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Initial Public Offer of equity shares on the main board of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges") in compliance with Chapter II of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").



PRASOL

PRASOL CHEMICALS LIMITED

(TO BE LISTED ON THE MAIN BOARD OF BSE AND NSE)



(Please scan this QR Code to view the RHP and the Abridged Prospectus)

Our Company was originally incorporated as 'Prachi Poly Products Private Limited' under the provisions of the Companies Act, 1956 pursuant to a certificate of incorporation dated January 24, 1992, issued by the Registrar of Companies, Maharashtra, at Mumbai. The name of our Company was subsequently changed to 'Prachi Poly Products Limited', upon conversion into a public company, pursuant to a board resolution dated November 26, 1994, and a shareholders' resolution dated December 5, 1994, and a certificate of change of name was issued on January 10, 1995 by the Registrar of Companies, Maharashtra, at Mumbai. Thereafter, the name of our Company was changed to 'Prasol Chemicals Limited', to better represent our Company's name with its activities, pursuant to a board resolution dated December 7, 2006 and a shareholders' resolution dated January 18, 2007, and a certificate of change of name was issued on March 26, 2007 by the Registrar of Companies, Maharashtra, at Mumbai. The name of our Company was subsequently changed to 'Prasol Chemicals Private Limited', upon re-conversion into a private company, pursuant to a board resolution dated October 5, 2016 and a shareholders' resolution dated December 1, 2016, and a certificate of change of name was issued on June 5, 2017 by the Registrar of Companies, Maharashtra, at Mumbai. The name of our Company was subsequently changed to 'Prasol Chemicals Limited', upon conversion into a public company, pursuant to a board resolution dated December 23, 2021 and a shareholders' resolution dated January 15, 2022, and a certificate of change of name was issued on February 4, 2022 by the Registrar of Companies, Maharashtra, at Mumbai. For details in relation to change in the address of the registered office of our Company, see 'History and Certain Corporate Matters - Change in the Registered Office' on page 333 of the red herring prospectus dated September 2, 2026 ("RHP" or "Red Herring Prospectus") filed with the RoC.

Registered and Corporate Office: Prasol House, Plot No A – 17/2/3, T. T. C. Industrial Area, Khairme M.I.D.C., Navi Mumbai, Thane, Maharashtra – 400710, India; **Tel:** + 91 22 6195 2500;
Contact Person: Kiran Rajendra Agrawal, Company Secretary and Compliance Officer; **E-mail:** investorservices@prasolchem.com; **Website:** www.prasolchem.com; **Corporate Identity Number:** U99999MH1992PLC065026

OUR PROMOTERS: NISHITH RAJNIKANT SHAH, GAURANG NATWARLAL PARIKH, DHAVAL NALIN PARIKH, PANKIL NISHITH DHARIA, SACHIN JATIN PARIKH, RAKESH GUPTA, NISHITH RASIKLAL DHARIA, KUNAL TUSHAR DHARIA, SUKETU NAVINCHANDRA PARIKH AND USHA RAJNIKANT SHAH

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH (EQUITY SHARES) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (OFFER PRICE) AGGREGATING UP TO ₹ 5,000.00 MILLION (THE OFFER) COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 800.00 MILLION BY OUR COMPANY (FRESH ISSUE) AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,200.00 MILLION BY THE SELLING SHAREHOLDERS (OFFER FOR SALE) COMPRISING UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,200.00 MILLION BY USHA RAJNIKANT SHAH (HELD JOINTLY WITH NISHITH RAJNIKANT SHAH AND SHAH SANDHYA NISHITH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 515.19 MILLION BY TUSHAR NATVERLAL DHARIA (HUF), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 185.39 MILLION BY GAURANG NATWARLAL PARIKH HUF, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 390.30 MILLION BY BHISHAM KUMAR GUPTA (HELD JOINTLY WITH RAKSHA BHISHAM GUPTA), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 320.00 MILLION BY NISHITH RASIKLAL DHARIA (HELD JOINTLY WITH SONAL NISHITH DHARIA), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 352.00 MILLION BY SONAL NISHITH DHARIA (HELD JOINTLY WITH NISHITH RASIKLAL DHARIA), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 320.00 MILLION BY SACHIN JATIN PARIKH (HELD JOINTLY WITH SHRUTI SACHIN PARIKH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 76.45 MILLION BY NAMITA TUSHAR PARIKH, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 79.00 MILLION BY SHRUTI SACHIN PARIKH (HELD JOINTLY WITH SACHIN JATIN PARIKH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 90.00 MILLION BY DIPAK AMARSHI (HELD JOINTLY WITH USHMA AMARSHI), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 64.82 MILLION BY HETA T PARIKH, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 353.55 MILLION BY GAURANG NATWARLAL PARIKH (HELD JOINTLY WITH TANVI GAURANG PARIKH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 48.00 MILLION BY KINJAL PANKIL DHARIA (HELD JOINTLY WITH PANKIL NISHITH DHARIA), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 60.00 MILLION BY SUKETU NAVINCHANDRA PARIKH (HELD JOINTLY WITH LINA SUKETU PARIKH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 55.00 MILLION BY PUSHPA NAVINCHANDRA PARIKH (HELD JOINTLY WITH SUKETU NAVINCHANDRA PARIKH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 35.00 MILLION BY SUNDEEP NAVINCHANDRA PARIKH (HELD JOINTLY WITH SHEETAL SANDEEP PARIKH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 5.10 MILLION BY LINA SUKETU PARIKH (HELD JOINTLY WITH SUKETU NAVINCHANDRA PARIKH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 5.00 MILLION BY SHEETAL SANDEEP PARIKH (HELD JOINTLY WITH SUNDEEP NAVINCHANDRA PARIKH), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 40.00 MILLION BY JIGNASHA JAY KANTAWALA (HELD JOINTLY WITH JAY SHAILESH KANTAWALA) AND UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 5.20 MILLION BY TUSHAR NATVERLAL DHARIA (HELD JOINTLY WITH AMI TUSHAR DHARIA) COLLECTIVELY, SELLING SHAREHOLDERS AND EACH SUCH EQUITY SHARES, THE OFFERED SHARES). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS			
Name of the Selling Shareholder	Type	NUMBER OF EQUITY SHARES OFFERED / AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION ("WACA") PER EQUITY SHARE* (IN ₹)
Usha Rajnikant Shah (held jointly with Nishith Rajnikant Shah and Shah Sandhya Nishith)	Promoter Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 1,200.00 million	9.77
Tushar Natverlal Dharia (HUF)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 515.19 million	4.68
Gaurang Natwarlal Parikh HUF	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 185.39 million	15.23
Bhisham Kumar Gupta (held jointly with Raksha Bhisham Gupta)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 390.30 million	5.64
Nishith Rasiklal Dharia (held jointly with Sonal Nishith Dharia)	Promoter Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 320.00 million	6.16
Sonal Nishith Dharia (held jointly with Nishith Rasiklal Dharia)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 352.00 million	3.28
Sachin Jatin Parikh (held jointly with Shruti Sachin Parikh)	Promoter Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 320.00 million	50.13
Suketu Navinchandra Parikh (held jointly with Lina Suketu Parikh)	Promoter Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 60.00 million	2.54
Gaurang Natwarlal Parikh (held jointly with Tanvi Gaurang Parikh)	Promoter Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 353.55 million	4.81
Jignasha Jay Kantawala (held jointly with Jay Shailesh Kantawala)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 40.00 million	21.25
Kinjal Pankil Dharia (held jointly with Pankil Nishith Dharia)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 48.00 million	15.85
Lina Suketu Parikh (held jointly with Suketu Navinchandra Parikh)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 5.10 million	2.23
Pushpa Navinchandra Parikh (held jointly with Suketu Navinchandra Parikh)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 55.00 million	2.78
Shruti Sachin Parikh (held jointly with Sachin Jatin Parikh)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 79.00 million	62.50
Sundeeep Navinchandra Parikh (held jointly with Sheetal Sandeep Parikh)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 35.00 million	2.47
Tushar Natverlal Dharia (held jointly with Ami Tushar Dharia)	Promoter Group Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 5.20 million	3.13
Dipak Amarshi (held jointly with Ushma Amarshi)	Other Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 90.00 million	18.97
Heta T Parikh	Other Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 64.82 million	0.09
Namita Tushar Parikh	Other Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 76.45 million	0.88
Sheetal Sandeep Parikh (held jointly with Sundeeep Navinchandra Parikh)	Other Selling Shareholder	up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 5.00 million	2.54

* As certified by Shah Mulewa & Associates, Chartered Accountants (Firm Registration Number: 0143170W) pursuant to a certificate dated September 2, 2026.

PRICE BAND: ₹ 643 TO ₹ 676 PER EQUITY SHARE OF FACE VALUE OF ₹ 2 EACH.

THE FLOOR PRICE AND THE CAP PRICE ARE 321.50 TIMES AND 338.00 TIMES THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.

BIDS CAN BE MADE FOR A MINIMUM OF 22 EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH AND IN MULTIPLES OF 22 EQUITY SHARES OF FACE VALUE OF ₹2 EACH THEREAFTER.

THE PRICE TO EARNINGS RATIO ("P/E") BASED ON BASIC AND DILUTED EPS FOR FISCAL 2026 FOR OUR COMPANY AT THE LOWER END OF THE PRICE BAND (I.E. FLOOR PRICE) IS 44.87 TIMES AND AT THE UPPER END OF THE PRICE BAND (I.E. CAP PRICE) IS 47.17 TIMES AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO OF 61.74 TIMES BASED ON DILUTED EPS FOR FISCAL 2026 AS ON AUGUST 28, 2026.

WEIGHTED AVERAGE RETURN ON NET WORTH FOR LAST THREE FISCAL YEARS IS 14.15%.

The details of the Fresh Issue, Offer for Sale, Total Offer Size and the post Offer market capitalization of the Company, each at the Floor Price and the Cap Price, are given below:

Particulars	At Floor Price of ₹643 per equity share		At Cap Price of ₹676 per equity share	
	Up to No. of Equity Shares of face value of ₹ 2 each	Up to Amount (₹ in million)	Up to No. of Equity Shares of face value of ₹ 2 each	Up to Amount (₹ in million)
Fresh Issue	1,244,167	800.00	1,183,431	800.00
Offer for Sale	6,531,872	4,200.00	6,213,006	4,200.00
Total Offer Size	7,776,039	5,000.00	7,396,437	5,000.00
Post-Offer market capitalization of the Company	59,244,167	38,094.00	59,183,431	40,008.00

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE : MONDAY, SEPTEMBER 7, 2026
BID/OFFER OPENS ON : TUESDAY, SEPTEMBER 8, 2026
BID/OFFER CLOSSES ON : THURSDAY, SEPTEMBER 10, 2026

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

We are a forward integrated manufacturer of acetone and phosphorous based specialty chemicals and other specialty chemicals involving complex and differentiated chemistries.

THE OFFER IS BEING MADE THROUGH THE BOOK BUILDING PROCESS IN ACCORDANCE WITH REGULATION 6(1) OF THE SEBI ICDR REGULATIONS. THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON THE MAIN BOARD OF BSE AND NSE. NSE SHALL BE THE DESIGNATED STOCK EXCHANGE.

QIB PORTION: NOT MORE THAN 50% OF THE OFFER | NON-INSTITUTIONAL PORTION: NOT LESS THAN 15% OF THE OFFER | RETAIL PORTION: NOT LESS THAN 35% OF THE OFFER

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER. IN REPORTS OR ANY OTHER EXTERNAL SOURCES OF INFORMATION AVAILABLE IN ANY MANNER TO PRICE BAND, POTENTIAL INVESTORS SHOULD ONLY REFER TO THIS PRICE BAND ADVERTISEMENT FOR THE OFFER AND SHOULD NOT RELY ON ANY MEDIA ARTICLES / REPORTS IN RELATION TO THE VALUATION OF OUR COMPANY AS THESE ARE NOT ENDORSED, PUBLISHED OR CONFIRMED EITHER BY THE COMPANY OR THE THE BOOK RUNNING LEAD MANAGER ("BRLM") TO THE OFFER.

IN ACCORDANCE WITH THE RECOMMENDATION OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF OUR COMPANY, PURSUANT TO THEIR RECOMMENDATION DATED SEPTEMBER 2, 2026, THE ABOVE PROVIDED PRICE BAND IS JUSTIFIED BASED ON QUANTITATIVE FACTORS/ KEY PERFORMANCE INDICATORS ("KPI") DISCLOSED IN THE 'BASIS FOR OFFER PRICE' SECTION BEGINNING ON PAGE 198 OF THE RHP VIS-A-VIS THE WEIGHTED AVERAGE COST OF ACQUISITION ("WACA") OF PRIMARY AND SECONDARY TRANSACTION(S), AS APPLICABLE, DISCLOSED IN 'BASIS FOR OFFER PRICE' SECTION BEGINNING ON PAGE 198 OF THE RHP AND PROVIDED BELOW IN THE ADVERTISEMENT.

RISK TO INVESTORS

For details refer to section titled "Risk Factors" beginning on page 22 of the RHP

1. Risk related to disruptions at our manufacturing facilities including shutdowns
For instance, MPCB, in the past had directed us to shut-down our manufacturing facilities situated at Khopoli, Maharashtra and Mahad, Maharashtra.

Our business is dependent on our ability to manage our two manufacturing facilities situated at Khopoli, Maharashtra and Mahad, Maharashtra, including productivity of our workforce, compliance with regulatory requirements or changes in the policies of the state or local governments of this region or the Government of India and those instances which are beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural calamities or civil disasters and pandemics. Our

manufacturing facilities are also subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, efficiency, labour disputes, strikes, environmental issues, lock-outs, non-availability of services of our external contractors, planned shut-down for maintenance or inspections etc. For instance, MPCB, in the past had directed us to shut-down our manufacturing facilities situated at Khopoli, Maharashtra and Mahad, Maharashtra. In the past we have received multiple order/ notices inter alia dated February 27, 2018; August 9, 2021; October 27, 2023; November 14, 2022; March 27, 2025; July 25, 2025; January 8, 2021; August 12, 2024; For detailed instances of certain orders / notices issued to us in relation to our manufacturing operations, see section "Risk Factors" beginning on page 22 of the RHP.

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2. Risks from hazardous and flammable materials and accidents

Certain of the raw materials that we use as well as our finished goods are corrosive and flammable and require expert handling and storage, as applicable. Any failure of our control systems, mishandling of hazardous chemicals, leakages, explosion or any adverse incident related to the use of these chemicals or otherwise during the manufacturing process, transportation, handling or storage of products and certain raw materials, may cause industrial accidents, fire, loss of human life and property, damage to our and third-party property and / or environmental damage, require shutdown of one or more of our manufacturing facilities and expose us to civil or criminal liability. In the past we have received multiple orders/ notices from MPCB inter alia dated October 27, 2023, November 16, 2022, March 27, 2025 and July 25, 2025. For certain details of the accidents at our manufacturing facilities, see section “Risk Factors” beginning on page 22 of the RHP.

3. Risk related to outstanding litigations

Our Company, Promoters and our Directors are involved in 30, 11 and 2 outstanding legal proceedings, respectively, which are pending at different levels of adjudication at different fora. Any adverse outcome in any of these proceedings may have an adverse effect on our results of operations and financial condition. For risk in relation to outstanding litigations, see section “Risk Factors” beginning on page 22 of the RHP and for further details on the outstanding litigation see ‘Outstanding Litigation and Other Material Developments’ beginning on page 466 of the RHP.

4. Past fluctuations in operating cash flows

Our net cash from operating activities has significantly declined in the past as set out below:

(in ₹ million)

Particulars	Fiscal		
	2026	2025	2024
Net cash (used in)/generated from operating activities	494.70	222.60	1,156.06

Any significant fluctuation in our cash flow from operating activities or negative net cash flow from operating activities in the future could have an adverse impact on our growth prospects, financial condition and the trading price of the Equity Shares.

5. Show cause notices against our Promoter by Deputy Director, Industrial Safety & Health, Raigad District

A show cause notice dated August 22, 2025 (SCN 1), has been issued by the Deputy Director, Industrial Safety & Health, Raigad District (DISH) against Gaurang Natwarlal Parikh (in his capacity as occupant of our Company), one of the Promoters of our Company alleging violation of Section 7A(2)(a) of the Factories Act, 1948. Through a letter dated September 10, 2025, a reply to SCN 1 was submitted by our Company stating inter-alia that there was no contravention as the management of our Company had taken all the practicable measures to satisfy the duty and requirement mentioned in Section 7A(2)(a) read with Section 104-A of Factories Act, 1948. Through a notice dated September 22, 2025, issued to our Company (the occupant / manager) by DISH it was intimated to our Company that the Sub-Divisional Magistrate, Mahad Division, Mahad, has directed that a safety audit of our Company should be undertaken. Our Company had undertaken safety audit on October 4, 2025, and submitted the report on DISH portal on November 4, 2025. A show cause notice dated September 22, 2025 (SCN 2), was also issued by DISH against our Company (the occupier) alleging that the system of work in our factory was not safe and involved risk to the life of workers while working on P2S5 drum flaker and conveyor system in our factory. Our Company, through its letter dated November 4, 2025, submitted a response to DISH stating that our Company has implemented all necessary corrective and preventive measures, the operations of the P2S5 Drum Flaker and its associated Conveyor System at our factory has thoroughly reviewed for safety and compliance. There has been no further correspondence between our Company and DISH in this regard. Any adverse outcome in these proceedings could have a material adverse effect on our reputation which could in turn have a material adverse impact on our business.

6. Statutory Auditor reports contain emphasis of matters

The report of our Statutory Auditors on the Audited Financial Statements for Fiscals 2026 and Audited Consolidated Financial Statements for Fiscal 2025 and 2024 contains emphasis of matter. Further, the report of our Statutory Auditors on the Audited Financial Statements for Fiscal 2026 and Audited Consolidated Financial Statements for Fiscal 2025 and 2024 is also modified to the extent of

internal financial controls of our Company.

For instance, Company has incurred an expenditure of ₹29.22 Million in connection with the IPO and the same is included under Other Current Assets in Note No. 14. The Company proposes to charge the same to Securities Premium Account once the IPO process is completed.

8. Decline in end-product demand may impact us

We are a forward integrated manufacturer of acetone and phosphorous based specialty chemicals and other specialty chemicals involving complex and differentiated chemistries and our revenue is attributable to (a) performance chemicals (including lubricant additives and mining chemicals); (b) PICA viz., paints, inks construction, & adhesives; (c) pharmaceuticals; (d) agrochemicals; and (e) home and personal care (Application Industries). Our business and the demand for our products is reliant on the success of our customers' products with end consumers and any decline in the demand for the end products could have an adverse impact on our business, results of operations, cash flows and financial condition.

9. Failure or delay in obtaining regulatory approvals, licenses, registrations and permits may impact operations

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state and local government rules in India, generally for carrying out our business and for our manufacturing facilities. A majority of these approvals are granted for a limited duration. While we are required to obtain a number of approvals for legally conducting our business operations and we shall submit the applications for renewal of such approvals, as and when required, during the course of our business operations, we cannot assure you that we will be able to obtain approvals in respect of such applications, or any application made by us in the future. For details, see “Government and Other Approvals” on page 475 of the RHP.

10. Details of manufacturing capacity in the RHP is based on certain assumptions and estimates:

Information relating to the historical installed capacity and capacity utilization of our manufacturing facilities included in the RHP is based on various assumptions and estimates of our management and an Independent Chartered Engineer, including assumptions such as standard capacity calculation practice of specialty chemicals industry after examining the calculations and explanations provided by our Company and other ancillary equipment installed at the facilities, number of working days, number of working shifts, and downtime resulting from unscheduled breakdowns. Actual production volumes and capacity utilization rates may differ significantly from the historical capacity utilization of our manufacturing facilities.

Set out below are the details of our installed capacity and capacity utilisation at Mahad Manufacturing Facility for Fiscals 2026, 2025 and 2024:

Period	As of and for the financial year ended March 31, 2026	As of and for the financial year ended March 31, 2025	As of and for the financial year ended March 31, 2024
Installed Capacity (annual) (in MT)	19,860	17,000	15,000
Actual Production (in MT)	8,756	4,281	1,908
Capacity Utilisation (%)	44.09%	25.18%	12.72%

Our Mahad Manufacturing Facility was non-operational from October 27, 2023 to May 3, 2024.

As certified by Dinesh Kumar Maheshwari, Chartered Engineer, pursuant to certificate dated September 2, 2026.

Notes:

⁽ⁱ⁾ The information relating to the installed capacity as of the dates included above is based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. The assumptions and estimates taken into account include the following: (i) Number of working days in a fiscal year - 324; (ii) Number of working days in a month - 27; (iii) Number of shifts in a day - 3; and (iv) Number of working hours per shift - 8. The installed capacity as of March 31, 2024, March 31, 2025 and March 31, 2026 have been provided on an annual basis.

⁽ⁱⁱ⁾ Capacity utilization has been calculated based on actual production during the relevant fiscal year divided by the aggregate installed capacity all at the end of the relevant fiscal year.

11. Offer related risk: The Offer is by way of a fresh issue of up to such number of Equity Shares aggregating up to ₹ 800.00 million by our Company and an Offer for Sale of up to such number of Equity Shares aggregating up to ₹4,200.00 million by Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders, and our Company will not receive any such proceeds. For further details, see “Objects of the Offer” and “Capital Structure” on pages 187 and 110, respectively of the RHP.

7. Risk related to contingent liabilities: Our contingent liabilities and commitments as of March 31, 2026, March 31, 2025 and March 31, 2024 were as follows:

Particulars	As of March 31, 2026 (Standalone)		As of March 31, 2025 (Consolidated)		As of March 31, 2024 (Consolidated)	
	Amount (in ₹ million)	As a % of Net Worth (%)	Amount (in ₹ million)	As a % of Net Worth (%)	Amount (in ₹ million)	As a % of Net Worth (%)
Contingent Liabilities						
Claims against the group not acknowledged as debt						
a. DRI Mumbai and Ahmedabad	6.82	0.15%	3.62	0.10%	4.50	0.14%
b. Income Tax Liability that may arise in respect of matters in appeal	1.82	0.04%	1.82	0.05%	0.48	0.01%
c. GST liability that may arise in respect of matters in dispute	-	-	-	-	3.55	0.11%
Guarantees excluding financial guarantees	91.53	2.04%	85.26	2.32%	46.80	1.44%
Total of Contingent Liabilities	100.17	2.23%	90.70	2.47%	55.33	1.70%
Commitments						
a. Estimated amount of contracts to be executed on capital account and not provided for (Net off Advances)	163.91	3.65%	35.98	0.98%	49.61	1.52%
b. Letter of Credit Outstanding	827.14	18.44%	341.39	9.29%	571.05	17.53%
Total of Commitments	991.05	22.10%	377.37	10.27%	620.65	19.05%
Total of Contingent Liabilities and Commitments	1,091.22	24.33%	468.07	12.74%	675.98	20.75%
Net Worth*	4,485.05	100.00%	3,674.55	100.00%	3,258.35	100.00%

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12. Price to earning (P/E) ratio of the Company is at a premium in comparison to P/E ratio of our listed peer companies.

The average Price to Earnings (P/E) ratio of our listed industry peers, based on diluted EPS, as disclosed in "Basis for Offer Price - Industry Peer Group P/E Ratio" on page 201 of the RHP, is 61.74 times, for Fiscal 2026 as on August 28, 2026. At the upper end of the Price Band, our Company's P/E ratio is 47.17 times and at the lower end of the Price Band, our Company's P/E ratio is 44.87 times, which is at a discount to the average P/E of our peer set. We cannot assure you that we will in the future perform better than our peers in relation to the P/E ratio or this premium is justified. We also cannot assure you that we will be able to sustain or improve this P/E in the future or this P/E will not decline. Accordingly, the investors must rely on their own examinations of accounting ratios of our Company for the purposes of investment in this Offer.

13. Details of acquisition of specified securities:

Except as disclosed below, none of the Promoters, members of the Promoter Group and Selling Shareholders have acquired specified securities in the last three years preceding the date of the RHP. There are no Shareholders with right to nominate directors or other rights. Details of price at which specified securities were acquired are set out below:

Name of the acquirer/ shareholder [^]	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Price of acquisition of Equity Shares (in ₹)
Sandhya Nishith Shah	August 18, 2025	5,00,000	Nil

[^] Excludes transfer of Equity Shares between different folios held by the same Shareholder, without any change in beneficial ownership.

14. Weighted Average Cost of Acquisition of Equity Shares: Set out below is Weighted Average Cost of Acquisition of all equity shares transacted in the 3 years, 18 months and 1 year preceding the date of the RHP:

Period	Weighted Average Cost of Acquisition (in ₹)*	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest price – highest price & (in ₹)
Last 1 years	360.00	1.88	360.00 – 360.00
Last 18 months	125.85	5.37	360.00 – 360.00
Last 3 year	57.98	11.66	360.00 – 360.00

^{*As certified by Shah Mulewa & Associates, Chartered Accountants (Firm Registration Number: 0143170W) pursuant to a certificate dated September 2, 2026.}

[^]Range of acquisition price (lowest price – highest price) has been computed exclusive of gift transactions.

15. Weighted average cost of acquisition, floor price and cap price:

Type of Transaction	Weighted average cost of acquisition (₹)*	Floor Price (₹ 643 is 'X' times the WACA)*	Cap Price (₹ 676 is 'X' times the WACA)*
WACA for Primary Issuance during last 18 months	Not Applicable	Not Applicable	Not Applicable
WACA for Secondary Transactions during last 18 months	Not Applicable	Not Applicable	Not Applicable
Since there was no Primary Issue or Secondary Transactions, where such issuance / transfer is equal to or more than five per cent of the fully diluted paid-up share capital of our Company, the WACA based on the last five primary transactions or secondary transactions (where the Promoters, members of the Promoter Group or Selling Shareholders are a party to the secondary transaction) not older than three years prior to the date of filing of the RHP irrespective of the size of the transaction, is as below:			
Based on primary transactions	Not Applicable	Not Applicable	Not Applicable
Based on secondary transactions	360.00	1.79 times	1.88 times

^{*As certified by Shah Mulewa & Associates, Chartered Accountants (Firm Registration Number: 0143170W) pursuant to a certificate dated September 2, 2026.}

16. Weighted Average Return on Net Worth: Weighted Average Return on Net Worth for past three Fiscal years i.e. 2026, 2025 and 2024 is 14.15%.

17. The table below provides comparison of certain ratios our Company and with our listed industry peer for Fiscal 2026:

Particulars	Market capitalization to revenue from operations ratio (times)		Enterprise value to EBITDA ratio (times)		Price to earnings ratio (times)*		Earnings per share (EPS) (₹)		Net asset value per share (₹)	Adjusted Return on Average Equity (%)	Adjusted Return on capital employed (%)
	Cap Price	Floor Price	Cap Price	Floor Price	Cap Price	Floor Price	Basic	Diluted			
Our Company	3.25	3.09	29.33	27.96	47.17	44.87	14.33	14.33	77.33	20.37	22.43
Peer Group:											
Aarti Industries Limited		2.37		20.49		46.79	11.56	11.55	164.27	7.25	6.87
Atul Limited		3.03		18.41		28.04	230.25	230.25	2,136.46	11.53	14.38
Laxmi Organic Industries Limited		1.67		30.53		59.95	2.87	2.86	71.66	4.08	4.45
Vinati Organic Limited		6.17		20.99		30.95	42.80	42.80	304.99	14.90	18.86
Privi Speciality Chemicals Limited		5.27		22.37		42.67	81.08	81.08	368.79	24.76	21.85
Yasho Industries Limited		6.29		40.12		206.68	20.95	20.95	368.18	5.85	9.09
Excel Industries Limited		1.18		11.63		17.12	60.19	60.19	1,354.74	4.60	7.27

^{*Based on diluted EPS}

18. Performance of BRLM's Past Issues: The BRLM associated with the Offer have handled 17 public issues in the past three years, out of which 4 issues closed below the issue price on listing date:

Name of the BRLM	Total Public Issues	Issues closed below the issue price on listing date
DAM Capital Advisors Limited	17	4
Total	17	4

ADDITIONAL INFORMATION FOR INVESTORS

1. Our Company has not undertaken pre-IPO placement from the DRHP till date.
2. The Promoters or members of the Promoter Group have not undertaken any transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the Company from the DRHP till date.
3. Pre-Offer shareholding as at the date of this pre-issue and price band advertisement and Post-Offer shareholding as at Allotment of our Promoters, members of the Promoter Group, top 10 Shareholders and other Public Shareholders of our Company
- The aggregate pre-Offer and post-Offer equity shareholding and percentage of the pre-Offer and post-Offer paid up Equity Share capital of our Promoters, members of the Promoter Group (other than Promoters), the additional top 10 Shareholders and other Public Shareholder as on the date of this pre-Offer and price band advertisement is set forth below:

S. No.	Name of the shareholder	Pre-Offer shareholding as at the date of this pre-Offer and price band advertisement		Post-Offer shareholding as at the date of Allotment ⁽ⁱ⁾			
		Number of Equity Shares of face value ₹ 2 each	Percentage of total pre-Offer paid up Equity Share capital on a fully diluted basis (%)	At the lower end of the price band (₹643)		At the upper end of the Price Band (₹676)	
				Number of Equity Shares of face value ₹ 2 each held on a fully diluted basis ⁽ⁱⁱ⁾	Percentage of total post-Offer paid up Equity Share capital on a fully diluted basis ⁽ⁱⁱ⁾ (%)	Number of Equity Shares of face value ₹ 2 each held on a fully diluted basis ⁽ⁱⁱ⁾	Percentage of total post-Offer paid up Equity Share capital on a fully diluted basis ⁽ⁱⁱ⁾ (%)
Promoters							
1	Usha Rajnikant Shah (held jointly with Nishith Rajnikant Shah and Sandhya Nishith Shah)	6,880,000	11.86	5,013,749	8.46	5,104,853	8.63
2	Gaurang Natwarlal Parikh (held jointly with Tanvi Gaurang Parikh)	5,200,000	8.97	4,650,156	7.85	4,676,998	7.90
3	Nishith Rasiklal Dharia (held jointly with Sonal Nishith Dharia)	4,980,000	8.59	4,482,333	7.57	4,506,628	7.61
4	Sachin Jatin Parikh (held jointly with Shruti Sachin Parikh)	2,000,000	3.45	1,502,333	2.54	1,526,628	2.58
5	Dhaval Nalin Parikh	1,800,000	3.10	1,800,000	3.04	1,800,000	3.04
6	Kunal Tushar Dharia (held jointly with Tushar Natverlal Dharia and Ami Tushar Dharia)	1,800,000	3.10	1,800,000	3.04	1,800,000	3.04
7	Usha Rajnikant Shah (held jointly with Nishith Rajnikant Shah)	600,000	1.03	600,000	1.01	600,000	1.01
8	Suketu Navinchandra Parikh (held jointly with Lina Suketu Parikh)	350,000	0.60	256,688	0.43	261,243	0.44
9	Rakesh Gupta (held jointly with Veenu Rakesh Gupta)	200,000	0.34	200,000	0.34	200,000	0.34
10	Nishith Rajnikant Shah (held jointly with Shah Sandhya Nishith)	100,000	0.17	100,000	0.17	100,000	0.17
11	Pankil Nishith Dharia (held jointly with Kinjal Pankil Dharia)	20,000	0.03	20,000	0.03	20,000	0.03
	Total (A)	23,930,000	41.26	20,425,259	34.48	20,596,350	34.80
Promoter Group (other than the Promoters)							
1	Dipti Nalin Parikh	4,200,000	7.24	4,200,000	7.09	4,200,000	7.10
2	Shah Sandhya Nishith (held jointly with Nishith Rajnikant Shah)	3,120,000	5.38	3,120,000	5.27	3,120,000	5.27
3	Tushar Natverlal Dharia (held jointly with Ami Tushar Dharia)	2,400,000	4.14	2,391,913	4.04	2,392,308	4.04
4	Sonal Nishith Dharia (held jointly with Nishith Rasiklal Dharia)	2,079,000	3.58	1,531,567	2.59	1,558,290	2.63
5	Bhisham Kumar Gupta (held jointly with Raksha Bhisham Gupta) ^A	2,000,000	3.45	1,393,002	2.35	1,422,634	2.40
6	Jatin Narendra Parikh (held jointly with Chamak Jatin Parikh) ³	1,300,000	2.24	1,300,000	2.19	1,300,000	2.20
7	Chamak Jatin Parikh (held jointly with Jatin Narendra Parikh)	1,300,000	2.24	1,300,000	2.19	1,300,000	2.20
8	Tushar Natverlal Dharia HUF	1,200,000	2.07	398,772	0.67	437,885	0.74
9	Bhisham Kumar Gupta (held jointly with Rakesh Gupta) ^A	1,200,000	2.07	1,200,000	2.03	1,200,000	2.03
10	Ami Tushar Dharia (held jointly with Tushar Natverlal Dharia)	1,000,000	1.72	1,000,000	1.69	1,000,000	1.69

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ADDITIONAL INFORMATION FOR INVESTORS

S. No.	Name of the shareholder	Pre-Offer shareholding as at the date of this pre-Offer and price band advertisement		Post-Offer shareholding as at the date of Allotment ⁽⁸⁾			
		Number of Equity Shares of face value ₹ 2 each	Percentage of total pre-Offer paid up Equity Share capital on a fully diluted basis (%)	Number of Equity Shares of face value ₹ 2 each held on a fully diluted basis ⁽¹⁾	Percentage of total post-Offer paid up Equity Share capital on a fully diluted basis ⁽¹⁾ (%)	Number of Equity Shares of face value ₹ 2 each held on a fully diluted basis ⁽¹⁾	Percentage of total post-Offer paid up Equity Share capital on a fully diluted basis ⁽¹⁾ (%)
11	Veenu Rakesh Gupta (held jointly with Rakesh Gupta)	1,000,000	1.72	1,000,000	1.69	1,000,000	1.69
12	Gaurang Natwarlal Parikh HUF	1,000,000	1.72	711,680	1.20	725,755	1.23
13	Nihir Nalin Parikh	900,000	1.55	900,000	1.52	900,000	1.52
14	Kinjal Pankil Dharia (held jointly with Pankil Nishith Dharia)	800,000	1.38	725,350	1.22	728,995	1.23
15	Shah Sandhya Nishith (held jointly with Ashna Nishith Shah)	800,000	1.38	800,000	1.35	800,000	1.35
16	Shah Sandhya Nishith (held jointly with Anvi Nishith Shah)	600,000	1.03	600,000	1.01	600,000	1.01
17	Jignasha Jay Kantawala (held jointly with Jay Shailesh Kantawala)	600,000	1.03	537,792	0.91	540,829	0.91
18	Raksha Bhisham Gupta (held jointly with Bhisham Kumar Gupta)	400,000	0.69	400,000	0.68	400,000	0.68
19	Suhagi Dhaval Parikh (held jointly with Dhaval Nalin Parikh)	400,000	0.69	400,000	0.68	400,000	0.68
20	Sundeeep Navinchandra Parikh (held jointly with Sheetal Sandeep Parikh)	350,000	0.60	295,568	0.50	298,225	0.50
21	Lina Suketu Parikh (held jointly with Suketu Navinchandra Parikh)	350,000	0.60	342,069	0.58	342,456	0.58
22	Pushpa Navinchandra Parikh (held jointly with Suketu Navinchandra Parikh)	331,250	0.57	245,714	0.41	249,890	0.42
23	Shruti Sachin Parikh (held jointly with Sachin Jatin Parikh)	200,000	0.34	77,139	0.13	83,137	0.14
24	Tanvi Gaurang Parikh (held jointly with Gaurang Natwarlal Parikh)	200,000	0.34	200,000	0.34	200,000	0.34
25	Uma Rajan Javeri (held jointly with Rajan Satishchandra Javeri)	24,170	0.04	24,170	0.04	24,170	0.04
26	Riddhi Mihir Kapadia (held jointly with Nishith Rasiklal Dharia)	20,000	0.03	20,000	0.03	20,000	0.03
27	Meghna B Gandhi (held jointly with Tanvi Gaurang Parikh)	7,825	0.01	7,825	0.01	7,825	0.01
28	Mira Ravitej Kapadia (held jointly with Ravitej Rasiklal Kapadia)	7,825	0.01	7,825	0.01	7,825	0.01
29	Asit Rasiklal Dharia (held jointly with Heena Asit Dharia)	7,245	0.01	7,245	0.01	7,245	0.01
30	Mahesh Naranji Thakkar (held jointly with Smita Mahesh Thakkar)	7,245	0.01	7,245	0.01	7,245	0.01
31	Sonal Dharia Family Trust ⁴	1,000	0.00	1,000	0.00	1,000	0.00
	Total (B)	27,805,560	47.94	25,145,876	42.44	25,275,714	42.71
Public Shareholders (top 10 Shareholders)							
1	Dipak Amarshi (held jointly with Ushma Amarshi)	2,600,000	4.48	2,460,032	4.15	2,466,864	4.17
2	Janhavi Nihir Parikh	1,100,000	1.90	1,100,000	1.86	1,100,000	1.86
3	Namita Tushar Parikh ⁴	940,248	1.62	821,353	1.39	827,157	1.40
4	Heta T Parikh ⁴	797,168	1.37	696,360	1.18	701,281	1.18
5	Sheetal Sandeep Parikh (held jointly with Sundeeep Navinchandra Parikh)	350,000	0.60	342,224	0.58	342,604	0.58
6	Jayashree Ramakrishnan (held jointly with Ramakrishnan Gopalkrishnan)	100,000	0.17	100,000	0.17	100,000	0.17
7	K S Natarajan (held jointly with Saraswathy Natarajan)	100,000	0.17	100,000	0.17	100,000	0.17
8	Hiranya Jaysinh Ashar	46,375	0.08	46,375	0.08	46,375	0.08
9	Uday Krishna Kamat (held jointly with Dhanvanti Uday Kamat)	34,305	0.06	34,305	0.06	34,305	0.06
10	Gajanan Anant Nayak (held jointly with Vasanti Gajanan Nayak)	27,500	0.05	27,500	0.05	27,500	0.05
	Total (C)	6,095,596	10.51	5,728,149	9.67	5,746,086	9.71
Other Public Shareholders							
1	Public Shareholders ⁽²⁾	168,844	0.29	7,944,883	13.41	7,565,281	12.78
	Total (D)	168,844	0.29	7,944,883	13.41	7,565,281	12.78
	Total (E=A+B+C+D)	58,000,000	100.00	59,244,167	100.00	59,183,431	100.00

Note: Subject to the completion of the Offer and finalization of the Basis of Allotment. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Basis of Allotment. Also, this table assumes there is no transfer of shares by these shareholders between the date of the advertisement and Allotment (if any such transfers occur prior to the date of the Prospectus, it will be updated in the shareholding pattern in the Prospectus).

(1) This will include any transfers of Equity Shares by existing Shareholders until the date of the Prospectus.

(2) Based on the Offer price of ₹ [●] and subject to finalisation of the basis of allotment.

(3) As on the date of the Red Herring Prospectus, our Company has 27 Shareholders (other than Promoters, Promoter Group and additional top 10 Shareholders mentioned above).

(4) Equity Shares of face value of ₹ 2 held in two different demat accounts.

(5) Jatin Narendra Parikh passed away on August 24, 2026. These Equity Shares have not yet been transmitted.

(6) Equity Shares held through trustees i.e., Sonal Nishith Dharia and Nishith Rasiklal Dharia.

BASIS FOR OFFER PRICE



(you may scan the QR code for accessing the website of
DAM Capital Advisors Limited)

(The "Basis for Offer Price" section on page 198 of the RHP will be updated with the above price band. Please refer to the websites of the BRLM: www.damcapital.in, for the "Basis for Offer Price" updated with the above price band)

The Offer Price will be determined by our Company, in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares offered in the Offer through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Floor Price is 328.50 times the face value and the Cap Price is 345.00 times the face value. The Cap Price is minimum 105 % of the Floor Price and is not exceeding 120 % of the Floor Price.

Investors should also see 'Risk Factors', 'Our Business', 'Management's Discussion and Analysis of Financial Condition and Results of Operations' and 'Restated Financial Information' and 'Summary of Financial Information' on pages 22, 297, 447, 374 and 89, of the RHP, respectively to have an informed view before making an investment decision.

Qualitative factors : Some of the qualitative factors which form the basis for computing the Offer Price are on page 302 of the RHP.

Quantitative factors : Some of the information presented below relating to our Company is based on the Restated Financial Information prepared in accordance with the SEBI ICDR Regulations. For further details, see 'Restated Financial Information' on page 374 of the RHP.

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

1. BASIC AND DILUTED EARNING PER SHARE ("EPS") OF FACE VALUE OF ₹ 2 PER EQUITY SHARE (AS ADJUSTED FOR CHANGES IN CAPITAL, IF ANY):

Fiscal	Basic EPS (₹)	Diluted EPS (₹)	Weights
Financial Year ended March 31, 2026	14.33	14.33	3
Financial Year ended March 31, 2025	7.51	7.51	2
Financial Year ended March 31, 2024	3.13	3.13	1
Weighted Average	10.19	10.19	

Notes:

(1) Basic EPS (₹) = Net Profit/(loss) for the year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding at the end of the year.

(2) Diluted EPS (₹) = Net Profit/(loss) for the year attributable to equity shareholders of the Company divided by total weighted average potential number of equity shares outstanding at the end of the year.

(3) Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

(4) Weighted average number of shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of shares issued during the period multiplied by the time weighting factor. The time-weighting factor is the number of days for which the Equity Shares are outstanding as a proportion of total number of days during the period.

2. PRICE/ EARNING (P/E) RATIO IN RELATION TO THE PRICE BAND OF ₹643 TO ₹676 PER EQUITY SHARE:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on Basic EPS for Financial Year ended March 31, 2026	44.87	47.17
Based on Diluted EPS for Financial Year ended March 31, 2026	44.87	47.17

3. INDUSTRY PEER GROUP P/E RATIO*

Particulars P/E	Industry P/E	Name of peer company
Highest	206.68	Yasho Industries Limited
Lowest	17.12	Excel Industries Limited
Average	61.74	NA

(1) The highest and lowest industry P/E shown above is based on the peer set provided below under "6. Comparison of Accounting Ratios with Listed Industry Peers".

(2) The industry average has been calculated as the arithmetic average P/E of the peer set provided below.

(3) P/E figures for the peer are computed based on closing market price as on August 18, 2026 on BSE, divided by Diluted EPS (on consolidated basis) based on the financial results declared by the peers available on website of www.bseindia.com for the Financial Year ending March 31, 2026.

4. RETURN ON NET WORTH ("RoNW"):

Particulars	RoNW (%)	Weight
Financial Year 2026	18.53%	3
Financial Year 2025	11.86%	2
Financial Year 2024	5.56%	1
Weighted Average	14.15%	-

Notes:

(1) Return on Net Worth (%) = Net profit / (loss) after Tax for the year as divided by Equity attributable to the owners of the Company, as at the end of the year.

(2) Net Worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per Restated Financial Information of Assets and Liabilities of the Company but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as at the end of the year.

(3) Weighted average = Aggregate of financial year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each financial year]/(Total of weights).

5. NET ASSET VALUE ("NAV") PER EQUITY SHARE AS PER LAST BALANCE SHEET:

NAV per Equity Share	NAV per Equity Shares (₹)
As on March 31, 2026	77.33
After the Offer ¹	
-At Floor Price	89.21
- At Cap Price	89.30
Offer Price	[●]

Notes: *To be updated after determination of the Price Band. Offer Price per Equity Share will be determined on conclusion of the Book Building Process and this is not derived from Restated Financial Information.

(1) Net Asset Value per Equity Share = Net-worth of the Company divided by weighted average numbers of equity shares outstanding during the year.

(2) Net Worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per Restated Financial Information of Assets and Liabilities of the Company but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as at the end of the year.

6. Comparison of Accounting Ratios with Listed Industry Peers

Name of the Company	Face Value (₹ per share)	Revenue from operations for Fiscal 2026 (in ₹ million)	Total Income for Fiscal 2026 (in ₹ million)	EPS as on March 31, 2026 (₹ per share)		NAV as on March 31, 2026 (₹ per share)	P/E (Diluted) as on August 28, 2026	P/E (Basic) as on August 28, 2026	RONW (%) as on March 31, 2026
				Basic	Diluted				
Prasol Chemicals Limited	2	12,325.93	12,378.45	14.33	14.33	77.33	[●]	[●]	18.53%
Peer Group:									
Aarti Industries Limited	5	82,860.00	82,910.00	11.56	11.55	164.27	46.79	46.75	7.04%
Atul Limited	10	62,735.40	64,764.40	230.25	230.25	2,136.46	28.04	28.04	10.95%
Laxmi Organic Industries Limited	2	28,466.67	28,619.72	2.87	2.86	71.66	59.95	59.74	4.00%
Vinati Organic Limited	1	22,268.90	22,795.30	42.80	42.80	304.99	30.95	30.95	14.03%
Privi Specialty Chemicals Limited	10	25,636.86	25,829.21	81.08	81.08	366.79	42.67	42.67	21.99%
Yasho Industries Limited	10	8,300.28	8,313.14	20.95	20.95	368.18	206.68	206.68	5.69%
Excel Industries Limited	5	10,945.22	11,218.47	60.19	60.19	1,354.74	17.12	17.12	4.44%

Source:

Note: Financial Information of the Peer group companies has been sourced from the consolidated financial statements for the year ended March 31, 2026 as disclosed on the website of the Stock Exchanges.

(1) Basic EPS has been calculated as the Net Profit/(loss) for the year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding as on March 31, 2026.

(2) Diluted EPS refers to the Diluted EPS sourced from the consolidated financial statements of the respective peer group companies for the year ended March 31, 2026.

(3) NAV is computed as the closing Net Worth divided by the closing outstanding number of equity shares as on March 31, 2026.

(4) P/E Ratio has been computed based on the closing market price of equity shares on BSE on August 28, 2026, divided by the Diluted EPS provided under Note 1 above.

(5) Net Worth has been calculated as the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per Restated Financial Information of Assets and Liabilities of the Company but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2026.

While our listed peers, like our Company, operate in the specialty chemicals industry and may have similar offerings or end use applications, their business may be different in terms of differing specialty chemicals, albeit with overlaps in sale of certain products, or difference in size, focus areas or different geographical serviced. Accordingly, these peers have been considered by our Company irrespective of the variation in the P/E.

7. Weighted average cost of acquisition (WACA), Floor Price and Cap

(a) **Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the Red Herring Prospectus, where such issuance is equal to or more than 5 per cent 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:**

Not Applicable*

There has been no primary/new issuance of Equity Shares or convertible securities, excluding grants of any options and issuance of bonus shares, equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction 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) during 18 months preceding the date of filing of the Red Herring Prospectus.

(b) **Weighted average cost of acquisition for last 18 months for secondary sales/acquisition of shares (equity/convertible securities), where promoters / promoter group entities or shareholder(s) having the right to nominate director(s) in the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5 per cent 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**

Not Applicable*

There has been no secondary sale/acquisition of Equity Shares or convertible securities by Promoters, Promoter Group entities (excluding gifts), where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction 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 during 18 months preceding the date of filing of the Red Herring Prospectus. There are no Shareholders who are entitled to nominate Directors on our Board.

Past transactions	Weighted average cost of acquisition per Equity Share ⁽¹⁾ (in ₹)	Floor price in ₹ 643	Cap price in ₹ 676
(a) Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the RHP, where such issuance is equal to or more than 5 per cent 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 rolling 30 days	NA	NA	NA
(b) Weighted average cost of acquisition for last 18 months for secondary sales/acquisition of shares (equity/convertible securities), where promoters / promoter group entities or shareholder(s) having the right to nominate director(s) in the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the RHP, where either acquisition or sale is equal to or more than 5 per cent 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	NA	NA	NA

(c) Since there are no transactions to report under points (a) and (b), the following are the details based on the last 5 primary issuances and secondary transactions (secondary transactions where Promoters, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of our Company, are a party to the transaction excluding gifts), not older than the three years preceding the date of the Red Herring Prospectus, irrespective of the size of transactions:

Primary transactions:

There are no primary transactions in the three years preceding the date of the Red Herring Prospectus.

Secondary transactions:

Set out below are details of the last five secondary transactions where our Promoters, Promoter Group, Selling Shareholders are a party to the transaction, in the last three years preceding the date of the Red Herring Prospectus:

Date of Allotment/ Transaction	Type of transaction	Particulars	Number of equity shares	Face Value (₹)	Issue Price/ Transfer Price per share	Nature of Consideration	Total Consideration (in ₹ million)
September 10, 2025	Secondary Sale	Share Transfer	6,945	2	360	Sale of Equity shares	2.50
September 10, 2025	Secondary Sale	Share Transfer	27,500	2	360	Sale of Equity shares	9.90
September 10, 2025	Secondary Sale	Share Transfer	34,305	2	360	Sale of Equity shares	12.35
September 01, 2025	Secondary Sale	Share Transfer	50,000	2	360	Sale of Equity shares	18.00
August 29, 2025	Secondary Sale	Share Transfer	50,000	2	360	Sale of Equity shares	18.00
Weighted average cost (in ₹)							360.00

There are no Shareholders who are entitled to nominate Directors on our Board.

For further details in relation to the share capital history of our Company, see 'Capital Structure' on page 110 of the RHP.

Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and the Cap Price:

Past transactions	Weighted average cost of acquisition (in ₹)	Floor Price (i.e., ₹ (643)	Cap Price (i.e., ₹ (676)
Last 5 Primary Transactions	NA	NA	NA
Last 5 Secondary Transactions	360.00	1.79 times	1.88 times

8. Justification for Basis for Offer Price

Detailed explanation for Cap Price being 1.92 times of WACA of past 5 secondary transactions of Equity Shares (as disclosed above) along with our Company's Key Performance Indicators and financial ratios for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and in view of the external factors which may have influenced the

