inclusion in the DP to be filed with the Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited as per the requirements of Section 26 of Part I of Chapter III of the Act, read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, as amended from time to time, in connection with the proposed Initial Public Offering of the equity shares of the Holding Company and therefore, this Pro-forma Consolidated Financial Information may not be suitable for any other purpose. Our report is solely issued for aforementioned purpose and should not be used or referred to 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 to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For ACG & Co.**

Chartered Accountants

Firm's Registration No.: 0028477N

**Anuj Arora**

Partner-SD

Membership No.: 418737

**UDIN: 25418737BMLJFV1936**

**Place:** Surat

**Date:** December 03, 2025

**ANNEXURE 1 TO THE INDEPENDENT PRACTITIONER'S REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED FINANCIAL INFORMATION**

**List of entities (with relation to Holding Company) included in Pro Forma Consolidated Financial Information**

<b>Sr. No.</b>	<b>Name of Entity</b>	<b>Relation</b>
1	Vahh Chemicals Limited	Parent
2	HSHS Nutraceuticals Limited	Subsidiaries
3	Divine Nutritions LLC	Step-down Subsidiary

*\*As stated in note 1 to the Pro Forma Consolidated Financial Information, due to acquisition of controlling stake in subsidiaries- HSHS Nutraceuticals Limited on September 30, 2024, the same has been considered as subsidiary for the purpose of Pro Forma Consolidated Financial Information*

**VAHH CHEMICALS LIMITED**  
CIN : U24110GJ2019PLC111346  
Restated Statement of Balance Sheet  
(All amounts in ₹ lakhs, unless otherwise stated)  
Pro Forma Statement of Profit & Loss

Particulars	Restated Financial Information of Vahh Chemicals Limited for the period ended March 31, 2025	Financial Information of HSHS Nutraceuticals Limited as at March 31, 2025	Ayush Bio Energy before Business Transfer	Ayush Chemical before Business Transfer	Inter group elimination	Acquisition adjustments	Notes	Total Adjustments	Pro Forma Consolidated Financial Information for the period ended March 31, 2025
Revenue from operations	2,042.65	1,093.36	318.37	238.79	-	-		-	3,693.17
Other income	0.03	-	-	-	-	-		-	0.03
<b>Total Income</b>	<b>2,042.68</b>	<b>1,093.36</b>	<b>318.37</b>	<b>238.79</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>3,693.20</b>
<b>Expenses</b>									
Cost of material consumed	1,777.20	901.33	245.51	(47.91)	-	-		-	2,876.13
Changes in inventories of traded goods	(334.45)	(173.32)	1.09	224.83	-	-		-	(281.85)
Employee benefit expenses	56.50	96.48	3.60	3.48	-	-		-	160.06
Financial costs	72.62	53.43	17.35	6.43	-	-		-	149.83
Depreciation and amortization expense	1.43	0.55	4.25	3.81	-	-		-	10.04
Other expenses	74.04	123.43	2.49	1.31	-	-		-	201.27
<b>Total expenses</b>	<b>1,647.34</b>	<b>1,001.90</b>	<b>274.29</b>	<b>191.95</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>3,115.48</b>
<b>Profit/(Loss) before tax</b>	<b>395.34</b>	<b>91.46</b>	<b>44.08</b>	<b>46.84</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>577.72</b>
<b>Tax expense</b>									
Current tax	111.65	24.81	11.00	11.50	-	-		-	158.96
Deferred tax charge/(credit)	(0.16)	-	-	-	-	-		-	(0.16)
<b>Total tax expense</b>	<b>111.49</b>	<b>24.81</b>	<b>11.00</b>	<b>11.50</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>158.80</b>
<b>Profit/(Loss) after tax for the year</b>	<b>283.85</b>	<b>66.65</b>	<b>33.08</b>	<b>35.34</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>418.92</b>
<b>Earning per equity share</b>									
Face value per equity shares Rs.10/- fully paid up.									
Basic (Rs.)	5.34	133.30			-	-		-	7.88
Diluted (Rs.)	5.34	133.30			-	-		-	7.88

The above statement should be read with notes to pro forma financial information

As per our report on even date attached  
**For ACG & Co.**  
Chartered Accountants  
Firm Reg. No.: 0028477N

**For and on behalf of Board of Directors of**  
**VAHH Chemicals Limited**

**Anuj Arora**  
(Partner)-SD  
Membership No.: 418737

**Hiren Indravadan Desai**  
(Director)-SD  
DIN: 08622752

**Aayush Hiren Desai**  
(Director)-SD  
DIN: 08636117

**Sahil Bhaveshkumar Modi**  
(CFO)-SD  
PAN: EKXPM8967H

**Shivani Parth Kothari**  
(Company Secretary)-SD  
CS ID: ACS-46602

UDIN: 25418737BMLJFV1936  
Date: 03/12/2025  
Place: Surat

**VAHH CHEMICALS LIMITED**  
CIN : U24110GJ2019PLC111346  
Restated Statement of Balance Sheet  
(All amounts in ₹ lakhs, unless otherwise stated)  
Pro Forma Statement of Assets & Liabilities

Particulars	Restated Financial Information of Vahh Chemicals Limited for the period ended March 31, 2025	Financial Information of HSHS Nutraceuticals Limited as at March 31, 2025	Inter group elimination	Acquisition adjustments	Notes	Total Adjustments	Pro Forma Consolidated Financial Information as at March 31, 2025
<b>EQUITY AND LIABILITIES</b>							
<b>Shareholder's funds</b>							
Share capital	536.78	5.00	-	(5.00)	III (c)	(5.00)	536.78
Reserves and surplus	171.85	246.58	-	(268.26)	III (d)	(268.26)	150.17
Minority Interest				37.87		37.87	37.87
<b>Non-current liabilities</b>							
Long term borrowings	126.75	217.86	(121.55)	-		(121.55)	223.06
<b>Current liabilities</b>							
Short-term borrowings	692.01	210.28	-	-		-	902.29
Trade payables							
Total outstanding dues of micro enterprises and small enterprises;	311.73	562.92	-	-		-	874.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	659.97	172.93	-	-		-	832.90
Other current liabilities	223.34	9.85	-	-		-	233.19
Short-term provisions	111.61	25.16	-	-		-	136.77
<b>Total</b>	<b>2,834.04</b>	<b>1,450.58</b>	<b>(121.55)</b>	<b>(235.39)</b>		<b>(356.94)</b>	<b>3,927.68</b>
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment and intangible assets							
Property, plant and equipment	2.32	0.44	-	-		-	2.76
Intangible assets	-	1.22	-	-		-	1.22
Non current investments	121.86	113.55	-	(235.41)		(235.41)	-
Deferred tax assets	0.49	-	-	0.02		0.02	0.51
Other non-current assets	0.54	25.24	-	-		-	25.78
<b>Current assets</b>							
Inventories	930.27	318.26	-	-		-	1,248.53
Trade receivables	1,351.48	688.71	-	-		-	2,040.19
Cash and cash equivalents	234.39	15.28	-	-		-	249.67
Short-term loans and advances	124.97	44.28	(121.55)	-		(121.55)	47.70
Other current assets	67.72	243.60	-	-		-	311.32
<b>Total</b>	<b>2,834.04</b>	<b>1,450.58</b>	<b>(121.55)</b>	<b>(235.39)</b>		<b>(356.94)</b>	<b>3,927.68</b>

The above statement should be read with notes to pro forma financial information

As per our report on even date attached

**For ACG & Co.**

Chartered Accountants

Firm Reg. No.: 0028477N

**For and on behalf of Board of Directors of**

**VAHH Chemicals Limited**

**Anuj Arora**

(Partner)-SD

Membership No.: 418737

**Hiren Indravadan Desai**

(Director)-SD

DIN: 08622752

**Aayush Hiren Desai**

(Director)-SD

DIN: 08636117

**Sahil Bhaveshkumar Modi**

(CFO)-SD

PAN: EKXPM8967H

**Shivani Parth Kothari**

(Company Secretary)-SD

CS ID: ACS-46602

UDIN: 25418737BMLJFV1936

Date: 03/12/2025

Place: Surat

**VAHH CHEMICALS LIMITED**  
**CIN : U24110GJ2019PLC111346**  
**Restated Statement of Balance Sheet**  
**(All amounts in ₹ lakhs, unless otherwise stated)**  
**Notes to the pro forma financial information as at and for the period ended March 31, 2025**

**I. Background**

The pro forma consolidated financial information comprise pro forma consolidated balance sheet, pro forma consolidated statement of profit and loss and notes to pro forma consolidated financial information of Vahh Chemicals Limited ("the parent") and its subsidiary company HSHS Nutraceuticals Limited (collectively referred as "Group") for the year ended March 31, 2025.

Vahh Chemicals Limited ("the parent") is a parent limited by shares, incorporated under the Companies Act, 2013 in India. The parent is registered with the Registrar of Companies, Ahmedabad under Corporate Identification Number (CIN) U24110GJ2019PLC111346. The parent company was incorporated on December 11, 2019.

Its registered office is located at Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darwaja, Ring Road, Surat, Gujarat, India, 395002. On September 30, 2024 the company acquired 37,496 share in HSHS Nutraceuticals Limited out of 50,000 shares, which with effect from that date has become a subsidiary of the company.

The principal business of the parent is the manufacture of basic chemicals except fertilizers and nitrogen compounds.

**II. Basis of preparation**

The pro forma Consolidated Financial Information of the Group has been prepared by the management of the Group in accordance with the Clause (11)(I)(B)(iii) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI Regulations") issued by Securities and Exchange Board of India ("the SEBI"), to reflect the acquisition of HSHS Nutraceuticals Limited, made after the date of the latest audited financial statements of the Group as at and for the year ended March 31, 2025, considering that the acquisition is material for the purpose of the business of the Group.

The pro forma consolidated financial information have been prepared specifically for inclusion in the Offer Document to be filed by the Company with Securities and Exchange Board of India (SEBI)/Exchange in connection with proposed Initial Public Offering ("IPO").

The pro forma consolidated financial information includes the following:

- i) Pro forma Consolidated Balance Sheet as at March 31, 2025, assuming as if the acquisition has taken place as on that date
- ii) Pro forma Consolidated Statement of Profit and Loss account for the period ended March 31, 2025, assuming as if the acquisition has taken place at the beginning of the said financial year being April 1, 2024, and
- iii) Related notes to pro forma Consolidated Financial Information

The Pro forma consolidated financial information has been prepared by combining following financial information, pro forma adjustments and inter-company eliminations:

- a) The Restated Consolidated Financial Information of the Group as at March 31, 2025 on which the auditors have issued an examination report dated December 03, 2025, prepared in connection with its proposed Initial Public Offer of equity shares ("IPO") in terms of the requirements of section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") and 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");
- b) The audited financial statement of Vahh Chemicals Limited as at and for the period ended March 31, 2025 on which the auditors of such entity have issued unmodified audit opinion vide their report dated 02 September, 2025.
- c) Intergroup elimination between the Company and HSHS Nutraceuticals Limited as at and for the year ended March 31, 2025

**VAHH CHEMICALS LIMITED**  
**CIN : U24110GJ2019PLC111346**  
**Restated Statement of Balance Sheet**  
**(All amounts in ₹ lakhs, unless otherwise stated)**  
**Notes to the pro forma financial information as at and for the period ended March 31, 2025**

d) Adjustments to the pro forma consolidated financial information arising from transactions between the Group and the acquired entity during the period ended March 31, 2025 for the purpose of consolidated pro forma statement of profit and loss.

e) Adjustments to recognise the impact of allocation of purchase consideration paid/payable by the Company.

The description of adjustments made to the pro forma consolidated financial information are included in the note III below.

The Pro Forma Consolidated Financial Information has been prepared under the provisions of AS 21 Consolidated Financial Statements which lays down the principles and procedures for preparation and presentation of consolidated financial statements. Consolidated financial statements are by the parent (holding company) to provide financial information about the economic activities of the group as a single economic entity.

As per Accounting Standard (AS) 21 – *Consolidated Financial Statements*, the method of consolidation of a 75% subsidiary involves the following key procedures:

**1. Line-by-Line Consolidation:**

The financial statements of the parent and its subsidiary are combined on a line-by-line basis. Like items of assets, liabilities, income, and expenses are added together.

**2. Elimination of Investment and Equity:**

The cost of the parent's investment in the subsidiary is eliminated against the parent's share in the equity of the subsidiary on the acquisition date. The Company acquired the proprietary firms, Ayush Bio Energy and Ayush Chemical, effective September 30, 2024. As a result, the businesses of these firms have been merged into the Company, and consequently, they had no standalone assets or liabilities as of March 31, 2025.

**3. Treatment of Goodwill or Capital Reserve:**

If the cost of investment exceeds the parent's share of equity, the excess is treated as **goodwill**.

If the cost is less, the difference is treated as a **capital reserve**.

The assets acquired, and liabilities assumed in consolidation are recognized at their book values as appearing on November 30, 2024. Accordingly, the Group has allocated the purchase consideration to the estimated book value of assets acquired and liabilities assumed and recognised the difference between purchase consideration and net assets as goodwill or capital reserve in the pro forma consolidated balance sheet as at March 31, 2025. Refer Note III (h) below for computation of goodwill/capital reserve.

**4. Minority Interest:**

The Company has acquired 75% of the equity share capital of HSHS on November 30, 2024, thereby making it a subsidiary of the Company. Accordingly, 25% of the equity shareholding in HSHS continues to be held by the minority shareholders, and the corresponding minority interest has been recognized in the consolidated financial statements.

**5. Intra-group Balances and Transactions:**

All intra-group balances and transactions are eliminated in full to reflect the group as a single economic entity.

**6. Uniform Accounting Policies:**

The financial statements of the parent and the subsidiary must be prepared using uniform accounting policies for like transactions and events.

Because of their nature, the Pro Forma Consolidated Financial Information addresses a hypothetical situation and therefore, does not represent Group's factual financial position or results. Accordingly, the pro forma consolidated financial information does not necessarily reflect what the Group's financial condition or results of operations would have been had the acquisition occurred on the date indicated and is also not intended to be indicative of expected financial position or results of operations in future periods. The actual balance sheet and statement of profit and loss may differ significantly from the pro forma amounts reflected herein due to variety of factors.

**VAHH CHEMICALS LIMITED**  
**CIN : U24110GJ2019PLC111346**

**Restated Statement of Balance Sheet**

**(All amounts in ₹ lakhs, unless otherwise stated)**

**Notes to the pro forma financial information as at and for the period ended March 31, 2025**

The pro forma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Further, such pro forma consolidated financial information has not been prepared in accordance with standards and practices acceptable in any other jurisdiction and accordingly, should not be relied upon as if it had been carried out in accordance with standards and practices in any other jurisdiction. Accordingly, the degree of reliance placed by anyone on such pro forma consolidated financial information should be limited. In addition, the rules and regulations related to the preparation of pro forma consolidated financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs above to prepare these pro forma consolidated financial information.

The restated consolidated financial information has been adjusted in the pro forma consolidated financial information to give effect to the pro forma event that are (1) directly attributable to such acquisition and (2) factually supportable.

The pro forma consolidated financial information were approved by the Board of Directors of the Company on December 03, 2025

**III. Pro forma adjustments**

The Financial Statements of HSHS Nutraceuticals Limited have been prepared in accordance with the recognition and measurement principles of AS and the management of the Group has adjusted to comply with the Group's accounting policies in all material aspects (collectively referred to as "Group accounting policies" as appearing in Restated Financial Information). Such financial information has been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis.

a) Earnings per share (EPS): pro forma EPS calculation for the year ended March 30, 2025 is based on pro forma Consolidated Statement of profit and loss for the year ended March 31, 2025 and the assumption that the equity shares issued as part of the transaction were issued at the beginning of the year for which pro forma consolidated financial information have been presented. Further, weighted average number of equity shares have been considered for calculation of earnings per share, after considering share split and bonus issue, subsequent to year- end.

b) Other than as mentioned above, no additional adjustments have been made to the pro forma consolidated balance sheet or the pro forma consolidated statement of profit and loss to reflect any other transactions of the Group entered into subsequent to March 31, 2025.

As per our report on even date attached

**For ACG & Co.**

Chartered Accountants  
Firm Req. No.: 0028477N

**For and on behalf of Board of Directors of  
VAHH Chemicals Limited**

**Anuj Arora**

(Partner)-SD  
Membership No.: 418737

**Hiren Indravadan Desai**

(Director)-SD  
DIN: 08622752

**Aayush Hiren Desai**

(Director)-SD  
DIN: 08636117

**Sahil Bhaveshkumar Modi**

(CFO)-SD  
PAN: EKXPM8967H

**Shivani Parth Kothari**

(Company Secretary)-SD  
CS ID: ACS-46602

UDIN: 25418737BMLJFV1936

Date: 03/12/2025

Place: Surat

## FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings:

(₹ In Lakhs)		
Category of borrowing	Outstanding amount (₹ in Lakhs) as on October 31, 2025	Outstanding amount (₹ in Lakhs) as on September 30, 2025
<b>Secured</b>		
Working Capital from bank	-	-
Bank Of Baroda	96.65	90.08
UCO Bank	475.88	316.11
<b>Total (A)</b>	<b>572.53</b>	<b>406.19</b>
<b>Unsecured</b>		
From Banks	70.03	74.84
From NBFC Financial Institution	292.55	308.70
<b>Total (B)</b>	<b>362.58</b>	<b>383.54</b>
<b>Total (A+B)</b>	<b>935.11</b>	<b>789.73</b>

### Details of secured borrowings:

(₹ In Lakhs)							
Category of borrowing	Sanctioned Amount (₹ in lakhs)	Outstanding amount (₹ in lakhs) as on 31/10/2025	Rate of Interest	Tenure	Repayment Term	Collateral Asset Charged	Principal Terms and Conditions
Cash Credit With Bank of Baroda	100.00	96.65	BRLLR (8.85%) +S.P. (0.25%) +Spread (0.40%) i.e.9.50%	Annual Renewal	Monthly Interest Payment	Hypothecation of Stock & Book Debt	As Per Sanction Letter
Cash Credit With UCO Bank	490.00	475.88	9.30% P.a. + 1.55(Spread) = 10.85% p.a at present	Annual Renewal	Monthly Interest Payment	1. <b>Primary Security:-</b> Hypothecation of entire assets of the firm created out of bank finance 2. <b>Collateral Security:-</b> Residential Flat No.201 2nd Floor at Indraprasth Complex & Flat No.901 9th Floor at Mapple Leaf	As Per Sanction Letter
<b>Total</b>	<b>590.00</b>	<b>572.53</b>					

### Principal Terms of the borrowings availed by the Company:

#### Vahh Chemical Limited

<u>Collateral / Asset Charged</u>
<b>Primary</b>
1. The Bank will have hypothecation over Inventory, Stock-in-Progress, Finished Goods and Receivables of the borrower's unit towards Cash Credit Facility, as may be given by the borrower to the bank on monthly basis from

time to time.
<b>Collateral</b>
1. Property in ownership of Mrs. Hetal Hirenbbhai Desai at Flat No. 201, 2nd Floor, Building No. C, "INDRAPRASTH COMPLEX", Nr. Ashok Pan House, Prem Prakash Chowk, City Light Road, Surat- 395007.
2. Property in the ownership of Mrs. Hetal Hirenbbhai Desai & Mr. Hiren Indravadan Desai at Flat No. 901, 9th Floor, Building No. A, "MAPLE LEAF", Opp. Vastu Luxuria, Nr. VR Mall, Surat- Dumas Road, Moje: Rundh, Sub Dist- Surat City
3. Uncovered portion of the facility to be covered under Credit Guarantee Scheme for amount of Rs. 245.43 Lakhs Under CGTMSE as a Hybrid Security.
<b>Principal Terms and Conditions</b>
<b>1. Name of Guarantors</b>
Hiren Indravadan Desai, Hetal Hirenbbhai Desai, Aayush Hirenbbhai Desai
<i>Comprehensive insurance with agreed Bank's clause, for full market value of the goods hypothecated to Bank/Actual stock whichever is higher in view of the 'Average Clause.' The goods hypothecated should be fully covered against all possible risks namely fire and burglary risks, SRCC etc. The original policy is to be kept with the branch and is to be renewed from time to time till currency of Bank's limit.</i>
Branch officials are advised to conduct a Post stage Asset Verification after the disbursement of working capital limit.
<b>Branch is advised to fill security interest on CERSAI portal of the hypothecated stock, book debts and collateral security.</b>
Stock Audit of the account to be conducted as per Bank's extant guidelines.
Satisfaction of charge of the security with CERSAI Portal (Primary and collateral) from the existing Bank to be taken in due course.
Branch is advised to generate LARPT report of the Borrower with sign of the officials (if any).
The unit should display a board in a prominent place in the premises/main entrance indicating that the assets/stocks are financed by <b>UCO Bank, STATION ROAD- Surat (0266)</b> under MSME.
<i>Branch should ensure that the account will be monitored in terms of various guidelines issued by the Bank from time to time.</i>
<i>Branch is advised to close watch on the Firms projected sales, profit, Capital and other parameter for every year as per submitted project report and obtained audited balance sheet every year.</i>
Penal charge will be charged in case of breach of any (or as mutually agreed between the Bank and the borrowers) of the parameters vis-a-vis values as approved. The penal interest will apply from the day after the date of ABS, and shall continue till the breach is cured.
Branch should ensure that all check points for Inspection & verification of all securities will be carried out immediately after installation of machineries by the branch and followed the guidelines as per our bank's credit monitoring policy.
Branch needs special attention on Firms production, sales and profit. Branch will also monitor that all sale proceeds is routed through our bank only.
Branch manager / advance in charge should strictly monitor the Firm's account regularly as per policy guidelines & related reports should be properly kept in loan file. If branch manager/advance in –charge at any time during the loan tenure finds that the Company is not achieving its projected financials mainly Production, sales & profit, appropriate actions to be exercised as per extant guidelines of the bank.
Post Disbursement Inspection should be conducted periodically by the branch officials to ensure that the funds are not diverted for any other purpose other than the stated purpose. All the bills/ invoices related to the capital expenditure are to be deposited in the Branch. Branch should ensure that loans extended under this scheme are for approved purposes and the end use is continuously monitored and kept on record duly signed by BH / advance in charge.
In case of account is being taken over by other Bank / Financial Institution from our Bank, all concession / relaxation/waiver in the service charges, ROI etc. granted since last sanction / review/renewal of the facility or sanction accepted by the borrower with such clause, whichever is earlier, in the account shall be withdrawn and corresponding amount shall be recovered from the borrower.
All required Statutory Compliance to run the business to be obtained from the Authorities as per guidelines.
DP should be arrived at after deducting the unpaid stocks, (incl. Unpaid stocks received under DA LC), debtors less than 90 days & after providing margin as stipulated herein above. However, Book debts less than 180 days/unpaid stocks will continue to be the part of the primary security. Obsolete stocks shall be excluded for the purpose of DP Calculation. Statements to be submitted in the bank's format on quarterly basis.
➤ Stock Statement / Book Debts Statements should be submitted at the time of fresh sanction (First disbursement) and renewal of limit. Thereafter, on a monthly basis. Evidencing Bank's hypothecation charge against current assets of the borrower.

<ul style="list-style-type: none"> <li>➤ Verification of Stock Statement and Book Debts to be done by the branch officials on monthly basis.</li> <li>➤ Drawing Power (DP) will be calculated on monthly basis as per value declared in stock and Book Debts Statement after deducting applicable margin.</li> <li>➤ Book Debts Should be for genuine trade transaction only.</li> <li>➤ Proper books and records are to be maintained.</li> <li>➤ For Cash Credit facility above Rs.25.00 Lakh, Book Debt Statement to be certified by the Chartered Accountant of the firm on quarterly basis.</li> </ul> <p><b>Note: - As per Stock Statement and Book Debt Statement submitted by the borrower, if value of stock is less than amount of Creditors. In such case the balance of amount of creditors will be deducted from the amount of Book Debts. Then after deduction of margin on net book debts, Drawing Power will be calculated.</b></p> <p><b>While calculating the Drawing power of the CC Limit, it is to be ensured that limit against Book Debts does not exceed 50% of the total fund based working capital limit.</b></p>
Branch is advised to also offer other products of our bank (Viz. Retail Loan, Deposit Products, Investment plans for future planning etc.) to the customer.
The accounts of the firm maintained with other Banks / Fis will be closed with in 30 days of first disbursement of limit. Failing which the penal interest of 2% from the date of first disbursement till the closure of accounts with other bank will be charged.
Branch is advised to follow up with the customer to submit the statement of account of Union Bank of India on weekly basis to our bank without fall till the closure of Account with Union Bank of India.
Branch is advised to follow up with the customer for obtaining of surrender letter of GST registration of M/s Ayush Chemicals and M/s Ayush Bio Energy.
Branch is advised to follow up with the customer for obtaining of closure of current accounts of M/s Ayush Chemicals and M/s Ayush Bio Energy.

### **HSHS Nutraceuticals Limited**

#### **Cash Credit Facility with Bank Of Baroda**

#### **Principal Terms of the borrowings availed by the Company:**

<b><u>Collateral / Asset Charged</u></b>
<b>Primary</b>
1. The Bank will have hypothecation over Inventory, Stock-in-Progress, Finished Goods and Receivables of the borrower's unit towards Cash Credit Facility, as may be given by the borrower to the bank on monthly basis from time to time.
<b>Collateral</b>
1. CGTMSE Coverage of Rs.75.00 Lacs under Hybrid Scheme.
2. Liquid security of Rs. 25.00 Lacs in form duly assigned LIC/endorsed FDR to be kept in favour of bank.
<b><u>Principal Terms and Conditions</u></b>
<b>1. Name of Guarantors</b> Hiren Indravadan Desai, Hetal Hirenbhai Desai, Zeenat Zahid Hasan Khan
2. The Proprietor/ Partners/ Directors/ Trustees should not withdraw the profit earned in the business / from the capital invested in the business without meeting the due(s) payable including interest under the said credit facilities. In case of Company dividend should be declared only after meeting the all dues to be payable to the bank.
3. All money raised by way of deposits from friends, relatives and or from any other source should not be withdrawn / repaid during the period of the bank's advances and suitable letter of undertaking on stamp paper of applicable amount from the unit or 'No Withdrawal' letter from the depositors should be submitted to this effect to the bank.
4. The bank is having right to restrict outflow of funds of borrower by way of dividend, repayment of loans availed from promoters or from their friends, relatives or inter corporate Loan/borrowings, etc. till the overdue statutory liabilities are cleared.

#### **Details of unsecured borrowings:**

(₹ In Lakhs)

Sr No.	Name of Lender	Purpose	Terms of Repayment	Outstanding balance as on September 30, 2025	Outstanding balance as on October 31, 2025
1	Aditya Birla-B/L	Business	Monthly Equal EMI	7.43	6.63
2	Aditya Birla Capital Limited_BI_June25(24M)	Business	Monthly Equal EMI	11.00	10.54
3	Axis Bank-BI	Business	Monthly Equal EMI	5.95	5.22
4	Axis Finance Ltd Loan B/L (Ac)	Business	Monthly Equal EMI	8.59	7.89
5	Axis Finance Ltd_July25	Business	Monthly Equal EMI	24.01	23.08
6	BI-Mahindra Finance Ltd (Abe)	Business	Monthly Equal EMI	8.59	8.15
7	Cholamandalam-B/L	Business	Monthly Equal EMI	6.59	5.96
8	Godrej Finance Ltd-BI	Business	Monthly Equal EMI	7.42	6.62
9	Hdfc B/L- 141735843	Business	Monthly Equal EMI	15.77	15.11
10	Icici Bank Loan_June'25	Business	Monthly Equal EMI	22.32	21.44
11	Idfc Bank-BI	Business	Monthly Equal EMI	5.49	4.91
12	Kisetsu Saison Finance India Pvt Ltd-BI	Business	Monthly Equal EMI	5.94	5.30
13	L & T Finance Limited_July25	Business	Monthly Equal EMI	37.03	36.38
14	Moneywise Financial Services Pvt Ltd-BI	Business	Monthly Equal EMI	16.90	16.03
15	Poonawala Fincorp Limited B/L	Business	Monthly Equal EMI	5.97	5.33
16	Smfg India_BI	Business	Monthly Equal EMI	15.37	14.75
17	Tata Capital-BI	Business	Monthly Equal EMI	5.94	5.31
18	Unity Finance_July25	Business	Monthly Equal EMI	23.66	23.09
19	Yes Bank-BI	Business	Monthly Equal EMI	7.46	6.68
20	Bajaj Finance New BI	Business	Monthly Equal EMI	17.35	17.32
21	Clix Capital Service Pvt Ltd-BI	Business	Monthly Equal EMI	11.28	10.52
22	Growth Source Financial Technologie	Business	Monthly Equal EMI	12.05	11.31
23	Icici Bank Ac 48934452 B/L	Business	Monthly Equal EMI	17.84	16.67
24	Iifl Finance Ltd-BI	Business	Monthly Equal EMI	13.31	12.41
25	Mas Financial Services Limited - BI	Business	Monthly Equal EMI	22.62	21.86
26	Neogrowth Credit Private Limited-BI	Business	Monthly Equal EMI	7.95	7.19
27	Shriram Finance Ltd-BI	Business	Monthly Equal EMI	18.24	17.01
28	Smfg India Credit Ltd B/L	Business	Monthly Equal EMI	15.63	14.58
29	Tata Capital Finance-BI	Business	Monthly Equal EMI	5.84	5.29
<b>Total</b>				<b>383.53</b>	<b>362.58</b>

As certified by our statutory auditor vide certificate dated December 03, 2025

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis of our financial condition and results of operations for the period ended September 30, 2025 and for the financial years ended on 2025, 2024 and 2023 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 172 of this Draft Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Prospectus. You should also read the section titled "Risk Factors" beginning on page 28 of this Draft Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Vahh Chemicals Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the period ended September 30, 2025 and for the financial years ended on 2025, 2024 and 2023 included in this Draft Prospectus beginning on page 172 of this Draft Prospectus.

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### BUSINESS OVERVIEW

We are an ISO 9001: 2015 certified Company engaged in the business of manufacturing and trading of textile auxiliaries chemicals. Our Company is engaged in the supplying and blending of wide range of chemicals in the textile industry. Our operations primarily involve the sourcing and blending of textile chemicals essential for various stages of textile processing, including pre-treatment, dyeing, printing, and finishing. Strategically, we cater primarily to dyeing and printing houses within the textile industry, offering tailored chemical solutions to address the specific needs and challenges of this sector, including customized formulations for various applications. These chemicals are essential for improving fabric quality, its texture, enhancing colour vibrancy, and ensuring the durability of the finished textile products. Our main strength of the products are our formulation of chemicals and quality maintenance.

Our business model is segregated under three business segments which include:

- 1) **Trading** – Distribution of textile chemicals, including pre-treatment agents, dyeing auxiliaries, and finishing chemicals to optimize the dyeing and printing processes in textile mills.
- 2) **Blending** – Customized chemical blends to ensure that textile manufacturers achieve superior results, with formulations designed to enhance the quality.
- 3) **Nutrition** – Nutraceutical products formulated to support health, wellness, and improved daily nutrition by the subsidiary.

The table below sets forth the breakdown of our product wise revenue from operations for the period ended September 30, 2025 and for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For period ended September 30, 2025		For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%
Blending	873.37	52.85%	1582.93	66.66%	776.33	76.45%	577.84	77.48%

Trading	166.73	10.09%	459.72	19.36%	239.20	23.55%	167.90	22.52%
Nutrition	612.36	37.06%	332.06	13.98%	-	-	-	-
<b>Total</b>	<b>1,652.47</b>	<b>100.00%</b>	<b>2,374.71</b>	<b>100.00%</b>	<b>1,015.53</b>	<b>100.00%</b>	<b>745.74</b>	<b>100.00%</b>

As of September 30, 2025, our product portfolio comprises of 92 SKU's in our chemical division which are designed to enhance fabric quality, durability, and performance, our products cater to a wide spectrum of textile substrates such as cotton, polyester, silk, and synthetic blends. We focus on creating solutions tailored to specific needs in textile production. This strategic alignment enables us to support diverse industry needs, from enhancing colour vibrancy to imparting functional properties like water repellence, flame resistance, and anti-microbial finishes, UV Absorbers, wrinkle – free resins, driving innovation and value creation in the textile sector.

Our chemical business is predominately conducted on a business-to-business basis. Our Facility spans approximately 301.25 square meters. We have established a strong distribution network in Surat, supported by strategically positioned manufacturing facility.

For more details, please refer chapter titled “*Our Business*” beginning on page 126 of this Draft Prospectus.

## **SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2025**

In the opinion of the Board of Directors of our Company, since the date of the stub period in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months. However, following material events have occurred after the last audited period:

Following material events have occurred after the last audited period:

1. Pursuant to a resolution passed by our Board on October 04, 2025 and our Shareholders on October 04, 2025, our Company has increased the authorised share capital from existing Rs. 8,00,00,000/- (Rupees Eight Crore only) divided into 80,00,000 (Eighty Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only) to Rs. 8,50,00,000/- (Rupees Eight Crore Fifty lakh only) divided into 85,00,000 (Eighty Five Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only).

## **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subject to various risks and uncertainties, including those discussed in the section titled “Risk Factors” on page 28 beginning of this Draft Prospectus.

### ***1. Disruptions to the supply, or increases in price of raw materials and finished products***

Raw materials price volatility caused by various factors such as the quality and availability of supply, consumer demand, changes in government programs and regulatory sanctions. Our suppliers may be unable to provide us with a sufficient quantity of our raw materials at a suitable price for us to meet the demand for our products. The prices and supply levels of raw materials are dependent on factors, which are not in our control such as general economic conditions, competition, production levels and transportation costs.

Any increase in raw material prices may affect our procurement of raw materials and will result in corresponding increases in our product costs, while the increase in the selling price of the finished products may not be in proportionate to the increase in raw material price. Such change in pricing may adversely affect our sales, cash flow and our overall profitability.

Our Company's cost of raw material consumed was 88.45 %, 95.13 %, 86.67 % and 81.50 % of our revenues from operation for the period ended September 30, 2025 and in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. If we are unable to manage these costs or increase the prices of our products to offset these increased costs, our margins, cash flows and our profitability may be adversely affected.

### ***2. Concentration of business operations in the State of Gujarat***

Our Company operates only in the state of State of Gujarat. Such geographical concentration of our business in the Gujarat region heightens our exposure to adverse developments related to competition, as well as

economic and demographic changes in the region, which may adversely affect our business prospects, financial conditions and results of operations.

**3. *Our business is dependent on our manufacturing facility and the loss of or shutdown of operations of any of these facilities could adversely affect our business***

Our facility at Gujarat are subject to operating risks, such as shutdowns due to the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, adequate utilisation rates, obsolescence of equipment, labour disputes, strikes, lockouts, industrial accidents, disruption by extremist groups, or any other reason, and the need to comply with the directives and regulations of the Government of India (“GoI”) and relevant state government authorities. Our operations involve a significant degree of integration, and our results of operations are dependent on the successful operation of each facility. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition, results of operations and prospects may be adversely affected by any disruption of operations at our facilities.

**4. *Competition***

The market in which our Company is doing business is highly and increasingly competitive and unorganised, and our results of operations and financial condition are sensitive to, and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations.

**5. *Dependence on the knowledge and expertise of our Promoters, Directors, KMPs and SMPs***

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

**6. *Lapses in precision, accuracy or quality control in our products may lead to customer dissatisfaction, product rejections, reputational damage, or financial losses***

Our products are often tailored to meet specific customer requirements relating to chemical use for dyeing and printing. As our products are used for dyeing or printing on the textile with technical specifications are critical and even a minor deviation in quality may result in product rejection or loss of customer confidence. Further, inaccuracies in formulation of chemical could result in compliance breaches for our customers. Thus, maintaining a high degree of precision in product design and execution is essential.

## **SIGNIFICANT ACCOUNTING POLICIES**

For Significant accounting policies please refer Significant Accounting Policies, “Annexure IV” beginning under “Restated Financial Statements” on page 172 of this Draft Prospectus.

Set out below are a few key performance indicators:

(₹ in Lakhs)					
Particulars	Units	For the period ended September 30, 2025	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Revenue from Operations	₹	1,652.47	2,374.71	1,015.53	745.74
Revenue CAGR <sup>(1)</sup>	%	-	78.45%		
EBITDA <sup>(2)</sup>	₹	339.44	467.60	112.27	42.54

Particulars	Units	For the period ended September 30, 2025	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
EBITDA Margin <sup>(3)</sup>	%	20.54%	19.69%	11.06%	5.70%
PAT	₹	207.76	258.22	34.46	16.94
PAT Margin <sup>(4)</sup>	%	12.57%	10.87%	3.39%	2.27%
Return on Equity (RoE) <sup>(5)</sup>	%	22.00%	65.40%	40.32%	28.34%
Return on Capital Employed <sup>(6)</sup>	%	16.98%	25.72%	15.53%	12.01%
Net Fixed Asset Turnover Ratio <sup>(7)</sup>	Times	673.10	946.10	353.23	393.53
Net Capital Turnover Ratio <sup>(8)</sup>	Times	0.83	1.31	1.43	2.16
Debt to Equity Ratio <sup>(9)</sup>	Times	0.66	1.64	5.93	4.06
Return on Assets <sup>(10)</sup>	%	5.09%	10.94%	5.28%	3.94%
Current Ratio <sup>(11)</sup>	Times	1.48	1.31	2.13	1.59
<b>Operational KPI</b>					
Unit sold	Kgs	880040	1639004	754880	616745

As certified by ACG & Co., Independent Chartered Accountant by their certificate dated December 02, 2025

**Notes:**

<sup>(1)</sup> Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising to the power of one divided by the number of compounding period i.e. 2 years and subtracting by one.

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

<sup>(3)</sup> EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

<sup>(4)</sup> PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.

<sup>(6)</sup> Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization

<sup>(7)</sup> Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset

<sup>(8)</sup> Net Capital Turnover Ratio is calculated as Revenue from operation divided by Capital employed

<sup>(9)</sup> Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities.

<sup>(10)</sup> Return on Assets is calculated by dividing the total assets by the profit after tax.

<sup>(11)</sup> Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities

**DETAILS OF THE REVENUE RECOGNITION METHOD ADOPTED BY THE ISSUER AND ITS BASIC PARAMETERS.**

Revenue is recognized only when it is probable that the economic benefits will flow to the Parent entity and the amount of revenue can be measured reliably.

Trading (Sale of Goods)

Revenue derived from trading activities is recognized when the significant risks and rewards of ownership of the products are transferred to the customer. This transfer typically occurs at a point in time upon shipment or delivery of the goods according to the terms of sale.

#### **Blending and Nutrition Services (Rendering of Services)**

Revenue from blending, custom formulation, technical support, or nutrition consulting services is recognized as the performance obligation is satisfied. This is generally recognized upon the completion of performance of the specified service and acceptance by the customer. For lengthy service contracts (e.g., long-term blending arrangements), revenue may be recognized over time if the contractual criteria for continuous transfer of control are met.

#### **Interest Income**

Interest income is recognized on an accrual basis. The income is measured and recognized on a time-proportion basis using the effective interest method over the period the corresponding asset is held.

### **MAIN COMPONENTS OF OUR INCOME AND EXPENDITURE**

#### **Total Revenue**

Our total revenue is divided into revenue from operations and other income.

Revenue from operations consists of Sales and Discount.

Other income consists of interest received on Fixed Deposits and Foreign Exchange

#### **Total Expenses**

Our total expenses comprise of Cost of Materials Consumed, Changes in inventories of traded goods, Employee benefits expenses, Finance costs, Depreciation and amortisation expense and other expenses.

#### Cost of Materials Consumed

Cost of Material Consumed includes Consumption of Raw material and Consumption of Spares/packing material

#### Changes in inventory

Changes in inventory includes change in inventories of finished goods, opening stock and closing stock

#### Employee benefits expenses

Employee benefit expenses comprise of Salary and wages, Contribution to employees PF & ESIC and Directors Remuneration.

#### Finance Costs

Finance costs includes Bank Interest, Interest on Loan and Loan Processing Charges.

#### Depreciation and Amortization Expenses

Depreciation and amortization expenses primarily includes Depreciation on property, plant & equipment and Amortization of intangible assets.

#### Other Expenses

Other expenses include Bank Charges, Advertisement Expenses, Auditor Remuneration, Repairs and Maintenance, Brokerage Expenses, Legal and Professional Charges, Internet & Website Expense, Electricity Expenses, Maintenance Charges, Stamp duty and registration charges, Rent, Rates and Taxes, Donation Expenses, Insurance Expense, Transportation Charges, Packing & Sampling, Office Expense, Communication Expenses, Travelling & Conveyance and other Expenses.

## RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the Stub period and financial year(s) ended on September 30, 2025 and March 31, 2025, March 31, 2024 and March 31, 2023:

(₹ In lakhs)								
Particulars	As on September 30, 2025	% of Total Revenue	Fiscal 2025 (₹)	% of Total Income	Fiscal 2024 (₹)	% of Total Income	Fiscal 2023 (₹)	% of Total Income
<b>Revenue</b>								
Revenue from Operations	1652.47	99.05%	2374.71	100.00%	1015.53	100.00%	745.74	99.99%
Other Income	0.86	0.05	0.03	0.00%	0.04	0.00%	0.10	0.01%
<b>Total Income</b>	<b>1653.33</b>	<b>100.00%</b>	<b>2374.74</b>	<b>100.00%</b>	<b>1015.57</b>	<b>100.00%</b>	<b>745.84</b>	<b>100.00%</b>
<b>Expenses</b>								
Cost of materials consumed	1461.55	88.40%	2259.18	95.13%	880.15	86.67%	607.78	81.49%
Changes in Inventories of Finished Goods	(311.15)	(18.82)%	(580.08)	(24.43) %	(77.09)	(7.59) %	-	-
Employee benefits expense	85.18	5.15%	103.81	4.37%	47.46	4.67%	49.06	6.58%
Finance Cost	65.67	3.97%	100.12	4.22%	68.73	6.77%	17.53	2.35%
Depreciation and amortisation expense	0.68	0.04%	1.54	0.06%	1.67	0.16%	1.11	0.15%
Other expenses	72.76	4.40%	121.95	5.14%	45.33	4.46%	46.36	6.22%
<b>Total expenses</b>	<b>1374.69</b>	<b>83.15%</b>	<b>2006.52</b>	<b>84.49%</b>	<b>966.25</b>	<b>95.14%</b>	<b>721.84</b>	<b>96.78%</b>
<b>Profit before tax</b>	<b>278.64</b>	<b>16.85%</b>	<b>368.22</b>	<b>15.51%</b>	<b>49.32</b>	<b>4.86%</b>	<b>24.00</b>	<b>3.22%</b>
<b>Tax expense</b>								
Current tax	70.96	4.29%	110.18	4.64%	15.10	1.49%	7.19	0.96%
Deferred tax (credit)/charge	(0.08)	0.00%	(0.18)	(0.01)%	(0.24)	(0.02)%	(0.13)	(0.02)%
Earlier Year Taxes	-	-	-	-	-	-	-	-
<b>Profit for the period / year</b>	<b>207.76</b>	<b>12.57%</b>	<b>258.22</b>	<b>10.87%</b>	<b>34.46</b>	<b>3.39%</b>	<b>16.94</b>	<b>2.27%</b>

## RESULTS OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2025

### Income

#### Total Income

During the period ended September 30, 2025, Total income for the period starting from April 01, 2025 to September 30, 2025 was ₹ 1653.33 Lakhs. The total income consists of revenue from operations and other income.

#### Revenue from Operations:

During the period ended September 30, 2025, revenue from operation of our Company was ₹ 1652.47 Lakhs. The main contribution to the revenue from operations is Sales.

### Expenditure

#### Total Expenses:

During the period ended September 30, 2025, Total expenses of our Company was ₹ 1,374.69 Lakhs.

#### Cost of Material consumed

During the period ended September 30, 2025, Cost of Material consumed of our Company was ₹ 1,461.55 Lakhs.

#### Changes in inventories of traded goods

During the period ended September 30, 2025, the changes in inventories of traded goods of our Company was ₹ 311.15 Lakhs.

#### Employee benefit expenses

During the period ended September 30, 2025, our Employee Benefit Expenses was ₹ 85.18 Lakhs, which included Salary and wages of ₹ 78.87 Lakhs, Contribution to employees PF & ESIC of ₹ 1.31 Lakhs and Directors Remuneration of ₹ 5.00 Lakhs.

#### Financial Costs

During the period ended September 30, 2025, Financial Costs of our Company was ₹ 65.67 Lakhs.

#### Depreciation and amortisation expense

During the period ended September 30, 2025, Depreciation and Amortization expenses of our Company was ₹ 0.68 Lakhs.

#### Other expenses

Our other expenses for the period ended September 30, 2025 amounted to ₹ 72.76 Lakhs.

### **COMPARISON OF FINANCIAL YEAR ENDED 2025 TO FINANCIAL YEAR ENDED 2024**

#### **Components of Balance sheet**

##### Borrowings:

Long term borrowings have decreased by 30.25%, this is due to repayment of loan from related parties, banks and transfer to current maturities.

Short term borrowings have increased by 211.54%, this is due to further business expansion and consolidation of subsidiaries in current financial year.

##### Trade receivables:

Trade receivables have increased by 436.06%, this is due to increase in sales during the financial end of the year in the respectively financial year and consolidation of subsidiaries in current financial year.

##### Trade Payables:

Trade payables have increased by 2,991.71 %, this is mainly due to market volatility, consolidation of subsidiaries in current financial year and increase in purchase during the fag end of the year.

##### Loans and Advances:

There were no Short term Loans and Advances in Fiscal 2024. As on March 31, 2025, Short term Loans and Advances were ₹47.70 Lakhs, this is because our raw material suppliers are traders and they have imported raw materials from various countries and for that reason we are paying advances for Raw Materials and consolidation of subsidiaries in current financial year.

#### **Income**

##### Total Income:

Our total income was increased by 133.83 % from ₹ 1,015.57 Lakhs in FY 2024 to ₹ 2,374.74 Lakhs in FY 2025 due to the factors described below:

### Revenue from Operations:

Our Revenue from Operations was increased by 133.84 % in the year FY 2025. The amount increased from ₹ 1,015.53 Lakhs in FY 2024 to ₹ 2,374.71 Lakhs in FY 2025. This was because of our sale has been increasing from our product demand and market conditions. Further, this has been increased on account of expansion in our customer base and a ramp-up in orders from existing long-term clients.

### Other Income

Other income decreased by 17.71 % from ₹ 0.04 Lakhs in FY 2024 to ₹ 0.03 Lakhs in FY 2025 due to decrease income from Interest on fixed deposit and interest income.

### Expenditure

#### Total Expenses:

Our total expenses increased by 107.66 % from ₹ 966.25 Lakhs in Fiscal 2024 to ₹ 2,006.52 Lakhs in Fiscal 2025 due to the factors described below:

#### Cost of Material consumed

The Cost of Material consumed increased by 156.68 % from ₹ 880.15 Lakhs in FY 2024 to ₹ 2259.18 Lakhs in FY2025. This was due to increase in our consumption of raw materials due to increase in sale.

#### Changes in inventories of traded goods

The Changes in inventories of traded goods decreased by 652.48 % from ₹ (77.09) Lakhs in FY 2024 to ₹ (580.08) Lakhs in FY2025. This was mainly due to increase in purchase during the fag end of the financial year 2025.

#### Employee benefit expenses

The Employee Benefit Expenses increased by 118.73 % from ₹ 47.46 Lakhs in FY 2024 to ₹ 103.81 Lakhs in FY2025. This increase was mainly due to hiring new employees being the part of business expansion and increase in salaries, wages, bonus and allowances and staff welfare expense.

#### Financial Costs

Our Financial Costs increased by 45.67% from ₹ 68.73 Lakhs in FY 2024 to ₹ 100.12 Lakhs in FY 2025. This was on account of increase in long term and short term borrowings during the FY 2024-25 and also due to increase in interest expense.

#### Depreciation and amortisation expense

The Depreciation and Amortization expenses was decreased by 7.53% from ₹ 1.67 Lakhs in FY 2024 to ₹ 1.54 Lakhs in FY 2025. This was because of we have not purchased any assets during the FY 2024-25.

#### Other expenses

Other expenses increased by 169.03% from ₹ 45.33 Lakhs in FY 2024 to ₹ 121.95 Lakhs in FY 2025. This was on account of increase in Bank Charges, Advertisement Expenses, Auditor Remuneration, Repair and Maintenance, Legal and Professional Fees, Internet and Website Expenses, Electricity Expenses, Maintenance Charges, Stamp Duty and Registration Charges, Rent, Rates & Taxes, Donation Expenses, Insurance Expenses, Transportation Charges, Packing and Sampling, Office Expenses, Communication Expenses, Travelling and Conveyance and Other Expenses.

#### Profit before Tax

Our profit before tax increased by 646.56 % from ₹ 49.32 for the FY 2024 to ₹ 368.22 Lakhs for the FY 2025.

#### Tax Expenses

Our total tax expense increased by 640.24% from ₹ 14.86 Lakhs in FY 2024 to ₹ 110.00 Lakhs in the FY 2025.

#### Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by 649.29% from ₹ 34.46 Lakhs in FY 2024 to ₹ 258.22 Lakhs in FY 2025. This increase is primarily attributable to Increasing Sales and at the same time decrease in cost of material consumed considering the changes in inventory of work-in-progress and finished goods.

**Common Note: Vahh Chemicals Limited has acquired its subsidiary company HSHS Nutraceuticals Limited during the FY 2024-25. The amount considered for FY 2023-24 is on standalone basis while the amount considered for FY 2024-25 is on consolidated basis. This is a common reason for significant volatility in the ratios.**

### **COMPARISON OF FINANCIAL YEAR ENDED 2024 TO FINANCIAL YEAR ENDED 2023**

#### **Components of Balance Sheet**

##### Borrowings:

Long term borrowings have increased by 157.39%, this is due to is due to market volatility and further business expansion.

Short term borrowings have increased by 89.86%, this is due to market volatility and further business expansion.

##### Trade receivables:

Trade receivables have decreased by 12.00%, this is due to introduction of MSME Act in the Income Tax Act, 1961 due to which the customers have made payment earlier.

##### Trade Payables:

Trade payables have decreased by 64.70%, this is mainly due to introduction of MSME Act in the Income Tax Act, 1961 due to which the company had made payment to the suppliers earlier than the actual due date.

#### **Income**

##### Total Income:

Our total income was increased by 36.16 % from ₹ 745.84 Lakhs in Fiscal 2023 to ₹ 1,015.57 Lakhs in Fiscal 2024 due to the factors described below:

##### Revenue from Operations:

Our income from Revenue from Operations was increased by 36.18% from ₹ 745.74 Lakhs in Fiscal 2023 to ₹ 1,015.53 Lakhs in Fiscal 2024. This was because of our sale has been increasing from our product demand and market conditions. Further, this has been increased on account of expansion in our customer base and a ramp-up in orders from existing long-term clients.

##### Other Income

Other income decreased by 64.98 % from ₹ 0.10 Lakhs in Fiscal 2023 to ₹ 0.04 Lakhs in Fiscal 2024 due to decrease income from Interest on fixed deposit and interest income.

#### **Expenditure**

##### Total Expenses:

Our total expenses increased by 33.86 % from ₹ 721.84 Lakhs in Fiscal 2023 to ₹ 966.25 Lakhs in Fiscal 2024 due to the factors described below:

#### Cost of Material consumed

The Cost of Material consumed increased by 44.81% from ₹ 607.78 Lakhs in FY 2023 to ₹ 880.15 Lakhs in FY2024. This was due to increase in our consumption of raw materials due to increase in sale.

#### Changes in inventories of traded goods

The Changes in inventories of traded goods was ₹ 77.09 Lakhs in FY2024. This was mainly due day by day changing raw material price that reason we advance purchased from vendors.

#### Employee benefit expenses

The Employee Benefit Expenses decreased by 3.26 % from ₹ 49.06 Lakhs in FY 2023 to ₹ 47.46 Lakhs in FY2024. This was mainly due to decrease in salary and wages.

#### Financial Costs

Our Financial Costs increased by 292.07 % from ₹ 17.53 Lakhs in FY 2023 to ₹ 68.73 Lakhs in FY 2024. This was on account of increase in long term and short term borrowings during the FY 2023-24 and also due to increase in interest expense.

#### Depreciation and amortization expense

The Depreciation and Amortization expenses was increased by 50.04 % from ₹ 1.11 Lakhs in FY 2023 to ₹ 1.67 Lakhs in FY 2024. This was because we have not purchased any significant assets.

#### Other expenses

Other expenses decreased by 2.22 % from ₹ 46.36 Lakhs in FY 2023 to ₹ 45.33 Lakhs in FY 2024. This was on account of significant decrease in brokerage expenses and travelling expenses.

#### Profit before Tax

Our profit before tax increased by 105.48 % from ₹ 24.00 Lakhs for the FY 2023 to ₹ 49.32 Lakhs for the FY 2024.

#### Tax Expenses

Our total tax expense increased by 110.48 % from ₹ 7.06 Lakhs in FY 2023 to ₹ 14.86 Lakhs in the FY 2024.

#### Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by 103.40 % from ₹ 16.94 Lakhs in FY 2023 to ₹ 34.46 in FY 2024. This increase is primarily attributable to Increasing Sales and at the same time decrease in cost of material consumed considering the changes in inventory of work-in-progress and finished goods.

### **CASH FLOWS**

The table below is our cash flows for the Stub period and financial year(s) ended on September 30, 2025 and March 31, 2025, March 31, 2024 and March 31, 2023:

(₹ in Lakhs)

Particulars	For the financial year ended on			
	Period ended September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Net cash (used)/from operating activities	(119.68)	44.88	(76.48)	(30.04)
Net cash (used)/from investing activities	0.01	(28.92)	(0.40)	(4.29)
Net cash (used)/from financing activities	172.59	169.71	126.83	25.58

### Cash Flows from Operating Activities

#### For the Stub period ended September 30, 2025

Our net cash used in operating activities was ₹ 119.68 Lakhs for the Stub period ended September 30, 2025. Our net profit before tax of ₹ 278.64 Lakhs for the Stub period ended September 30, 2025 which was primarily adjusted against Interest paid of ₹ 65.67 Lakhs, Unrealised foreign exchange on translation ₹ 1.74 Lakhs and Depreciation of ₹ 0.68 Lakhs. Operating cash flows before working capital changes was ₹ 345.87 Lakhs for the Stub period ended September 30, 2025.

The adjustments to operating cash flows before working capital changes included adjustments for (i) Increase in inventory of ₹ 165.06 Lakhs, (ii) Decrease in trade receivables of ₹ 375.42 Lakhs, (iii) Increase in loans & advances of ₹ 6.86 Lakhs, (iv) Increase in other current assets ₹ 454.08 Lakhs (v) Increase in trade payables of ₹ 245.94 Lakhs (vi) Increase in provision of ₹ 1.00 Lakhs (vii) Decrease in other current liabilities of ₹ 211.01 Lakhs (viii) Decrease in short term borrowings ₹ 250.84 Lakhs. Tax paid for the the Stub period ended September 30, 2025 amount to ₹ 0.06 Lakhs.

#### For the year ended on March 31, 2025

Our net cash generated from operating activities was ₹ 44.88 Lakhs for the Fiscal 2025. Our net profit before tax of ₹ 368.22 Lakhs for the Fiscal 2025 which was primarily adjusted against Interest paid of ₹ 100.12 Lakhs, Depreciation of ₹ 1.54 Lakhs, Unrealised foreign exchange on translation ₹ 2.64 Lakhs and Interest received of ₹ 0.03 Lakhs. Operating cash flows before working capital changes was ₹ 467.21 Lakhs for the Fiscal 2025.

The adjustments to operating cash flows before working capital changes included adjustments for (i) Increase in inventory of ₹ 988.38 Lakhs, (ii) Increase in trade receivables of ₹ 1,659.59 Lakhs, (iii) Increase in loans & advances of ₹ 47.70 Lakhs, (iv) Increase in other current assets ₹ 225.81 Lakhs (v) Increase in trade payables of ₹ 1,652.32 Lakhs (vi) Increase in provision of ₹ 11.93 Lakhs (vii) Increase in other current liabilities of ₹ 222.91 Lakhs (viii) Increase in short term borrowings ₹ 612.67 Lakhs . Tax paid for the Fiscal 2025 amount to ₹ 0.68 Lakhs.

#### For the year ended on March 31, 2024

Our net cash used in operating activities was ₹ 76.48 Lakhs for the Fiscal 2024. Our net profit before tax of ₹ 49.32 Lakhs for the Fiscal 2024 which was primarily adjusted against Interest paid of ₹ 68.73, Depreciation of ₹ 1.67 Lakhs, and Interest received of ₹ 0.04 Lakhs. Operating cash flows before working capital changes was ₹ 119.68 Lakhs for the Fiscal 2024.

The adjustments to operating cash flows before working capital changes included adjustments for (i) Increase in inventory of ₹ 201.00 Lakhs, (ii) Decrease in trade receivables of ₹ 51.91 Lakhs, (iii) Increase in other current assets ₹ 82.57 Lakhs (iv) Decrease in trade payables of ₹ 101.21 Lakhs (v) Increase in provision of ₹ 0.05 Lakhs (vi) Increase in current liabilities of ₹ 6.85 Lakhs (vii) Increase in short term borrowings ₹ 137.08 Lakhs. Tax paid for the Fiscal 2024 amount to ₹ 7.27 Lakhs.

#### For the year ended on March 31, 2023

Our net cash used in operating activities was ₹ 30.04 Lakhs for the Fiscal 2023. Our net profit before tax of ₹ 24.00 Lakhs for the Fiscal 2025 which was primarily adjusted against Interest paid of ₹ 17.53 Lakhs, Depreciation of ₹ 1.11 Lakhs, and Interest received of ₹ 0.10 Lakhs. Operating cash flows before working capital changes was ₹ 42.54 Lakhs for the Fiscal 2023.

The adjustments to operating cash flows before working capital changes included adjustments for (i) Increase in inventory of ₹ 22.96 Lakhs, (ii) Increase in trade receivables of ₹ 146.20 Lakhs, (iii) Decrease in loans & advances

of ₹ 0.10 Lakhs, (iv) Increase in other current assets ₹ 1.02 Lakhs (v) Decrease in trade payables of ₹ 9.57 Lakhs (vi) Increase in provision of ₹ 0.15 Lakhs (vii) Decrease in other current liabilities of ₹ 0.74 Lakhs (viii) Increase in short term borrowings ₹ 114.08 Lakhs . Tax paid for the Fiscal 2023 amount to ₹ 6.42 Lakhs.

### **Cash Flows from Investing Activities**

#### For the Stub period ended September 30, 2025

Net cash flow generated from investing activities for the stub period ended September 30, 2025 was ₹ 0.01 Lakhs. This was primarily on account of Investment in deposits of ₹ 0.85 Lakhs. This was offset by Interest received ₹ 0.86 Lakhs.

#### For the year ended on March 31, 2025

Net cash flow used in investing activities for the Fiscal 2025 was ₹ 28.92 Lakhs. This was primarily on account of Investment in deposits of ₹ 25.69 Lakhs and Purchase of fixed assets ₹ 3.26 Lakhs. This was partially offset by Interest received ₹ 0.03 Lakhs.

#### For the year ended on March 31, 2024

Net cash flow used in investing activities for the Fiscal 2024 was ₹ 0.40 Lakhs. This was primarily on account of purchase of Purchase of fixed assets ₹ 0.44 Lakhs. This was partially offset by Interest received of ₹ 0.04 Lakhs.

#### For the year ended on March 31, 2023

Net cash flow used in investing activities for the Fiscal 2023 was ₹ 4.29 Lakhs. This was primarily on account of purchase of Purchase of fixed assets ₹ 4.29 Lakhs and Investment in deposits of ₹ 0.10 Lakhs. This was partially offset by Interest received of ₹ 0.10 Lakhs.

### **Cash Flows from Financing Activities**

#### For the Stub period ended September 30, 2025

Net cash flow generated from financing activities for the stub period ended September 30, 2025 was ₹ 172.59 Lakhs. This was primarily on account of Proceeds from issue of share of ₹ 319.49 Lakhs. This was partially offset by repayment from long term borrowings of ₹ 81.23 Lakhs and Interest paid of ₹ 65.67 Lakhs.

#### For the year ended March 31, 2025

Net cash flow generated from financing activities for the Fiscal 2025 was ₹ 169.71 Lakhs. This was primarily on account of Proceeds from issue of share of ₹ 322.31 Lakhs, Minority Shareholders of ₹ 44.27 Lakhs. This was partially offset by repayment from long term borrowings of ₹ 96.75 Lakhs and Interest paid of ₹ 100.12 Lakhs.

#### For the year ended March 31, 2024

Net cash flow generated from financing activities for the Fiscal 2024 was ₹ 126.83 Lakhs. This was primarily on account of Proceeds from long term borrowings of ₹ 195.56 Lakhs. This was partially offset by Interest paid of ₹ 68.73 Lakhs.

#### For the year ended March 31, 2023

Net cash flow generated from financing activities for the Fiscal 2023 was ₹ 25.58 Lakhs. This was primarily on account of Proceeds from long term borrowings of ₹ 43.11 Lakhs. This was partially offset by Interest paid of ₹ 17.53 Lakhs.

### **RELATED PARTY TRANSACTIONS**

Related party transactions with certain of our promoter, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled “Restated Financial Statements” beginning on page 172 of this Draft Prospectus.

## **OFF-BALANCE SHEET ITEMS**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

## **QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS**

The Restated Financial Statements do not contain any qualifications which have not been given effect in the restated financial statements.

## **QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

### **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 longterm debt obligations with floating interest rates. We manage our interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. For further information, see “Financial Indebtedness” on page 173.

### **Effect of Inflation**

We are affected by inflation as it has an impact on the salary, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

### **Credit Risk**

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from our receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. We assess the credit quality of the counterparties, taking into account their financial position, past experience and other factors. We limit exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month’s operational costs. We review the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

### **Liquidity risk**

Liquidity risk is the risk that we will not be able to meet our financial obligations as they become due. We manage liquidity risk by ensuring, that we will always have sufficient liquidity to meet our liabilities when due.

## **OTHER MATTERS**

### **Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution**

Except as disclosed in chapter titled “Restated Financial Statements” beginning on page 172 of this Draft Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

### **Material Frauds**

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

### **Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered “unusual” or “infrequent”.

### **Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations**

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 our income from continuing operations identified above in ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations -Significant factors affecting our financial condition and results of operations’ and the uncertainties described in ‘Risk Factors’ on pages 28 and 28 respectively.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, beginning on page 28 and 227 of this Draft Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### **Future relationship between Costs and Income**

Other than as described in the section titled “Risk Factors” beginning on page 28 of this Draft Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### **The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices**

Changes in revenue in the last three financial years are as explained in the part “Financial Year 2024-25 compared with financial year 2023-24 and Financial Year 2023-24 compared with Financial Year 2024-23” above.

### **Total turnover of industry segments**

Our Company is engaged into manufacturing and trading of textile auxiliaries chemicals. Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page 113 of this Draft Prospectus.

### **Significant dependence on a single or few Suppliers or Customers**

Significant proportion of our total revenue have historically been derived from a limited number of Customers. The % of Contribution of our Customers vis a vis the revenue from operations for the period ended September 30, 2025 and for financial years ended March 31, 2025, 2024 and 2023 are as follows:

<b>Period</b>	<b>Revenue from Largest Customer (₹ in Lakhs)</b>	<b>% Contribution of largest customer to revenue from operations</b>	<b>Revenue from Top 5 Customers (₹ in Lakhs)</b>	<b>% Contribution of top 5 to revenue from operations</b>
<b>September 30, 2025</b>	285.37	17.27%	565.83	34.24%
<b>Fiscal 2025</b>	393.93	16.59%	1035.84	43.61%
<b>Fiscal 2024</b>	241.73	23.80%	657.11	64.71%
<b>Fiscal 2023</b>	158.60	21.27%	557.24	74.72%

Significant proportion of our purchases have historically been derived from a limited number of suppliers. The % of Contribution of our supplier’s vis a vis the total purchases for the period ended September 30, 2025 and for the financial year ended March 31, 2025, 2024 and 2023 are as follows:

Particulars	Suppliers							
	For period ended September 30, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Purchase contribution	% of Purchase	Purchase contribution	% of Purchase	Purchase contribution	% of Purchase	Purchase contribution	% of Purchase
<b>Top 1</b>	193.28	14.69%	495.82	18.56%	290.11	28.89%	184.95	29.32%
<b>Top 3</b>	510.45	38.80%	1,017.13	38.07%	705.81	70.30%	427.21	67.73%
<b>Top 5</b>	745.34	56.66%	1,279.31	47.88%	971.84	96.79%	507.10	80.40%
<b>Top 10</b>	931.60	70.82%	1,698.37	63.57%	1,002.42	99.84%	582.82	92.40%

#### **Status of any publicly announced new products or business segments**

Please refer to the chapter titled “*Our Business*” beginning on page 126 of this Draft Prospectus for new products or business segments.

#### **The extent to which the business is seasonal**

Our business is not seasonal in nature.

#### **Competitive Conditions**

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Our Business*” beginning on pages 113 and 126 respectively of this Draft Prospectus.

## SECTION VIII- LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Draft Prospectus, there are no outstanding: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action; or (v) details of any other pending material litigation (as defined below); involving our Company, its Directors and Promoters (collectively, the “**Relevant Parties**”) (vi) all criminal proceedings and actions taken by regulatory authorities and statutory authorities against such key managerial personnel and senior management of our Company.*

*As per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, all other pending civil litigations shall be classified as ‘material’ based on the lower of the threshold criteria mentioned below -*

*(a) 2 (two) percent of turnover, as per the latest restated consolidated financial statements (amounting to ₹ 33.05 Lakhs); or*

*(b) 2 (two) percent of net worth, except in case of the arithmetic value of the net worth is negative, as per the latest restated consolidated financial statements of the Company (amounting to ₹ 24.03 Lakhs); or*

*(c) 5 (five) percent of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements (amounting to ₹ 5.16 Lakhs);*

*Accordingly, our Board, in its meeting held on October 04, 2025 considering the aforesaid limits mentioned in clause (a) to (c) in consideration the lowest threshold in terms of value or expected impact as 5% (Five percent) of the average of absolute value of profit or loss as per the last three annual restated consolidated financial statements (disregarding the ‘sign’ (positive or negative) that denotes such value as the said value / figure) being ₹ 5.16 Lakhs. Accordingly, the other pending civil litigation shall be considered Material in the Issue Documents if: a) the aggregate amount involved in such individual litigation exceeds ₹ 5.16 Lakhs; or*

*b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 5% (Five percent) of the average value profit or loss after tax of the Company, as per the last three annual restated consolidated financial statements; or; or*

*c) any such litigation the monetary liability is not quantifiable, or which does not fulfill the threshold specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the Business, Operations, Performance, Prospects, Financial position or reputation of our Company. The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5% (Five percent) of the trade payables of the Company as per the last audited financial statements of the Company included in the Draft Issue Document and Issue Document.*

*All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.*

#### A. LITIGATION INVOLVING THE COMPANY

##### (a) Criminal proceedings against the Company

As on the date of this Draft Prospectus, there are no pending Criminal Proceeding filed against the Company.

##### (b) Criminal proceedings filed by the Company

As on the date of this Draft Prospectus, there are no pending Criminal Proceeding filed by the Company.

##### (c) Other pending material litigations against the Company

As on the date of this Draft Prospectus, there are no other pending material litigation filed against the Company.

**(d) Other pending material litigations filed by the Company**

As on the date of this Draft Prospectus, there are no other pending material litigation filed by the Company.

**(e) Actions by statutory and regulatory authorities against the Company**

As on the date of this Draft Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

**B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY**

**(a) Criminal proceedings against the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the Company.

**(b) Criminal proceedings filed by the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated by the Promoters & Directors of the Company.

**(c) Other pending material litigations against the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no other pending material litigations against the Promoters & Directors.

**(d) Other pending material litigations filed by the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no other pending material litigations filed by the Promoters & Directors.

**(e) Actions by statutory and regulatory authorities against the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no outstanding actions initiated by the statutory and regulatory authorities against the Promoters & Directors.

**(f) Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action**

As on the date of this Draft Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoters, nor any penalties have been imposed in the last five years.

**C. LITIGATIONS INVOLVING THE SUBSIDIARY COMPANIES OF THE COMPANY**

**(a) Criminal proceedings against the subsidiary companies of the Company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated against the subsidiary companies of the company.

**(b) Criminal proceedings filed by the subsidiary companies of the Company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated by the subsidiary companies of the company.

**(c) Other pending material litigations against the subsidiary companies of the Company**

As on the date of this Draft Prospectus, there are no outstanding litigations initiated against the subsidiary companies, which have been considered material by the Company in accordance with the Materiality Policy.

**(d) Other pending material litigations by the subsidiary companies of the Company**

As on the date of this Draft Prospectus, there are no outstanding litigations initiated by the subsidiary companies, which have been considered material by the Company in accordance with the Materiality Policy.

**(e) Actions by statutory and regulatory authorities against the subsidiary companies of the Company**

As on the date of this Draft Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the subsidiary companies of the Company.

**D. LITIGATIONS INVOLVING THE GROUP COMPANY OF THE COMPANY**

**(a) Criminal proceedings against the group company of the company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated against the group company of the company.

**(b) Criminal proceedings filed by the group company of the company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated by the group company of the company.

**(c) Other pending material litigations against the group company of the company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated by the group company of the company.

**(d) Other pending material litigations by the group company of the company**

As on the date of this Draft Prospectus, there are no outstanding litigations initiated by the group company, which have been considered material by the Company in accordance with the Materiality Policy.

**(e) Actions by statutory and regulatory authorities against the group company of the company**

As on the date of this Draft Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group company.

**E. TAX PROCEEDINGS**

**(Rs. In Lakhs)**

Name of Proceedings	Number of Cases	Amount involved (Rs. in lakhs)	Status (Description)
<b>of the Issuer Company</b>			
Direct Tax (Income Tax)	Nil	Nil	Nil
Direct Tax (TDS)	3	0.21	The TRACES portal indicates TDS defaults linked to Vahh Chemicals Limited. (PAN – AAHCV2144C), amounting to a total outstanding liability of ₹ 0.21 Lakhs. (i) For Financial Year 2021-22, the processed demand of ₹ 720.00. (i) For Financial Year 2022-23, the processed demand of ₹4,880.00. (i) For Financial Years 2023-24, the processed demand of ₹ 15,560.00 bringing the total to ₹ 21,160.00 or ₹ 0.21 Lakhs.

Indirect Tax (GST)	Nil	Nil	Nil
<b>Of the Directors</b>			
<b>Hetal Hirenbbhai Desai</b>			
Direct Tax (Income Tax)	1	19.64	Outstanding demand for the Assessment Year 2019 of ₹ 18,02,100 demand with Accrued Interest of Rs. 1,62,189 was raised on February 24, 2025 under section 147 bringing to a total amount of ₹ 19,64,289 or ₹ 19.64 Lakhs under the Income Tax Act, 1961.
E-Proceeding	1	-	A Penalty Proceeding and First Appeal Proceeding is open for the AY 2019-20.
<b>Hiren Indravadan Desai</b>			
Direct Tax (Income Tax)	1	0.54	Outstanding demand for the Assessment Year 2019 of ₹ 31,070 as the outstanding demand amount with ₹ 22,900 as Accrued interest totalling Outstanding demand of ₹ 53,970 or ₹ 0.54 (Approx) Lakhs was raised on July 23, 2020 under section 1431a of the Income Tax Act, 1961.
Direct Tax (TDS)	2	0.20	The TRACES portal indicates TDS defaults linked to Hiren Indravadan Desai (Proprietor of M/s. Vedant Chemicals/Nutrition) for (i) Financial Year 2019-20, the processed demand of ₹ 2,650.00. (ii) For Financial Year 2018-19, the processed demand of ₹17,230.00. bringing the total to ₹ 19,880.00 or ₹ 0.20 Lakhs.
<b>Of the Material Subsidiary Company</b>			
<b>HSBS Nutraceutical Limited</b>			
Direct Tax (Income Tax)	Nil	Nil	Nil
Direct Tax (TDS)	4	0.57	The TRACES portal indicates TDS defaults linked to HSBS Nutraceuticals Limited (PAN – AAFCH1207C), (i) For Financial Year 2019-20, the processed demand of ₹ 30.00. (ii) For Financial Year 2022-23, the processed demand of ₹10,950.00. (iii) For Financial Years 2023-24, the processed demand of ₹ 6,190.00. For (iv) Financial Year 2024-25, the processed demand of ₹40,820.00 bringing the total to ₹ 57,990.00 ₹ 0.57 Lakhs.

Indirect Tax (GST)	Nil	Nil	Nil
<b>Of Group Company</b>			
Vedant Nutraceutical Limited			
Direct Tax (Income Tax)	1	0.04	Outstanding demand for the Assessment Year 2020 of ₹ 4,109, as a final interest was raised on December 18, 2021 under section 1431a of the Income Tax Act, 1961.
E-Proceeding (Income Tax)	1	-	A Defective Notice under section 139(9) for the Assessment year 2024-25 has been communicated on November 22, 2024.
Direct Tax (TDS)	2	0.07	The TRACES portal indicates TDS defaults linked to Vedant Nutraceuticals Limited (PAN – AAHCV2096D), amounting to a total outstanding liability of ₹ 0.07 Lakhs. (i) For Financial Year 2022-23, the processed demand of ₹3,940.00 and (ii) For Financial Years 2023-24, the processed demand of ₹ 3,510. bringing the total to ₹ 7,450 or ₹ 0.07 Lakhs.
Indirect Tax (GST)	Nil	Nil	Nil

**F. PROCEEDINGS INVOLVING THE KEY MANAGERIAL PERSONNEL (KMPs EXCLUDING MANAGING DIRECTOR AND WHOLE TIME DIRECTOR) AND SENIOR MANAGERIAL PERSONS (SMPs) OF OUR COMPANY**

**(a) Criminal proceedings against the KMPs and SMPs**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings filed against the Key Managerial Personnel and Senior Management Personnel of our Company

**(b) Criminal proceedings filed by the KMPs and SMPs**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings filed by the Key Managerial Personnel and Senior Management Personnel of our Company.

**(c) Actions by statutory and regulatory authorities against the KMPs and SMPs**

As on the date of this Draft Prospectus, there are no statutory and regulatory authorities against the Key Managerial Personnel and Senior Management Personnel of our Company.

**F. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

In accordance with our Company's materiality policy dated October 04, 2025 below are the details of the Creditors where there are outstanding amounts as on September 30, 2025:

(₹ in lakhs)		
Type of Creditors	Number of Creditors	Amount involved
A. Micro, small and medium enterprises	15	1,361.68
B. Other Creditors	37	591.81

Type of Creditors	Number of Creditors	Amount involved
Total (A+B)	52	1,953.49
C. Material creditors	6	1,621.80

The details pertaining to net outstanding dues towards our material creditors as on September 30, 2025 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.vahhchemicals.com](http://www.vahhchemicals.com). It is clarified that such details available on our website do not form a part of this Draft Prospectus.

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled “Management’s Discussion & Analysis of Financial Conditions & Results of Operations” beginning on page 227 of this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

## GOVERNMENT AND OTHER APPROVALS

*Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

*For details in connection with the regulatory and legal framework within which we operate, see the section titled “Key Industrial Regulations and Policies” at page 140 of this Draft Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.*

### I. APPROVALS FOR THE ISSUE

The following approvals have been obtained in connection with the Issue:

#### Corporate Approvals:

- a) The Board of Directors have, pursuant to applicable provisions of the Companies Act, 2013, by a resolution passed at its meeting held on October 04, 2025, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to applicable provisions of the Companies Act, 2013, by a Special Resolution passed in the Extra Ordinary General Meeting held on October 04, 2025 authorized the Issue.
- c) Our Board approved the Draft Prospectus pursuant to its resolution dated December 03, 2025.

#### Approval from the Stock Exchange:

In-principle approval dated [●] from BSE for using the name of the Exchange in the offer documents for listing of the Equity Shares on SME Platform of BSE, issued by our Company pursuant to the Issue.

#### Agreements with NSDL and CDSL:

- a) The company has entered into an agreement dated March 19, 2025 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Kfin Technologies Limited for the dematerialization of its shares.
- b) Similarly, the Company has also entered into an agreement dated March 10, 2021 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited (formerly known as Kfin Technologies Private Limited).
- c) The International Securities Identification Number (ISIN) of our Company is INE0H3U01013.

#### Lenders’ NOC

Lenders’ NOC for the Issue:

- 1. No Objection Certificate (NoC) dated October 15, 2025, received from UCO Bank Limited.

### II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

Sr. No.	Nature of Registration	Certificate is in the name of	CIN	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation of 'Vahh Chemicals Limited'	Vahh Chemicals Limited	U24110GJ2019PLC111346	The Companies Act, 2013	Asst. Registrar of Companies, Central Registration Centre (CRC)	December 11, 2019	Valid Until Cancelled

### III. OTHER APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

#### A. TAX RELATED APPROVALS:

Sr. No.	Description	Certificate is in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Vahh Chemicals Limited	AAHCV2144C	Income Tax Act, 1961	Income Tax Department, Government of India	December 11, 2019	Valid Until Cancelled
2.	Tax Deduction Account Number (TAN)	Vahh chemicals Limited	SRTV06569D	Income Tax Act, 1961	Income Tax Department, Government of India	Not Available	Valid Until Cancelled
3.	Certificate of Registration under Goods and Services Tax	Vahh Chemicals Limited	24AAHCV2144C1ZR	Gujarat Goods and Services Tax Act, 2017	Gujarat State Goods and Services Tax Authority	January 23, 2020 w.e.f. January 02, 2020	Valid Until Cancelled
4.	Registration under Professional Tax Enrolment Certificate (PTEC) for 02A/04 – A/1 P.P., Office No. 503, World Trade Center,	Vahh Chemicals Limited	PEC03CZ00125104	Gujarat State Tax on Professions, Trades, Calling and Employment s Act, 1976	Surat Municipal Corporation	Not Available	Valid Until Cancelled

Sr . No	Description	Certificate is in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Ring Road, Surat						
5.	Registration under Professional Tax Registration Certificate (PTRC) for 02A/04 – A/1 P.P., Office No. 503, World Trade Center, Ring Road, Surat	Vahh Chemicals Limited	PRC03CZ00025921	Gujarat State Tax on Professions, Trades, Calling and Employment s Act, 1976	Surat Municipal Corporation	Not Available	Valid Until Cancelled

#### B. BUSINESS OPERATIONS RELATED APPROVALS:

Sr . No	Description	Certificate is in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Udyam Registration Certificate	Vahh Chemicals Limited	UDYAM-GJ-22-0109921	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	December 01, 2021	Valid Until Cancelled
2.	Legal Metrology Registration Certificate	Vahh Chemicals Limited	Certificate Number: 3356428/SUR/2024/01	The Legal Metrology Act, 2009	Jr. Inspector of Legal Metrology & Consumer Protection, Div-3 Surat	December 25, 2024	December 25, 2025
3.	Legal Entity Identifier (LEI) Certificate	Vahh Chemicals Limited	9845003CB8943EAE0870	Reserve Bank of India	Legal Entity Identifier India Limited	Latest Renewal Date: June 14, 2025	June 14, 2026

#### C. LABOUR LAW RELATED APPROVALS:

Sr. No	Description	Certificate is in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Registration under Employees' Provident Funds	Vahh Chemicals Limited	SRSRT2287249000	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	January 25, 2021	Valid until Cancelled
2.	Employees' State Insurance Registration	Vahh Chemicals Limited	39000622550001099	Employees' State Insurance Act, 1948	Employees' State Insurance Corporation	Not Available	Valid until Cancelled
3.	Shops & Establishments Registration Certificate for 02A, Office No. 5003, World Trade Centre, Ring Road, Surat Ring Road	Vahh Chemicals Limited	Intimation Receipt No.:IR / CZ / S / 2 / 22619	Gujarat Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2019	Shops & Establishments Department, Surat	May 10, 2021	Valid until Cancelled
4.	Shops & Establishments Registration Certificate for 02A/04-A/1, Paiki Office No. 5003, World Trade Centre, Ring Road, Surat Ring Road	Vahh Chemicals Limited	Intimation Receipt No.:IR / CZ / S / 2 / 94766	Gujarat Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2019	Shops & Establishments Department, Surat	August 18, 2025	Valid until Cancelled

#### D. QUALITY CERTIFICATIONS:

Sr. No	Nature of Registration	Certificate is in the name of	Issuing Authority	Certificate No.	Date of Issue	Date of Expiry
1.	ISO Quality Management System Certificate for the following Scope:  Manufacturing, Trading and Marketing of Chemical for Agriculture, Horticulture, Textile,	Vahh Chemicals Limited	VRS Certification Services Private Limited	ISO 9001:2015  Certificate No.: 3527SAFQ25	April 28, 2025	April 27, 2028

Sr. No	Nature of Registration	Certificate is in the name of	Issuing Authority	Certificate No.	Date of Issue	Date of Expiry
	Leather and Printing Industries					

**E. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:**

Sr. No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	vahhchemicals.com	GMO Internet Group, Inc. d/b/a Onamae.com	November 19, 2024	November 19, 2025

**F. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:**

a. Tax Related applications:


Sr. No.	Description	Applicable Law	Application Number	Date of Issue/Application	Status
1.	Application for registration in Professional Tax Enrollment Certificate (PTEC) for Plot No. 10, 11, 12, Ground Floor, Satarawadi, Nr Sosyo Circle, Udhna, Surat	Gujarat State Tax on Professions, Trades, Calling and Employments Act, 1976	Not Available	Not Available	Pending
2.	Application for registration in Professional Tax Enrollment Certificate (PTEC) for Plot No. 134, Ground Floor, Rupal Industrial Society-1, Nr Komal Enterprise Circle, Udhna, Surat	Gujarat State Tax on Professions, Trades, Calling and Employments Act, 1976	Not Available	Not Available	Pending
3.	Application for registration in Professional Tax Enrollment Certificate (PTEC) for 205, Bhidbhanjan Society, Nr BSNL Tower, Piyush Point, Pandesara, Surat	Gujarat State Tax on Professions, Trades, Calling and Employments Act, 1976	Not Available	Not Available	Pending
4.	Application for registration in Professional Tax Enrollment Certificate (PTEC) for 170/B, Bhidbhanjan Society, Nr BSNL Tower, Piyush Point, Pandesara, Surat	Gujarat State Tax on Professions, Trades, Calling and Employments Act, 1976	Not Available	Not Available	Pending

b. Labour related applications:

Sr. No.	Description	Applicable Law	Application Number	Date of Issue/Application	Status
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1.	Application for registration in Shops and Establishment Certificate for 170/B, Bhidbhanjan Society, Nr BSNL Tower, Piyush Point, Pandesara, Surat	The Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019	Not Available	November 05, 2025	Pending
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c. Intellectual Property related applications:

S r. N o.	Descrip tion	Certifi cate is in the name of	Application/Reg istration Number/Mark/ Label	Tradem ark Type	Clas s	Applic able Laws	Issuin g Autho rity	Date of Issue/Appli cation	Status
1.	Registr ation for Trade Mark	Vahh Chemi cals Limite d	6656609	Device: 	1	Trade Marks Act, 1999	Trade Mark Regist ry, Gujara t	October 05, 2024	Formal ities Chk Pass

**G. APPROVALS OR LICENSES PENDING YET TO BE APPLIED:**

Nil

**GOVERNMENT APPROVALS FOR THE MATERIAL SUBSIDIARY OF THE COMPANY**

**HSHS NUTRACEUTICALS LIMITED**

**A. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY**

Sr. No .	Nature of Registratio n	Certificate is in the name of	CIN	Applicab le Laws	Issuing Authority	Date of Certifica te	Date of Expiry
1.	Certificate of Incorporatio n of 'HSHS Nutraceutic als Limited'	HSHS Nutraceutic als Limited	U51909GJ2019PLC111 035	The Compani es Act, 2013	Central Registrati on Centre, Registrar of Companie s	Novembe r 28, 2019	Valid Until Cancell ed

**B. OTHER APPROVALS**

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

**1. TAX RELATED APPROVALS:**

Sr . No	Description	Certificate is in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	HSHS Nutraceuticals Limited	AAFCH1207C	Income Tax Act, 1961	Income Tax Department, Government of India	November 26, 2019	Valid Until Cancelled
2.	Tax Deduction Account Number (TAN)	HSHS Nutraceuticals Limited	SRTH04658D	Income Tax Act, 1961	Income Tax Department, Government of India	Not Available	Valid Until Cancelled
3.	Certificate of Registration under Goods and Services Tax, Gujarat	HSHS Nutraceuticals Limited	24AAFCH1207C1 ZD	Gujarat Goods and Services Tax Act, 2017	Gujarat State Goods and Services Tax Authority	January 23, 2020  w.e.f January 02, 2020	Valid Until Cancelled
4.	Certificate of Registration under Goods and Services Tax, Uttar Pradesh	HSHS Nutraceuticals Limited	09AAFCH1207C1 Z5	Uttar Pradesh Goods and Services Tax Act, 2017	Assistant Commissioner, Bhadohi Sector-3, Uttar Pradesh	October 08, 2021  w.e.f October 08, 2021	Valid Until Cancelled
5.	Registration under Professional Tax Enrollment Certificate (PTEC) for 02A/04 – A/1 P.P., Office No. 503, World Trade Center, Ring Road, Surat	HSHS Nutraceuticals Limited	PEC03CZ00125105	Gujarat State Tax on Professions, Trades, Calling and Employments Act, 1976	Professional Tax Officer, Surat Municipal Corporation	December 31, 2019	Valid Until Cancelled
6.	Registration under Professional Tax Registration	HSHS Nutraceuticals Limited	PRC03CZ00025922	Gujarat State Tax on Professions, Trades, Calling and	Professional Tax Officer, Surat	Not Available	Valid Until Cancelled

Sr . No	Description	Certificate is in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	n Certificate (PTRC) for 02A/04 – A/1 P.P., Office No. 503, World Trade Center, Ring Road, Surat			Employment Act, 1976	Municipal Corporation		

## 2. BUSINESS OPERATIONS RELATED APPROVALS:

Sr . No	Description	Certificate is in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Udyam Registration Certificate	HSHS Nutraceuticals Limited	UDYAM-GJ-22-0158581	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	June 14, 2022	Valid Until Cancelled
2.	Certificate of Importer-Exporter Code (IEC)	HSHS Nutraceuticals Limited	AAFCH1207C	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	September 23, 2020	Valid till Cancellation
3.	State License under Food Safety and Standard Authority of India	HSHS Nutraceuticals Limited	10720031000077	Food Safety and Standards Authority of India	Food and Drugs Control Administration	December 03, 2024	January 20, 2026
4.	Registration certificate under Legal Metrology	HSHS Nutraceuticals Limited	Certificate Number: 3386409/SUR/2025/01	The Legal Metrology Act, 2009	Legal Metrology Officer, Div-Surat DIV-3	January 30, 2025	January 30, 2026

### 3. LABOUR LAW RELATED APPROVALS:



Sr . No	Description	Certificate is in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Registration under Employees' Provident Funds	HSHS Nutraceuticals Limited	SRSRT2645258000	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	April 28, 2022	Valid until Cancelled
2.	Employees' State Insurance Registration	HSHS Nutraceuticals Limited	39000622550001099	Employees' State Insurance Act, 1948	Employees' State Insurance Corporation	April 27, 2022	Valid until Cancelled
3.	Intimation under Shops & Establishments for 02/A/04-A/1 Paiki Office No-5003, World Trade Centre, Ringroad, Surat, Gujrat	HSHS Nutraceuticals Limited	Intimation Receipt Number: IR/CZ/S/2/96119	Gujarat Shops & Establishments Act, 1948	Shops and Establishments Department	Intimation Date: October 10, 2025	Valid until Cancelled

### 4. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:

Sr. No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	<a href="http://www.divinenutrition.in">www.divinenutrition.in</a>	Name of Registrar: Endurance Digital Domain Technology Private Limited  IANA ID: 801217	August 12, 2016	August 12, 2027

### 5. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

Sr . No.	Description	Certificate is in the name of	Application/Registration Number/Mark/Label	Trade mark Type	Class	Applicable Laws	Issuing Authority	Date of Issue/Application	Status
	Registration for Trade Mark	Hiren I. Desai*	3398976	Device	5	Trade Marks Act, 1999	Trade Mark Registry,	August 31, 2019	Registered

							Gujarat		
 <b>Notes:*</b> The trademark “  ” was registered in the name of Mr. Hiren I. Desai, promoter and director of the company and through a Non-Objection Certificate (NoC) vide dated 01st July 2022, Mr. Hiren I. Desai has authorised the Material Subsidiary Company to use the said Intellectual Property without any special terms and conditions.									

**6. APPROVALS OR LICENSES PENDING TO BE APPLIED:**

The following approvals/licenses are yet to be applied by the Company:

a. Tax law-related application:

Sr. No.	Nature of Registration	Applicable Law	Authority	Status
1.	Registration under Professional Tax Enrollment Certificate (PTEC) for Plot No. 13, Ground Floor, Satarawadi, Nr Sosyo Circle, Udhna, Surat	Gujarat State Tax on Professions, Trades, Calling and Employments Act, 1976	Surat Municipal Corporation	Yet to Apply

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Under the current FDI Policy, 100% foreign direct investment is permitted in the other financial services sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “Issue Procedure – Applications by Eligible NRIs” and “Issue Procedure – Applications by FPIs” on page 281 respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “Issue Procedure” on page 286.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

The Equity Shares Issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be Issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being Issued and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those Issues, and sales occur.

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications 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 Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Application for do not exceed the applicable limits under laws or regulations.

*(Remainder page has been intentionally left blank)*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorized by our Board pursuant to its resolution dated October 04, 2025, and the Fresh Issue has been authorized by our Shareholders pursuant to their special resolution dated October 04, 2025. Our Board has approved the Draft Prospectus pursuant to its resolution dated December 03, 2025.

Our Company has received in-principle approvals from [●] for the listing of the Equity Shares pursuant to its letter dated [●].

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of the Promoter Group and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Promoter and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoter or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoter and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

Further, there are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issue.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

### Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### Prohibition by RBI

Neither our Company, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 242 of the Draft Prospectus.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Prospectus.

### Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post- offer face value paid-up capital would be less than or equal to ten crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange, in this case being SME Platform of BSE Limited (“BSE SME”). Further, our Company satisfies the track record and/or other eligibility conditions of the BSE SME.

We further confirm that:

- Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:
- Neither our Company, nor any of its Promoters, Promoter selling shareholders, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor any of our directors are Wilful Defaulters or a fraudulent borrower.
- There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the Company

Our Company is eligible in terms of Regulations 229 of SEBI ICDR Regulations for this Issue as:

- Regulation 229(1) – Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post offer paid-up capital shall be less than ₹ 1,000.00 Lakhs
- Regulation 229(2) - Our Company is eligible under Regulation 229(1) and hence it is not applicable.
- Regulation 229(3) - The Company has a track record of at least 3 years as on the date of this Offer Document and satisfies track record and other eligibility conditions of the BSE Limited
- Regulation 229(4) – Our Company incorporated as Private Limited Company in the year 2019 and hence in existence for at least one full financial year before the date of this Offer Document.
- Regulation 229(5) – Neither there is any change in our Promoters nor any new Promoter inducted (who have acquired more than fifty per cent of the shareholding) of our Company during the last 1 year from the date of this Prospectus.
- Regulation 229(6) – Our Company has operating profits (earnings before interest, depreciation and tax) of 1 crore from operations for at least 2 financial years out of 3 previous financial year as given below:

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Operating Profit (earnings before interest, depreciation and tax)	467.63	112.31	42.64

We further confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. *Please refer to the paragraph titled ‘Underwriting Agreement’ under the section titled ‘General Information’ on Page 58 of this Draft Prospectus*

1. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to fifty (50), failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws. If such money is not repaid within Four (4) Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of Four (4) Days, be liable to repay such application money, with an interest at the rate of fifteen per cent per annum and within such time as disclosed in the Offer document and LM shall ensure the same.
2. In terms of Regulation 246(3) and (5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Issue Documents along with a Due Diligence Certificate to which the site visit report issued by the LM shall also be annexed, including additional confirmations as required to SEBI at the time of filing the Issue Document with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Prospectus. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the Issue document.

3. Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filing in terms of sub-regulation (1) on the website of the SEBI, the Lead Manager and the BSE Limited.
4. In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the BSE SME. For further details of the arrangement of market making please refer to the paragraph titled 'Details of the Market Making Arrangements for this Issue' under the section titled "General Information" on page 58 of this Draft Prospectus.
5. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to Emerge platform of BSE Limited is the Designated Stock Exchange.
6. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialised of specified securities already issued and proposed to be issued.
7. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
8. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **BSE ELIGIBILITY NORMS**

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of BSE.

1. Our Company was originally incorporated on December 11, 2019 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Ahmedabad . Hence, our Company is in existence for a period of 3 years on the date of filing the Draft Prospectus with BSE SME.

2. **The post Offer paid up capital of the company (face value) shall be ₹ 830.59 Lakhs which is not more than ₹25.00 Crores:**

As on the date of this Draft Prospectus, the paid-up capital (face value) of the Company is ₹ 606.39 lakhs comprising of 60,63,868 Equity Shares and comprising a Fresh issue of up to 22,42,000 Equity Shares of Face Value ₹ 10 each at issue price of ₹53 per Equity Share including share premium of ₹ 43 per Equity Share aggregating to ₹ 1,188.26 lakhs. Hence, the Post Offer Paid up Capital will be less than ₹25.00 Crore.

3. The Company has a track record of at least 3 years as on the date of filing Draft Prospectus.
4. As on March 31, 2025, the Company has net tangible assets of ₹ 685.77 Lakhs is calculated as follows.

Particulars	₹ in Lakhs
Net Aseets	686.99
Less: Intangible Assets	1.22
<b>Net Tangible Assets</b>	<b>685.77</b>

5. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 2 financial years out of preceding three financial years and its net-worth as on Fiscal 2025 and Fiscal 2024 is at least ₹ 1 crore for 2 preceding full financial years.

(In ₹ Lakhs)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
PBT	368.22	49.32	24.00
Add: Depreciation	1.54	1.67	1.11
Add: Interest	97.87	61.32	17.53
<b>EBIDT</b>	<b>467.63</b>	<b>112.31</b>	<b>42.64</b>
Paid Share Capital	536.78	5.00	5.00
Reserves & Surplus	150.21	97.70	63.24
<b>Net worth</b>	<b>686.99</b>	<b>102.70</b>	<b>68.24</b>

6. The Leverage ratio (Total Debts to Equity) of the Company as on March 31, 2025 was 1.64 times which is less than the limit of 3:1 is calculated as follows:

Particulars	₹ in Lakhs
Long Term Borrowings	223.06
Short Term Borrowings	902.29
Total Borrowings (A)	1125.35
Networth (B)	<b>686.99</b>
Total Debts to Equity (A/B)	1.64

7. In case of the Company, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document: **Not Applicable**
8. In cases where there is a complete change of promoter of the Company or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file draft offer document only after a period of one year from the date of such final change(s): **Not Applicable**
9. The Company confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any Stock Exchange having nationwide trading terminals.
10. The Company further confirms that the Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither they are the promoters or directors of such companies on which the consequences of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of non-compliance and also the director of the Company are not disqualified / debarred by of the Regulatory Authority.
11. The Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
12. In case of name change within the last one year, at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by our Company from the activity indicated by our new name: **Not Applicable**
- Further, The Company confirms that there has not been any change in its name in last 1 year except pursuant to conversion of Company from private to public limited company.
13. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
14. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
15. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

16. There has been no change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment
17. The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval
18. The Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
19. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016
20. There is no winding up petition against The Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
21. The net worth computation is computed as per the definition given in SEBI ICDR Regulations
22. 100% of the Promoter's shareholding in the Company is in Dematerialised form
23. Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.
24. Our Company has a website i.e. [www.vahhchemicals.com](http://www.vahhchemicals.com)

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN ON FORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 03, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP**

**AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

**Disclaimer from our Company and the Lead Manager**

Our Company, our Promoter, our Directors and the Lead Manager accepts no responsibility for statements made otherwise than in this Draft 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 website, [ib.marwadichandaranagroup.com](http://ib.marwadichandaranagroup.com) would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager and our Company on October 17, 2025 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Applicants for any failure in uploading the Applications, due to faults in any software or hardware system, or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

**Disclaimer in respect of jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares Issued hereby, in any jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Kolkata, west bengal, India only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with SEBI for its observations.

Accordingly, the Equity Shares represented thereby may not be Issued or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under

any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Application for Equity Shares in the Issue unless that person has received the preliminary Issuing memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

#### **Disclaimer Clause of the BSE**

As required, a copy of this Draft Prospectus has been submitted to BSE SME. The disclaimer clause as intimated by BSE SME to our Company, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to the filing with the RoC.

#### **Disclaimer Clause under Rule 144A of The U.S. Securities Act, 1933**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those Issues and sales occur.

Accordingly, the Equity Shares are being Issued and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create 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 Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India

#### **Filing**

This Draft Prospectus is being filed with the BSE SME, where the Equity Shares are proposed to be listed at BSE Limited is located at the Mumbai, Maharashtra.

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Draft Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Draft Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC Office situated at Ahmedabad, Gujarat.

#### **Listing**

Application will be made to the SME Platform of BSE Limited (“BSE SME”) for obtaining permission to deal in and for an official quotation of our Equity Shares. SME Platform of BSE Limited (“BSE SME”) is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

Our Company has received an In-principle Approval letter dated [●] from [●] for using its name in this Issue document for listing our shares on the [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Draft Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e.; from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three Working Days from the Issue Closing Date.

### **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Senior Managerial Personnel (SMP), Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue, Market Maker to the Issue have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Company has received written consent dated December 03, 2025 from the Peer Reviewed Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated December 03, 2025 on our restated financial information; and (ii) its report dated December 03, 2025 on the statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

### **Experts**

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

Our company has received a written consent dated December 03, 2025 from our Statutory Auditor, namely ACG & CO., Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus/ Prospectus, and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated December 03, 2025 for the period ended September 30, 2025 and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 on the restated financial statements (b) report dated December 03, 2025 on the statement of possible tax benefits available to our Company and its Shareholders.

Additionally, our company has also received a written consent dated December 01, 2025 from Chartered Engineer, namely M/s Bhavin R Patel in their capacity as Chartered Engineer, in connection with purchase of new machinery to include their name as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus/ Prospectus, and as an “Expert” as defined under section 2(38) read with Section 26(5) of the Companies Act, 2013 (and not under the U.S. Securities Act).

The consent has not been withdrawn as of the date of this Draft Prospectus.

### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:**

***“Any person who-***

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

- b) *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

#### **Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects**

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Prospectus, further for details in relation to right issue made by our Company during the five years preceding the date of this Draft Prospectus, please refer to section titled “*Capital Structure*” on page 67 of this Draft Prospectus.

#### **Commission or brokerage on previous issues of the Equity Shares in the last five years**

Since this is the initial public Issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for the last five years by our Company.

#### **Particulars regarding capital issues in the preceding three years**

Except as disclosed in the section titled “*Capital Structure*” on page 67, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Prospectus. Further, our Company does not have any listed group companies. Further, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Prospectus.

Certain debt securities of Our Company are listed. For further details, see “*Financial Indebtedness*” on page 173.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUED HANDLED BY THE LM:**

Sr . No.	Financial Year	Issue Name	Issue Size (₹ in Crores)	Issue Price (₹)	Listing date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, [+/- % Change in Closing Benchmark]- 30th Calendar Days from the Listing Day	+/- % Change in Closing Price, [+/- % Change in Closing Benchmark]- 90th Calendar Days from the Listing Day	+/- % Change in Closing Price, [+/- % Change in Closing Benchmark]- 180th Calendar Days from the Listing Day
<b>SME Board</b>									
1.	2024-25	Hamps Bio Limited	6.22	51.00	December 20, 2024	96.90	-34.39 (-1.24)	-53.75 (-3.32)	-60.28 (4.36)

Sr . N o.	Financial Year	Issue Name	Issue Size (₹ in Crores)	Issue Price (₹)	Listing date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, [+/- % Change in Closing Benchmark k]- 30th Calendar Days from the Listing Day	+/- % Change in Closing Price, [+/- % Change in Closing Benchmark k]- 90th Calendar Days from the Listing Day	+/- % Change in Closing Price, [+/- % Change in Closing Benchmark k]- 180th Calendar Days from the Listing Day
2.	2024-25	Kabra Jewels Limited	40.00	128.00	January 22, 2025	243.20	-47.13 (70.16)	-45.96 (4.19)	-56.81 (7.83)
3.	2025-26	N R Vandana Tex Industries Limited	27.89	45.00	June 04, 2025	45.00	-10.53 (3.19)	-3.89 (0.02)	-
4.	2025-26	Monica Alcobev Limited	165.63	286.00	July 23, 2025	288.00	-0.35 (-0.88)	3.09 (1.98)	-
5.	2025-26	Sampat Aluminium Limited	30.53	120.00	September 24, 2025	120.00	-31.30 (3.48)	-	-
6.	2025-26	Mother Nutri Foods Limited	39.59	117.00	December 03, 2025	118.40	-	-	-
<b>Main Board - Nil</b>									

Notes:

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**Summary statement of price information of past issues handled by Marwadi Chandarana Intermediates Brokers Private Limited:**

Financial Year	Total No of IPOs	Total Funds Raised (₹ Cr)	Nos of IPOs trading at discount as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at discount as on the 180 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 180 <sup>th</sup> 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 %
SME Board														

Financial Year	Total No of IPOs	Total Funds Raised (₹ Cr)	Nos of IPOs trading at discount as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at discount as on the 180 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 180 <sup>th</sup> 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 %
2025-26	4	263.64	-	-	2	-	-	1	-	-	-	-	-	-
2024-25	2	46.22	-	2	-	-	-	-	-	-	-	-	-	-
2023-24	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Main Board – Nil</b>														

For details regarding the track record of the Marwadi Chandarana Intermediaries Brokers Private Limited Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of [ib.marwadichandaranagroup.com](http://ib.marwadichandaranagroup.com)

#### Stock market data of the Equity Shares

As the Issue is the initial public Issuing of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

#### Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the Self Certified Syndicate Banks (“SCSBs”) for addressing any clarifications or grievances of application supported by blocked amount (“ASBA”) Applicants.

**Applicants can contact the Company Secretary and Compliance Officer, the LM and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Applicants may also write to the LM, in the manner provided below.**

All Issue related grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary, with whom the Application Form was submitted giving full details such as name of the sole or First Applicant, Application Form number, Applicant’s DP ID, Client ID, Unified Payments Interface Identity (“UPI ID”), Permanent Account Number (“PAN”), address of Applicant, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Applicants who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

For Issue-related grievances, investors may contact the LM, details of which are given in “General Information – Lead Manager” on page.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration

of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (“SEBI ICDR Master Circular”) and the circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“March 2021 Circular”), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Applicants for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non-allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Applicant whose Application 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, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the circular March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Applications made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / deleted applications	₹100 per day or 15% per annum of the Application Amount, whichever is higher	From the date on which the request for cancellation / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Application made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Application Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Application Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Application Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Application Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Application Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the LM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Application Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Applications submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue.

#### Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on October 16, 2024. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management*” beginning on page 153 of this Draft Prospectus.

The members of the Stakeholders’ Relationship Committee are:

Name of Director	Position in the Committee	Designation
Dhairya Bharat Tulsiani	Chairman	Independent Director
Jigar Kamlesh Vyas	Member	Independent Director
Aayush Hiren Desai	Member	Whole-Time Director

The Company Secretary of our Company shall serve as the secretary of the Stakeholders’ Relationship Committee.

**Our Company has appointed Shivani Parth Kothari, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Shivani Parth Kothari**

**Address:** Plot 2/5198 ETC, 5th Floor, 5003,

World Trade Centre, Near Udhna Darawaja,

Ring Road, Surat– 395002, Gujarat, India

**Telephone No.:** +91 26 1234 4045

**E-mail:** [info@vahnchemicals.com](mailto:info@vahnchemicals.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

## **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## SECTION IX: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act 2013, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MOA, the AOA, the SEBI Listing Regulations, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges (BSE), the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority, as in force on the date of the Issue and to the extent applicable.*

#### Authority for the Issue

The present Issue of 22,42,000 Equity Shares for cash at a price of ₹ 53 each, aggregating up to ₹ 1,118.26 lakhs comprising of a fresh issue which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on October 04, 2025 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on October 04, 2025 in accordance with the applicable provisions of the Companies Act, 2013.

#### Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “Main provisions of the Articles of Association” on page 318 of this Draft Prospectus.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable laws including guidelines or directives that may be issued by the GoI in this respect and as recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “Dividend Policy” on page 171 of this Draft Prospectus.

#### Face Value and Issue Price

The Face Value of each Equity Share is ₹ 10/- each and the Issue Price is ₹ 53 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “Basis for Issue Price” beginning on page no. 100 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

#### Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive Issues for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Main Provisions of the Articles of Association*”, beginning on page 318 of this DP.

#### **Allotment only in dematerialised form**

As per the provisions of the Depositories Act, 1996 and in terms of Section 29(1) of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form, i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. As per the existing SEBI ICDR Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 10, 2021 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 19, 2025 between CDSL, our Company and Registrar to the Issue.

**Furnishing the details depository account is mandatory and applications without a depository account shall be treated as incomplete and rejected.**

#### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI (Amended) Regulations, 2025, our Company shall ensure that the minimum application size shall be two (2) lots per application, provided that minimum application size shall be above Rs.2,00,000 (Rupees Two Lakh). The issuer shall invite applications in multiples of the lot size.

The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by the SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

#### **Minimum Number of Allotees**

In accordance with the Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 2 working days of closure of issue.

#### **Joint Holders**

Subject to the provisions of the AOA, 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.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Gujarat.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States, except pursuant to an**

**exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications 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 Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

#### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Share capital and Promoter's minimum contribution under the SEBI ICDR Regulations as provided in "Capital Structure", beginning on page 67 of this DP and except as provided under the AOA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AOA. For details, see "Main Provisions of the Articles of Association", beginning on page 318 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable*

laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two (2) working days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) working day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company in consultation with the LM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus/ Prospectus with the Stock Exchange.

### Issue Programme

<b>ISSUE OPENS ON</b>	<b>[●]</b>
<b>ISSUE CLOSES ON</b>	<b>[●]<sup>(1) (2)</sup></b>
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment/ refunds/unblocking of funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares	On or about [●]

*Note:*

(1) Our Company shall, in consultation with the Lead Manager, consider closing the Issue Period for QIBs one Working Day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations.

(2) UPI mandate end time and date shall be at 4.00 p.m. on the Issue Closing Date.

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Investor shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges 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 blocked funds other than the original application amount shall be instantly revoked and the Investor shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the different amount (i.e., the blocked amount less the Application Amount) shall be instantly revoked and the Investor shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non allotted/ partially allotted Applications, exceeding three Working Days from the Issue Closing Date, the Investor shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding three Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Investor 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, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, , SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI master circular no.

SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

**The above timetable is indicative and does not constitute any obligation or liability on our Company or the LM.**

**While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such period of the Issue Closing Date, as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Issue Period by our Company in consultation with the LM, revision of the Issue price or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. 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.** In terms of the UPI Circulars, in relation to the Issue, the LM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three working days from the Issue 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 Applications:**

<b>Issue Period (except the Issue Closing Date)</b>	
Submission and Revision in Applications	Only between 10.00 a.m. and 4.00 p.m. IST
<b>Issue Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For IBs other than QIBs and NIIs	Only between 10.00 a.m. and 4.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Application Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and 3:00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and 1:00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Application Amount is more than ₹0.50 million)	Only between 10.00 a.m. and 12:00 p.m. IST
<b>Modification/ Revision/cancellation of Applications</b>	
Upward Revision of Applications by QIBs and Non-Institutional Applicants categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Issue Closing Date
Upward Revision of Applications of Applications by IBs	Only between 10.00 a.m. and up to 4:00 p.m. IST

*\*UPI mandate end time and date shall be at 4.00 pm on Issue Closing Date.*

*# QIBs and Non-Institutional Applicants can neither revise their Applications downwards nor cancel/withdraw their Applications.*

#### **On the Issue Closing Date, the Applications shall be uploaded until:**

4.00 p.m. IST in case of Applications by QIBs, Non-Institutional Applicants and Individual Investors.

On Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Applications received by Individual Applicants, after taking into account the total number of Applications received and as reported by the LM to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled / deleted applications to the SCSB's on daily basis within 60 minutes of the Application closure time from the Issue Opening Date till the Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the LM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Applications.

**It is clarified that Applications not uploaded on the electronic bidding system or in respect of which the full Application 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 Applications on the Issue Closing Date, Applicants are advised to submit their Applications one day prior to the Issue Closing Date, and in any case no later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public Issueings in India, it may lead to some Applications not being uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under this Issue. Applications and any revision to the Applications, will be accepted only during Working Days, during the Issue Period. Applications will be accepted only during Monday to Friday (excluding any public holiday), during the Issue period. None among our Company or the Member of the Syndicate shall be liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or blocking of application amount by the SCSBS on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In accordance with SEBI ICDR Regulations, QIBs, Non-Institutional Applicants and Individual Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Application Form, for a particular Applicant, the details of the Application file received from the Stock Exchanges may be taken as final the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

In case of any revision to the Issue Price, the Issue Period will be extended by at least three additional working days following such revision, subject to the Issue Period not exceeding ten working days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period for a minimum of one working day, subject to the Issue Period not exceeding ten working days. Any revision in the Issue Price, and the revised Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice and also by indicating the change on the respective websites of the LM and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs"), other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of a revision of the Issue Price, the Application lot shall remain the same.

### **Minimum Subscription**

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be 100% underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 2,00,000 (Rupees Two Lakh) per application.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within two working days from the closure of the issue. If there is a delay beyond such time, our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.

The minimum number of allottees in this Issue shall be Two Hundred (200) shareholders. In case the minimum number of prospective allottees is less than Two Hundred (200), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 2,00,000 (Rupees Two Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018 read with SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable, our Company may migrate to the Main Board of the BSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulations read with SEBI ICDR (Amendment) Regulations, 2025, where the post-Issue paid up capital of the Company listed on the BSE SME is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of Rights Issue, Preferential Issue, Bonus Issue etc. the Company shall migrate its equity shares listed on a SME Platform to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of Equity Shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless –

- a) the shareholders have approved the migration by passing a Special Resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-Issue paid-up capital pursuant to further issue of capital including by way of Rights Issue, Preferential Issue, Bonus Issue, is likely to increase beyond ₹ 25 crores, the Company may undertake further issuance of capital without migration from SME Exchange to the Main Board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the Main Board of the Stock Exchange(s).

If the Paid-Up Capital of the Company is more than ₹10 crores but below ₹25 crores, the Company may still apply for migration to the Main Board if the same has been approved by a Special Resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than Promoter Shareholders against the proposal.

In continuation to Exchange Notice No. 20231124-55 dated November 24, 2023, and Media release dated August 11, 2025; BSE has amended its criteria for SME companies seeking migration to Main Board in Notice No. 20250820-11 dated August 20, 2025 issued in the BSE, applicable with effect from the date of Media release i.e. August 11, 2025.

The revised Migration Policy is provided herein below:

<b>Sr No.</b>	<b>Details</b>	<b>Unified Eligibility Criteria</b>
1.	<b>Paid up capital</b>	At least Rs. 10 Crores
2.	<b>Market Capitalization</b>	<b>Average of 6 months market cap</b> <b>Migration: Rs. 100 Crores</b>

		<p><b>Direct listing:</b> Rs. 1000 Crores</p> <p><i>Note: For the purpose of calculating the average market cap., the aggregate of daily market cap on the days the scrip has traded, shall be divided by the total no. of trading days during the said 6 months period.</i></p>
3.	<b>Market Liquidity</b>	<p>At least 5% of the weighted average number of shares listed should have been traded during such six months' period</p> <p>Trading on at least 80% of days during such 6 months period</p> <p>Minimum average daily turnover of Rs. 10 lacs and minimum daily turnover of Rs. 5 lacs during the 6 months period</p> <p>Minimum Average no. of daily trades of 50 and minimum daily trades of 25 during the said 6 months period</p> <p><i>Note: For the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period.</i></p>
4.	<b>Operating Profit (EBIDTA)</b>	<p><b>Average of Rs. 15 Crores.</b> on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, <b><u>with a minimum of Rs. 10 Crores in each of the said 3 years.</u></b></p> <p>In case of name change within the last one year, at least <b>50%</b> per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.</p>
5.	<b>Networth</b>	<b>Rs. 1 Crore</b> - in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis.
6.	<b>Net Tangible Assets</b>	<p><b>At least Rs. 3 Crores</b> on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:</p> <p>Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project.</p>
7.	<b>Promoter Holding</b>	<p><b>At least 20%</b> at the time of making application.</p> <p>For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement.</p> <p>Not applicable to companies that have sought listing through IPO, without identifiable promoters.</p>
8.	<b>Lock-in of Promoter/ Promoter Group shares</b>	<p><b>6 months</b> from the date of listing on the BSE.</p> <p>Not applicable to SME companies migrating to Main Board.</p>
9.	<b>Regulatory Action</b>	<p>No SEBI debarment orders is continuing against the Company, any of its promoters, promoter groups or directors or any other company in which they are promoter/ promoter group or directors at the time of application</p> <p>The company or any of its promoters or directors is not a willful defaulter or a fraudulent borrower.</p> <p>Promoters or directors are not fugitive economic offender.</p> <p>The company is not admitted by NCLT for winding up under IBC pursuant to CIRP</p> <p>Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.</p>
10.	<b>Promoter shareholding Compliance</b>	100% in demat form

11.	<b>Compliance with LODR Regulations</b>	3 years track record with no pending non-compliance at the time of making the application.
12.	<b>Track record in terms of Listing</b>	Listed for at least 3 years
13.	<b>Public Shareholder</b>	Minimum 1000 as per latest shareholding pattern
14.	<b>Other Parameters</b>	No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group/promoting company(ies), Subsidiary Companies Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME. Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application. 2 months cooling off from the date the security has come out of T- To-T category or date of graded surveillance action/measure.
15.	<b>Score ID</b>	No pending investor complaints on SCORES.
16.	<b>Business Consistency</b>	Line of business for 3 years at least 50% of the revenue from operations from such line of business.
17.	<b>Audit Qualification</b>	No audit qualification w.r.t. going concern or any material financial implication and audit qualification is continuing at the time of application.

**Notes:**

1. Words and expressions used hereinabove shall have the same meaning as assigned to them in the SEBI (ICDR) Regulations, 2018
2. Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
3. The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
4. If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
5. The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange.

Further, if the post-issue paid-up capital pursuant to further issue of capital including by way of Rights Issue, Preferential Issue, Bonus Issue, is likely to increase beyond ₹ 25 crores, the Company may undertake further issuance of capital without Migration from SME Exchange to the Main Board, subject to the Company undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the Stock Exchange(s).

#### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 2000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited i.e. BSE SME.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be Issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided

that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

#### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 58 of this Draft Prospectus.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## ISSUE STRUCTURE

*This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Issue paid up capital is less than ₹ 10 crores, shall Issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an Issue, please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page no. 273 and 286 respectively of this Draft Prospectus.*

### Issue Structure:

The present initial public Issue is 22,42,000 Equity Shares for cash at a price of ₹ 53/- each, aggregating up to ₹ 1,188.26 lakhs which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on October 04, 2025 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on October 04, 2025 in accordance with the applicable provisions of the Companies Act, 2013. The Issue comprises a reservation of 1,14,000 Equity Shares of ₹ 53 each for subscription by the designated Market Maker (the “Market Maker Reservation Portion”) and a Net Issue to Public of 21,28,000 Equity Shares of ₹53 each is hereinafter referred to as the Net Issue. The Issue and the Net Issue will constitute 26.99 % and 25.62 %, respectively of the post Issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Fixed Price Process:

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation <sup>(1)</sup>	21,28,000 Equity Shares	1,14,000 Equity Shares
Percentage of Issue Size available for Allocation	94.92% of the Issue Size	5.08 % of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 2000 Equity Shares each <sup>(1)</sup>  For further details please refer to the section titled <b>“Issue Procedure – Basis of Allotment”</b> beginning on page no. 308 of this Draft Prospectus	Firm Allotment
Mode of Application <sup>^</sup>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Individual Investors (who applies for minimum application size) using Syndicate ASBA)	
Mode of Allotment	Compulsorily in dematerialised form	
Minimum Application Size	<p><b><i>For Other than Individual Investors who applies for minimum application size:</i></b></p> <p>Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds 2 lots and the Application size exceeds ₹ 2,00,000</p> <p><b><i>For Individuals Investors who applies for minimum application size:</i></b></p> <p>Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value does exceeds ₹ 2,00,000.</p>	Application size shall be 1,14,000 equity shares since there is a firm allotment.

Maximum Application Size	<p><b><i>For Other than Individual Investors who applies for minimum application size:</i></b></p> <p>Such number of Equity Shares in multiples of 2,000 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits to the Applicant.</p> <p><b><i>For Individuals Investors who applies for minimum application size:</i></b></p> <p>Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds 2 lots and the Application size exceeds ₹ 2,00,000</p>	Application size shall be 1,14,000 equity shares since there is a firm allotment.
Trading Lot	2,000 Equity Shares	2,000 Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI ICDR Regulations, 2018.
Who can Apply? <sup>(2)</sup>	<p><b><i>For Other than Individual Investors who applies for minimum application size:</i></b></p> <p>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.</p> <p><b><i>For Individuals Investors who applies for minimum application size:</i></b></p> <p>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.</p>	Market Maker
Terms of Payment <sup>(3)</sup>	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	2,000 Equity Share and in multiples of 2,000 Equity Shares thereafter	

<sup>^</sup>SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchange shall, for all categories of investors viz. NIIs and IIs and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic bidding platform only with a mandatory confirmation on the application monies blocked.

1. Since present issue is a Fixed Price Issue, the allocation in the Net Issue to the public category in terms of Regulation 253 of the SEBI ICDR Regulations, as amended from time to time shall be made as follows:

- a. Minimum fifty percent to Individual Investors who applies for minimum application size; and

- b. Remaining to:

- (ii) Individual applicants who applies for more than minimum application size;
    - (iii) and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for; Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*Explanation - For the purpose of sub-regulation (3), If the category of individual investors who applies for minimum application size is entitled to more than fifty per cent. of the issue size on a proportionate basis, such individual investors shall be allocated that higher percentage.*

2. In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of

*only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.*

3. *In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including Individual Investors applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please refer chapter titled “Issue Procedure” beginning on page 286 of this Draft Prospectus.

## ISSUE PROCEDURE

All applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – 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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall be not less than 50% of the Net Issue who applies for minimum application size, The allotment to each Individual Investors (who applies for minimum application size) shall not be less than the minimum application size applied by such individual investors (who applies for minimum application size), subject to availability of Equity Shares in the Individual Investor Portion and the remaining available Equity Shares, shall be allocated to individual investors other than individual investors who applies for minimum application size and investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

Further, SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, our Company shall ensure that the minimum application size shall be two lots per application: “Provided that the minimum application size shall be above ₹ 2 lakhs.”

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 IBs 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

Applications by IBs 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 Applications 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 UPI Applicants (“**UPI Phase III**”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase 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 and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Applicants in initial public Issueings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public Issues opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Prospectus.

Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public Issueings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Lead Manager shall be the nodal entity for any issues arising out of public issuance process.

The LM shall be the nodal entity for any issues arising out of public issuance process. In terms of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and LM shall continue to coordinate with intermediaries involved in the said process.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public Issueings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public Issueings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications only with a mandatory confirmation on the application monies blocked.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two (2) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two (2) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the

information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft 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 this Issue.

**Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.**

Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicants' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Applicants using the UPI Mechanism, shall be treated as incomplete and will be rejected. However, they may get the Equity Share rematerialized subject to allotment of the equity shares in the Issue, subject to applicable laws.

This section applies to all the Applicants.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI 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 IBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days 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 Mechanism, the SEBI UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an II 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. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by IIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public Issue closure to listing has been reduced from six Working Days to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

This Issue will be made under UPI Phase III of the UPI Circular.

All SCSBs Issuing the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Individual Applicants using the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled or deleted applications, and the requirement for the bank accounts of unsuccessful Applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Lead Manager.

The processing fees for applications made by UPI Applicants using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Applicants applying in public Issues where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall

also provide their UPI ID in the Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
- a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity) a registrar to the issue and shares transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

#### **FIXED PRICE ISSUE PROCEDURE:**

The Issue is being made in compliance with the provisions of Chapter IX of SEBI ICDR Regulations through a Fixed Price Process wherein minimum 50% of the Net Issue is allocated for Individual Investors who applies for minimum application size and the balance shall be issued to individual applicants who applies for minimum application size other than Individual Investors and other investors including Corporate Bodies or Institutions, QIB and NIIs irrespective of the number of securities applied for. However, if the aggregate demand from the Individual Investors who applies for minimum application size is less than 50%, then the balance Equity Shares in that portion will be added to the non-individual investor portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Individual Investors who applies for minimum application size category is entitled to more than 50% on proportionate basis, the Individual Investors who applies for minimum application size shall be allocated that higher percentage. However, the Application by an Investor should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at an Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Individual Investors Portion where Allotment to each Individual Investors who applies for minimum application size shall not be less than the minimum lot, subject to availability of Equity Shares in Individual Investors Portion.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

## AVAILABILITY OF DRAFT PROSPECTUS AND APPLICATION FORMS

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries and at the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the website of the BSE Limited [www.bseindia.com](http://www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Investors using UPI Mechanism for an application size of up to ₹5,00,000 may participate in the Issue through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected. Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour*
Resident Indians/ eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue

*\*Excluding Electronic Application Form*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by UPI applicants (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For UPI applicants using UPI mechanism, the Stock Exchanges shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI applicants, 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 application entered in the Stock Exchanges bidding platform, and the liability to compensate UPI applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue 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 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

## SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Investors wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Investors are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”):

1. A SCSB, with whom the bank account to be blocked, is maintained.
2. A syndicate member (or sub-syndicate member).
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”).
4. A Depository Participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity).
5. A Registrar to an Issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Designated Intermediaries (other than SCSBs) after accepting application form submitted by Individual Investors (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/ deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic Application details with depository’s records for DP ID/Client ID and PAN, on a real- time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the Application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Designated Intermediaries (other than SCSBs) after accepting Application Form submitted by IIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for making an Application in terms of the Draft Prospectus.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”).

Sr. No.	Designated Intermediaries
1	An SCSB, with whom the bank account to be blocked, is maintained
2	A syndicate member (or sub-syndicate member)
3	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Application Form, in physical or electronic mode, respectively.*

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs</b>	After accepting the Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed

	format along with the Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic Application details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the Application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft Prospectus, without prior or subsequent notice of such changes to the Applicants.

For IBs using UPI Mechanism, the Stock Exchange shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to IBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to IBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Applicants with a confirmation cut-off time of 12:00 pm on the first Working Day after the Issue Closing Date ("Cut- Off Time"). Accordingly, IBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Application entered in the Stock Exchange bidding platform, and the liability to compensate IBs (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 LM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

## **WHO CAN APPLY?**

**Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.**

**Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian Nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: “Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional applicant’s category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

## **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies (OCB)

As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **1. For Individual Investors who applies for minimum application size**

The Application must be for a minimum of 2 lots and in multiples of 2,000 Equity shares thereafter, so as to ensure that the Application Price payable by the Investor exceed ₹2,00,000. In case of revision of Applications, the Individual investors have to ensure that the Application Price is above ₹ 2,00,000.

### **2. For Other than Individual Investors who applies for minimum application size (Non-Institutional Investors and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size.

However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is for more than two lots for being considered for allocation in the Non-Institutional Portion.

**Investors are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

**The above information is given for the benefit of the Investors. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## **PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM, PROMOTER, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in QIB Portion or in the Non-Institutional Portion subject to compliance with applicable laws. The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

All categories of investors, including associates or affiliates of the Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

## **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Investors:**

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus which will be registered with the RoC and also publish the same in all editions of widely circulated English national daily newspaper, all editions of widely circulated Hindi national daily newspaper, all editions of widely circulated Regional language daily newspaper ( Gujarati being the regional language of Gujarat, where our Registered Office is located) with wide circulation. This advertisement shall be in prescribed format.
2. Our Company shall file the Draft Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of this Draft Prospectus will be available with the, the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any investor who would like to obtain this Draft Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Investors who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Application Forms that do not contain such details are liable to be rejected.
8. Investors applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Investors may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **APPLICATIONS BY HUFS**

Applications by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form/Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications/Applications by HUFs will be considered at par with Applications/Applications from individuals.

#### **APPLICATIONS BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company, in consultation with the LM, reserve the right to reject any Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% 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 10.00% of any company's paid-up share capital carrying voting rights.

#### **APPLICATIONS BY ELIGIBLE NRIS**

Eligible NRIs or Overseas Citizen of India (OCI) may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicants Applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Applying directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Applying through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Applicants Applying on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Applying directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Applying through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation basis shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% 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 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 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

#### **Investment by NRI or OCI on non-repatriation basis:**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis - will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or Issued

within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being Issued and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those Issues and sale occur.

#### **APPLICATIONS BY FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). 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.

Applications by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Applications ("MIM Applications"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Applications by a Applicant and may be rejected, except for Applications from FPIs that utilize the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Applications, FPIs making MIM Applications using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications 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 Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected.

For details of investment by FPIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 248. Participation of FPIs in the Issue is subject to the FEMA Rules.

**AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**APPLICATIONS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public Issuing. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. . However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from Issuing their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public Issuing of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

**APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications 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 Application Form. Failing this, our Company, in consultation with the LM, reserve the right to reject any Application without assigning any reason thereof.

**APPLICATIONS BY BANKING COMPANIES**

In case of Applications 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 Application Form. Failing this, our Company, in consultation with the LM, reserves the right to reject any Application without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee

company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non- financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “*Key Industry Regulations and Policies*” beginning on page 140 of this DP.

#### **APPLICATIONS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI 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.

#### **APPLICATIONS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Applications made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Application Form. Failing this, our Company, in consultation with the LM, reserves the right to reject any Application without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Application Form. Failing this, our Company, in consultation with the LM, reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which 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;
- 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 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 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 ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company, in consultation with the LM, reserves the right to reject any Application without assigning any reason thereof.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 lakhs, 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 Application Form. Failing this, our Company, in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form subject to the terms and conditions that our Company, in consultation with the LM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the LM or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Applicants**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For

details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ 53 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Investors should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism**

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Individual Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

**The above information is given for the benefit of the Applicants. Our Company and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Prospectus, the Draft Prospectus and Prospectus.**

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent

to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.
7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Individual Applicants and Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in this Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will

continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Withdrawal of Applications**

QIBs, IBs and NIIs can neither withdraw nor lower the size of their Applications at any stage.

## **GENERAL INSTRUCTIONS**

### ***Do's:***

1. Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Applications through the ASBA process only;
2. Ensure that you have applied at Issue Price.
3. Read all the instructions carefully and complete the Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an IB Applying using the UPI Mechanism in the Application Form and if you are an IB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Application Form;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Applications) within the prescribed time;
6. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Applicant and the first applicant is not the ASBA Account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
8. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Application Form for all your Application options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the 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 Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms;
11. IBs Applying in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for IBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Application Form or have

otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form, as the case may be, at the time of submission of the Application. In case of IBs submitting their Applications and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Application Amount and subsequent debit of funds in case of Allotment;

14. Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Applications 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 Applicants 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;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Applications submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Applicant’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange 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;
22. Ensure that when applying in the Issue 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;
23. IBs who wish to revise their Applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which IBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount in the IB’s ASBA Account;
24. 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 Issue Closing Date;
25. IBs shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an IB may be deemed to have verified the attachment containing the application details of the IB in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form;
26. Ensure that while Applying through a Designated Intermediary, the Application Form (IBs Applying 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](http://www.sebi.gov.in)); and

27. FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications 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 Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected.

The 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 apply for lower than the minimum Application size;
2. Do not pay the Application Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Application for an amount more than funds available in your ASBA account.
6. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of a Applicant;
7. In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a IB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
10. Do not Apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. 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 Issue;
13. Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
14. Do not Apply 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);
15. Do not submit a Apply/revise a Application Amount, with a price more or less than the Issue Price;
16. Do not submit a Application using UPI ID, if you are not an IB;
17. Do not Apply on another ASBA Form, as the case may be, after you have submitted a Application to any of the Designated Intermediaries;
18. Do not Apply for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Application Form such that the number of Equity Shares Applied for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Draft Prospectus;
20. Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Applicant. IBs cannot revise downward/ withdraw their Applications on or before the Issue Closing Date;

21. Do not submit Applications to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an IB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPIID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Apply if you are an OCB; and
24. If you are a QIB, do not submit your Application after 3:00 pm on the Issue Closing Date.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on pages 58 and 153, respectively.

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 58.

## **OTHER INSTRUCTIONS**

### **Joint Applications**

In the case of Joint Applications, the Applications should be made in the name of the Investors whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Investors would be required in the Application Form/ Application Form and such first Investor would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Investor whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Investor and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### **Multiple Applications**

Investor should submit only one Application Form. Investor shall have the option to make a maximum of Applications at three different price levels in the Application Form and such options are not considered as multiple Applications. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.

## **GROUND FOR TECHNICAL REJECTION**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Applications submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID;
6. Applications by HUFs not mentioned correctly as given in the sub-section “Who can Apply?” on page 293 of this Draft Prospectus;

7. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Application submitted without the signature of the First Applicant or sole Applicants;
9. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Application by Retail Individual Investors with Application Amount for a value of more than Rs. 200,000;
12. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Applications by Applicants accompanied by cheques or demand drafts;
14. Applications accompanied by stock invest, money order, postal order or cash;
15. Application by OCB
16. For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.
17. For details of instruction in relation to the Application Form, please refer to the General Information Document and UPI Circulars.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" beginning on page 58.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorized employees of the Designated Stock Exchange, along with the LM 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.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

**APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATIONS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

### **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 issued through the Issue through the Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Issue to public may be made for the purpose of making Allotment in minimum lots. The allotment of Equity Shares to Applicants other than to the Individual Investors, Non-Institutional 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 Individual Investors shall not be less than the minimum lot, subject to the availability of shares in Individual Investors Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investors shall not be less than the Minimum NII Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

### **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Applicants other than Individual Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum application Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis.

### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) . With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) .

### **APPLICANTS DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice.

The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

## **SUBMISSION OF APPLICATION FORM**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE (the Designated Stock Exchange). In the event of oversubscription, the Allotment will be made on a proportionate basis in marketable lots as set forth here:

(a) The total number of Equity Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis, i.e., the total number of Equity Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category multiplied by the number of Equity Shares applied for).

(b) The number of Equity Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. total number of Equity Shares applied for into the inverse of the over subscription ratio).

(c) For Applications where the proportionate allotment works out to less than 2,000 Equity Shares the Allotment will be made as follows:

- Each successful applicant shall be allotted 2,000 Equity Shares; and
- The successful Applicants out of the total Applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares worked out as per (2) above.

(d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 2,000 Equity Shares, the Applicant would be allotted Equity Shares by rounding off to the lower nearest multiple of 2,000 Equity Shares.

(e) If the Equity Shares allocated on a proportionate basis to any category is more than the Equity Shares allotted to the Applicants in that category, the balance available Equity Shares for allocation shall be first adjusted against any category, where the allotted Equity Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising of Applicants applying for the minimum number of Equity Shares.

(f) Since the Issue is a fixed price issue, the allocation in the Net Issue to the public category in terms of Regulation 253 (3) of the SEBI ICDR Regulations shall be made as follows;

(a) Minimum 50% to the individual investors who applies for minimum application size; and

(b) remaining to:

- i. individual applicants who applies for minimum application size; and
- ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for; Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

Explanation: For the purpose of Regulation 253, sub-Regulation (3), if the category of individual investors who applies for minimum application size is entitled to more than fifty percent of the issue size on proportionate basis, the individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Issue to Public, please refer to chapter titled “The Issue” on page no. 57 of this Draft Prospectus.

Please note that the Allotment to each Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Individual investors portion who applies for minimum application.

The remaining available Equity Shares, if any in the Individual investors portion who applies for minimum application shall be allotted on a proportionate basis to Individual Investors in the prescribed manner.

Individual Investors who applies for minimum application size means an investor who applies for shares constituting 2 Lots of value, in the aggregate, exceeding Rs. 2,00,000/-. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with BSE SME.

No Individual Investor will be Allotted less than the minimum Application Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issue is 100% underwritten.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **Process for Generating List of Allottees:**

- (a) Instruction is given by RTA in their software system to reverse category wise all the Application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the Application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to Investors in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by BSE is 3 and 5 then the system will pick every 3rd and 5th Application in each of the lot of the category and these Applications will be allotted the shares in that category.
- (b) In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- (c) In categories where there is under-subscription, the Registrar will do full Allotment for all valid Applications.
- (d) On the basis of the above, the RTA will work out the Allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Applicant.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Applicants Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures that credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 2 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com)

#### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Application Form, in physical or electronic mode, respectively.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act,

2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the BSE- the Designated Stock Exchange in addition to Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **MODE OF REFUNDS**

- e) In case of ASBA Applicants: Within prescribed time, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Issue.
- f) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Investor on account of conversion of foreign currency.
- g) In case of Other Investors: Within prescribed time, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Issue may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

#### **MODE OF MAKING REFUNDS FOR INVESTORS OTHER THAN ASBA APPLICANTS**

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) NECS - Payment of refund may be done through NECS for Investors having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Investor as obtained from the Depository;
- (ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants' through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code

shall be obtained from the demographic details. Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Investors' account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the LM or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

- (v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Application Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand at other center etc. Investors may refer to Draft Prospectus.

### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on March 10, 2021.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on March 19, 2025.
- c) The Company's Equity shares bear an ISIN No. INE0H3U01013

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: editions of widely circulated English national daily newspaper, all editions of widely circulated Hindi national daily newspaper, all editions of widely circulated Regional language daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located).

In the Pre-Issue advertisement, we shall state the Issue Opening Date and Issue Closing Date. The 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.

#### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price.

Any material updates between the date of the Draft Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **Filing with the RoC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of the Companies Act, 2013.

#### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a dematerialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see “Terms of the Issue” page no. 273 of the Draft Prospectus.

#### **Allotment Advertisement**

Our Company, the Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, all editions of Hindi national daily newspaper and all editions of the Regional daily newspaper (where our Registered Office is located) each with wide circulation.

The information set out above is given for the benefit of the Applicants. Our Company, the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares application for do not exceed the prescribed limits under applicable laws or regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Issue Price but prior to the filing of Draft Prospectus.
- b) After signing the Underwriting Agreement, an updated Draft Prospectus will be filed with the RoC in accordance with applicable law.

#### **Flow of Events from the closure of Issue period (T DAY) Till Allotment:**

- On T Day, RTA To validate the electronic Application details with the depository records and also reconcile the final certificates received.
- from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic Application details.
- RTA identifies cases with mismatch of account number as per Application file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with LM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advise the SCSBs to debit or unblock the respective accounts.

## **INVESTOR GRIEVANCE**

In case of any Pre-Issue or Post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled "*General Information*" on page no 58 of the Draft Prospectus.

## **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*"Any person who:*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the Issue Closing Date,

giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. That our Promoter's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. 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 Regulations and applicable law for the delayed period.
11. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.
- Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

## **SECTION X-MAIN PROVISIONS OF THE ARTICLE OF ASSOCIATION**

### **THE COMPANIES ACT 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF VAHH CHEMICALS LIMITED**

#### **I. INTERPRETATION**

1. In these regulations -
  - (i). "the Act" means the Companies Act, 2013,
  - (ii). "the seal" means the common seal of the company.
2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

#### **PUBLIC COMPANY**

3. "public company" means a company which—
  - (a) is not a private company [and];
  - (b) has a minimum paid-up share capital, as may be prescribed:Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

#### **II. SHARE CAPITAL AND VARIATION OF RIGHTS**

1. 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 Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2.
  - (i). Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, —
    - a) one certificate for all his shares without payment of any charges; or
    - b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.However, the aforesaid time limit may be extended by the board of director by a resolution thereto.
  - (ii). Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
  - (iii). 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 holders.
3.
  - (i). If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under

this Article shall be issued on payment of an amount not exceeding twenty rupees for each certificate.

- (ii). The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 5.
- (i). The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
  - (ii). The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - (iii). The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 6.
- (i). If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - (ii). To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **Lien**

- 9.
- (i). The company shall have a first and paramount lien—
    - a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
    - b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
  - (ii). That the fully paid shares will be free from all lien, while in the case of partly paid shares, the company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares
  - (iii). The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
- Provided that no sale shall be made—
- a) unless a sum in respect of which the lien exists is presently payable; or
  - b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given

to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11.
  - (i). To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
  - (ii). The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - (iii). The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12.
  - (i). The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
  - (ii). The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **Calls on shares**

13.
  - (i). The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
  - (ii). Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - (iii). A call may be revoked or postponed or altered at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
16.
  - (i). If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
  - (ii). The Board shall be at liberty to waive payment of any such interest wholly or in part.
17.
  - (i). Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
  - (ii). In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board—
  - a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **Transfer of shares**

19.
  - (i). The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
  - (ii). The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
  - (iii). that the company shall use a common form of transfer.\*
20. The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - b) any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless—
  - a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c) the instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:  
 Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **Transmission of shares**

23.
    - (i). On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
    - (ii). Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
  24.
    - (i). Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
      - a) to be registered himself as holder of the share; or
      - b) to make such transfer of the share as the deceased or insolvent member could have made.
    - (ii). The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
  25.
    - (i). 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.
    - (ii). If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- \*Clause 19 has been entrenched by adding point (iii)*
- (iii). All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be

entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

### **Forfeiture of shares**

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall—
  - a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30.
  - (i). A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
  - (ii). At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31.
  - (i). A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
  - (ii). The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32.
  - (i). A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
  - (ii). The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
  - (iii). The transferee shall thereupon be registered as the holder of the share; and
  - (iv). The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **Alteration of capital**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - c) sub-divide, reclassify the shares in different classes or its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock,—
- a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stockholder” respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —
- a) its share capital;
  - b) any capital redemption reserve account; or
  - c) any share premium account.

### **Capitalisation of profits**

- 38.
- (i). The company in general meeting may, upon the recommendation of the Board, resolve—
    - a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
    - b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (ii). The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
    - (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
    - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
    - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
    - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

- 39.
- (i). Whenever such a resolution as aforesaid shall have been passed, the Board shall—
    - a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
    - b) generally do all acts and things required to give effect thereto.
  - (ii). The Board shall have power—
    - a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
    - b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
  - (iii). Any agreement made under such authority shall be effective and binding on such members.

#### **Buy-back of shares**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 42.
- (i). The Board may, whenever it thinks fit, call an extraordinary general meeting.
  - (ii). If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board
  - (iii). That option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting

#### **Proceedings at general meetings**

- 43.
- (i). No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
  - (ii). Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

- 47.
- (i). The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
  - (ii). No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

- (iii). When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv). Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **Voting rights**

- 48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
  - a) on a show of hands, every member present in person shall have one vote; and
  - b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 50.
  - (i). In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
  - (ii). For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 54.
  - (i). No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
  - (ii). Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **Proxy**

- 55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:  
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **Board of Directors**

- 58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.  
Name of the First Directors are -

1. HIREN DESAI
2. HETAL DESAI
3. AAYUSH DESAI

59.

- (i). The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii). In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
  - a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64.

- (i). Subject to the provisions of section 149, 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.
- (ii). Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### **Proceedings of the Board**

65.

- (i). The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii). A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66.

- (i). Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii). In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68.

- (i). The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii). If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

- 69.
- (i). The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
  - (ii). Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 70.
- (i). A committee may elect a Chairperson of its meetings.
  - (ii). If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 71.
- (i). A committee may meet and adjourn as it thinks fit.
  - (ii). Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

74. Subject to the provisions of the Act,—
- (i). A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii). A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **The Seal**

- 76.
- (i). The Board shall provide for the safe custody of the seal.
  - (ii). The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **Dividends and Reserve**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- 79.
- (i). The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
  - (ii). The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
  - (iii). That any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared
  - (iv). There will be no forfeiture of unclaimed dividends before the claim becomes barred by law
- 80.
- (i). Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
  - (ii). No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
  - (iii). 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.
81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 82.
- (i). Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
  - (ii). Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

#### **Accounts**

- 86.
- (i). The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
  - (ii). No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### **Winding up**

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- (i). 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.
- (ii). 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.
- (iii). The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

88. Every officer of the company shall be indemnified out of the assets of 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.

## **SECTION XI: 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 Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft 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 Issue**

- (a) Issue Agreement dated October 17, 2025 entered between our Company and the Lead Manager.
- (b) Registrar Agreement dated October 17, 2025 entered into amongst our Company and the Registrar to the Issue.
- (c) Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (d) Tripartite Agreement dated March 10, 2021 between our Company, NSDL and the Registrar to the Issue.
- (e) Tripartite Agreement dated March 19, 2025 between our Company, CDSL and the Registrar to the Issue.
- (f) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
- (g) Underwriting Agreement dated [●] between our Company and the Underwriters.

#### **B. Material Documents**

- (a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
- (b) Certificate of incorporation dated December 11, 2019 issued by the RoC; Ahmedabad;
- (c) Resolutions of our Board of Directors dated October 04, 2025, in relation to the Issue and other related matters;
- (d) Shareholders' resolution dated October 04, 2025, in relation to this Issue and other related matters;
- (e) Resolution of the Board of Directors of the Company dated December 03, 2025 taking on record and approving this Draft Prospectus.
- (f) The examination report dated December 03, 2025, of Peer Reviewed Auditors on our Restated Financial Statements, included in this Draft Prospectus;
- (g) Copies of Consolidated Restated Financial Statements of our Company for the period ended September 30, 2025 and for the financial years March 31, 2025, March 31, 2024 and March 31, 2023;
- (h) Copies of Consolidated Audited Financial Statements of our Company and Subsidiary for the period ended September 30, 2025 and for the financial years March 31, 2025;
- (i) Copies of the annual reports of the Company for the Fiscals 2024, 2023, 2022, 2021 & 2020;

- (j) Statement of Tax Benefits dated December 03, 2025 from the Peer Reviewed Auditors included in this Draft Prospectus;
- (k) Consent of the Promoters, Directors, Senior Managerial Personnel, the Lead Manager, the Legal Counsel to our Issue, the Registrar to the Issue, the Peer Reviewed Statutory Auditor, the Chartered Engineer, the Banker to the Company, the Banker to the Issue, the Market Maker, the Underwriter, the Company Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;
- (l) Resolution of the Audit Committee dated December 03, 2025, approving our key performance indicators.
- (m) Certificate on KPI's issued by our Statutory Auditor M/s. ACG & Co., Chartered Accountants dated December 03, 2025.
- (n) Certificate on Working Capital issued by our Statutory Auditor M/s. ACG & Co., Chartered Accountants dated December 03, 2025.
- (o) Certificate on Repayment of loan issued by our Statutory Auditor M/s. ACG & Co., Chartered Accountants dated December 03, 2025.
- (p) Due diligence certificate dated December 03, 2025 issued by Lead Manager;
- (q) Site visit report dated December 03, 2025 issued by Lead Manager;
- (r) In principle listing approval dated [●] issued by [●];

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

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

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Sd/-**

**Hiren Indravadan Desai**

Chairman & Managing Director

**DIN:** 08622752

**Place:** Surat

**Date:** December 03, 2025

## **DECLARATION**

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

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Sd/-**

**Hetal Hirenbbhai Desai**

Non-Executive Director

**DIN:** 08622843

**Place:** Surat

**Date:** December 03, 2025

## **DECLARATION**

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

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Sd/-**

**Aayush Hiren Desai**

Whole-Time Director

**DIN:** 08636117

**Place:** Surat

**Date:** December 03, 2025

## **DECLARATION**

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

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Sd/-**

**Dhairya Bharat Tulsiani**  
Non-Executive Independent Director  
**DIN:** 08609597  
**Place:** Surat  
**Date:** December 03, 2025

## **DECLARATION**

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

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Sd/-**

**Param Vipulkumar Desai**

Non-Executive Independent Director

**DIN:** 08609597

**Place:** Surat

**Date:** December 03, 2025

## **DECLARATION**

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

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Sd/-**

**Jigar Vyas**

Non-Executive Independent Director

**DIN:** 10911042

**Place:** Surat

**Date:** December 03, 2025

## **DECLARATION**

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

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

**Sd/-**

**Sahil Bhaveshkumar Modi**

Chief Financial Officer

**Place:** Surat

**Date:** December 03, 2025

### **DECLARATION**

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

**SIGNED BY THE COMPLIANCE OFFICER & COMPANY SECRETARY OF OUR COMPANY**

**Sd/-**

**Shivani Parth Kothari**  
**Compliance Officer & Company Secretary**  
**Place:** Surat  
**Date:** December 03, 2025