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SACHEEROME LIMITED

CORPORATE IDENTITY NUMBER: U74899DL1992PLC049258

Our Company was originally incorporated as "Sachee Fragrances Limited" under the provisions of Companies Act, 1956 with Registrar of Companies, Delhi & Haryana and received a certificate of incorporation from the Registrar of Companies, Delhi & Haryana on June 19, 1992. Later, the name of the company changed from "Sachee Fragrances Limited" to "Sachee Cosmetics Limited" vide Extra Ordinary General Meeting dated December 26, 1994 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on February 13, 1995. Later, the name of the company changed from "Sachee Cosmetics Limited to Sachee Aromatics Limited" vide Extra Ordinary General Meeting dated March 19, 1997 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on April 3, 1997. Further the company has converted from "Sachee Aromatics Limited" to "Sachee Aromatics Private Limited" vide Extra Ordinary General Meeting dated February 24, 2012 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on March 14, 2012. Further the name of the company changed from "Sachee Aromatics Private Limited" to "Sacheerome Private Limited" vide Extra Ordinary General Meeting dated April 04, 2012 and fresh certificate of Incorporation issued by the Registrar of Companies Delhi & Haryana on April 17, 2012. Further, the name of the company changed from "Sacheerome Private Limited" to "Sacheerome Limited" vide Extra Ordinary General Meeting dated May 01, 2024 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on August 8th, 2024. The corporate identification number of our Company is U74899DL1992PLC049258. For further details of change in the name of our Company and the Registered Office, see "History and Certain Corporate Matters" on page 128.

Registered Office: Y-4 Okhla Industrial Area-II, New Delhi, Delhi, India, 110020;
Corporate Office: F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020
Telephone: +011-47311111; E-mail: compliance@sacheerome.com; Website: www.sacheerome.com
Contact Person: Ms. Harpreet Kaur, Company Secretary and Compliance Officer;

PROMOTERS OF OUR COMPANY: MR. MANOJ ARORA, MRS. ALKA ARORA AND MR. DHYUV ARORA

INITIAL PUBLIC ISSUE OF UP TO 60,40,800* EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF SACHEEROME LIMITED (THE "COMPANY" OR "SL" OR "ISSUER") AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [•] LACS ("PUBLIC ISSUE") OUT OF WHICH UP TO 3,02,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [•] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UP TO 57,38,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [•] LACS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [•] % AND [•] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

*Subject to finalization of basis of allotment.

DETAILS OF SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION:

Not applicable as the entire issue constitutes fresh issue of Equity shares.

PRICE BAND: ₹ 96/- TO ₹ 102/- PER EQUITY SHARE OF FACE VALUE ₹ 10/- EACH

THE FLOOR PRICE IS 9.6 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 10.2 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2025 AT THE FLOOR PRICE IS 9.81 TIMES AND AT THE CAP PRICE IS 10.42 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 1200 EQUITY SHARES AND IN MULTIPLES OF 1200 EQUITY SHARES THEREAFTER.

BRIEF DESCRIPTION OF THE BUSINESS OF THE COMPANY

Our company is in business of creation & manufacturing of Fragrances and Flavours. Our company is in business of B2B segment in food and non-food FMCG, catering to leading companies in India & many other parts of the world, in various categories. Fragrances manufactured by our company are used in the Personal Care & Wash, Body Care, Hair Care & Wash, Fabric Care, Home Care, Baby Care, Fine fragrance, Air care, Pet Care, Men's Grooming, Hygiene & Wellness and various other industries. Flavours manufactured by our company are used in Beverage, Bakery, Confectionery, Dairy Products, Health & Nutrition, Oral care, Shisha, Meat Products, Dry Flavours, Seasonings and others.

For further details, please see "Our Business" on page 99 of this Red Herring Prospectus

BID/ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENS/CLOSES ON: JUNE 06, 2025, FRIDAY*

BID/ISSUE OPENS ON: JUNE 09, 2025, MONDAY*

BID/OFFER CLOSES ON: JUNE 11, 2025, WEDNESDAY** ^

*Our Company may in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor shall Bid on the Anchor investor bidding date i.e. one Working Day prior to the Bid/Offer Opening Date.

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

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

THIS ISSUE IS BEING MADE THROUGH BOOK BUILDING PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED READ WITH RULE 19(2)(B) OF SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED.

THE EQUITY SHARES WILL GET LISTED ON THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE). NSE SHALL BE THE DESIGNATED STOCK EXCHANGE.

FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE 207 OF THE RED HERRING PROSPECTUS. A COPY OF THE RED HERRING PROSPECTUS WILL BE DELIVERED FOR REGISTRATION TO THE REGISTRAR OF COMPANIES, DELHI & HARYANA AS REQUIRED UNDER SECTION 26 AND 32 OF THE COMPANIES ACT, 2013.

ALLOCATION OF THE ISSUE

• QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE • RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE

• NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE • MARKET MAKER PORTION: UP TO 3,02,400 EQUITY SHARES OR 5.01% OF THE ISSUE

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE ISSUE, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE ISSUE AVAILABLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated June 02, 2025, The above provided price band is justified based on quantitative factors/KPIs disclosed in the "Basis for Issue Price" section beginning on page no. 81 of the Red Herring Prospectus vis-à-vis the weighted average cost of acquisition (WACA) of primary and secondary transaction(s) as applicable disclosed in the "Basis for Issue Price" section beginning on page no 81 of the Red Herring Prospectus and provided below in the advertisement.

RISKS TO INVESTORS

Summary description of key risk factors based on materiality

- The success of our products depends on our ability, as well as that of our customers, to anticipate market trends and understand customer preferences early on, leveraging this information successfully. Failure to do so could negatively impact our cash flows, business performance, financial condition, and overall operational results.
- Success in our fragrances and flavor business relies on a limited pool of highly specialized employees, making recruitment and retention critical to our ability to compete and achieve strategic objectives.
- A significant portion of our revenues is dependent on a few key customers, with whom we do not have firm commitments. The loss of any one or more of these major customers could have a material adverse effect on our business, cash flows, results of operations, and financial condition.
- Increasingly stringent regulatory environment with regard to food, cosmetic ingredients and FMCG could result in stricter standards being applied to our products, which could cause us to incur substantial costs, which may have an adverse effect on our business and results of operations.
- Disproportionate increases in raw materials prices and significant dependence on a limited number of suppliers for unique raw materials could adversely affect our business, results of operations and cash flows
- Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.
- There have been instances of delays of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to ROC
- Increasing competition and industry consolidation may adversely impact our business.
- Intense competition and consolidation in the FMCG industry may lead to increased price pressure on our customers. If we are unable to compete effectively, our sales and results of operations will suffer.
- Our ability to successfully implement our growth strategy is subject to various internal and external factors that may impact our expansion plans, operational efficiency, and overall business performance

Details of suitable ratios of the company for the latest full financial year

1. Basic and Diluted Earnings per Share (EPS) as adjusted for changes in capital

Year ended	(post bonus effect)	
	Basic and Diluted EPS (in ₹)	Weight
FY 2022-23	3.67	1
FY 2023-24	6.54	2
FY 2024-25	9.79	3
Weighted Average	7.69	

Note:

- The figures disclosed above are based on the Restated Financial Statements of the Company
- The face value of each equity shares is Rs. 10.00
- Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year.
- Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year for diluted EPS.
- Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year/period.
- The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.
- The EPS has been calculated in accordance with AS 20 Earnings Per Share (EPS) Issued by Institute of Chartered Accountants of India

2. Net Asset Value (NAV) per Equity Share

(post bonus effect and split of shares)

Particulars	NAV per Share (₹)
As on March 31, 2023	21.63
As on March 31, 2024	28.17
As on March 31, 2025	37.95
Net Asset Value per Equity Share after the Issue	
Issue price per equity shares	[•]

Note:

- NAV (book value per share) = Total shareholders' funds divided by number of shares outstanding as on March 31, 2025, 2024 and 2023.
- The above NAV has been calculated giving the effect of Bonus Issue

3. Comparison of Accounting Ratios with Industry Peers

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

Name of the Company	CMP*	Basic EPS (₹)	Diluted EPS (₹)	Face Value (₹)	P/E Ratio*	RoNW (%)	NAV Per Share	Total Income (₹ in Thousands)
Peer Group								
S H Kelkar Limited	237.09	5.4	5.4	10	43.91	5.75%	91.89	2,04,25,000
Our Company	[•]	9.79	9.79	10	[•]	25.78%	37.95	10,81,341

*Source: All the financial information for listed industry peers mentioned above is sourced from the Unaudited financial results of the aforesaid companies for the year ended March 31, 2025 and stock exchange data dated May 26, 2025 to compute the corresponding financial ratios for the financial year ended March 31, 2025. The current market price and related figures are as on May 26, 2025.

- P/E figures for the peers are based on closing market prices of equity shares on BSE and NSE on March 31, 2024 divided by the Basic EPS as at March 31, 2025.
- Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the Annual Reports for FY 23-24 of the listed peer companies.
- Return on Net Worth (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2025 divided by Total Equity as on March 31, 2025.
- NAV per share for listed peers is computed as the Total Equity as on March 31, 2024 divided by the outstanding number of equity shares as on March 31, 2025.

4. Key Performance Indicators (KPI) of our company

(in ₹ Thousands, except per share data)

Particulars	For the year ended March 31		
	2025	2024	2023
Revenue from Operations	10,75,359	8,50,953	7,04,919
Growth in Revenue from Operations (%)	26.37%	20.72%	10.35%
Total Income	10,81,341	8,63,978	7,09,281
EBITDA	2,33,826	1,64,537	1,03,567
EBITDA Margin (%)	21.62%	19.04%	14.60%
Net Profit for the Year/Period	1,59,820	1,06,730	59,941
PAT Margin (%)	14.86%	12.54%	8.50%
Return on Net Worth (%)	25.78%	23.20%	16.97%
Return on Capital Employed (in times)	0.33	0.31	0.25
Debt-Equity Ratio (in times)	0.06	0.03	-

- Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
- Total income includes revenue from operations and other income.
- EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year/ period and adding back interest cost, depreciation, and amortization expense.
- EBITDA margin is calculated as EBITDA as a percentage of total income.
- Net Profit for the year/period represents the restated profits of the Company after deducting all expenses.
- PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Net worth at the end of respective period/year. Net worth means aggregate value of the paid-up equity share capital and reserves & surplus.
- Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of total equity, total debt and deferred tax liabilities)
- Debt-equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

Note: As certified by M/s. Agarwal and Dhandhaniah, Chartered Accountants pursuant to their certificate dated May 26, 2025.

Weighted average return on net worth for the last 3 FYs, and return on net worth for any interim period for the issuer company

Return on Net Worth (RoNW):

Year ended	RoNW(%)	Weight
FY 2022-23	16.97%	1
FY 2023-24	23.20%	2
FY 2024-25	25.78%	3
Weighted Average	23.45%	

*RoNW is calculated as net profit after taxation and minority interest attributable to the equity shareholders of the Company divided by shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus - revaluation reserves

*Networth is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Networth of the Company.

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

5. Disclosures as per clause (9)(K)(4) of Part A to Schedule VI, as applicable.

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

There has been no issuance of Equity Shares during the 18 months preceding the date of this Red Herring Prospectus (Except Bonus Issue of Shares), where such

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