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HERANBA

HERANBA INDUSTRIES LIMITED

CIN: U24231GJ1992PLC017315

Our Company was originally incorporated as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated March 17, 1992 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli with the name 'Heranba Industrial Chemicals Private Limited'. Subsequently, our Company was converted into a public limited company pursuant to approval of the shareholders at an extraordinary general meeting held on June 15, 1996 and consequently, the name of our Company was changed to 'Heranba Industrial Chemicals Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on July 26, 1996. Subsequently, the name of our company was changed to 'Heranba Industries Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli on July 26, 1996. For further details of our Company, refer "General Information" and "History and Certain Other Corporate Matters" on pages 67 and 167 of the Prospectus respectively.

Registered Office: Plot No. 1504 / 1505 / 1506/1 GIDC, Phase-III, Vapi, Valsad – 396 195, Gujarat, India | **Tel No.:** +91 260 240 1646;

Corporate Office: 101 / 102, Kanchanganga, Factory Lane, Borivali - West, Mumbai – 400 092, Maharashtra, India | **Tel No.:** +91 22 2898 7912

Email: compliance@heranba.com | **Website:** www.heranba.co.in;

Contact Person: Maheshwar V. Godbole, Chief Financial Officer, Abdul Latif, Company Secretary & Compliance Officer

OUR PROMOTERS: SADASHIV K. SHETTY AND RAGHURAM K. SHETTY

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFERING OF 99,71,937 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH OF HERANBA INDUSTRIES LIMITED ("OUR COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ 627 PER EQUITY SHARE ("OFFER PRICE") (INCLUDING A SHARE PREMIUM OF ₹ 617 PER EQUITY SHARE) AGGREGATING TO ₹ 6,252.40 MILLION ("THE OFFER") COMPRISING A FRESH ISSUE OF 9,56,937 EQUITY SHARES AGGREGATING TO ₹ 600 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF 90,15,000 EQUITY SHARES COMPRISING OF 58,50,000 EQUITY SHARES BY SADASHIV K. SHETTY, 22,72,038 EQUITY SHARES BY RAGHURAM K. SHETTY, 8,12,962 EQUITY SHARES BY SAMS INDUSTRIES LIMITED, 40,000 EQUITY SHARES BY BABU K. SHETTY AND 40,000 EQUITY SHARES BY VITTALA K. BHANDARY (COLLECTIVELY, THE "SELLING SHAREHOLDERS") AGGREGATING TO ₹ 5,652.40 MILLION ("OFFER FOR SALE"). THE OFFER CONSTITUTES 24.92% OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OFFER PRICE: ₹ 627 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
ANCHOR INVESTOR OFFER PRICE: ₹ 627 PER EQUITY SHARE
THE OFFER PRICE IS 62.7 TIMES OF THE FACE VALUE

Risks to Investors:

- The two Book Running Lead Managers associated with the Issue has handled 1 public issue in the past three years.
- Average cost of acquisition per Equity Share by our Promoters and Selling Shareholders ranges from ₹ 0.67 per Equity Shares to ₹ 20.00 per Equity Shares
- The Issue Price at the upper end of the Price Band is ₹ 627 per Equity Share.
- Weighted Average Return on Net worth for Fiscals 2020, 2019 and 2018 is 31.22%.

BID / OFFER PROGRAM	OPENED ON: TUESDAY, FEBRUARY 23, 2021 CLOSED ON: THURSDAY, FEBRUARY 25, 2021
ANCHOR INVESTOR BIDDING DATE WAS	MONDAY, FEBRUARY 22, 2021

The Offer was made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer was made available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Our Company and Selling Shareholders in consultation with the book running lead managers ("BRLMs"), allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer was made available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RIBs using UPI Mechanism), in which the corresponding Bid Amounts were blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 329 of the Prospectus.

The bidding for Anchor Investors opened and closed on February 22, 2021. The Company received 15 anchor investors applications for 35,48,831 Equity Shares. The Anchor Investor Allocation price was finalized at ₹ 627 per Equity Share. A total of 29,90,520 Equity Shares were allotted under the Anchor Investor portion aggregating to ₹ 187,50,56,040.

The Offer (excluding Anchor Investors Portion) received 1455312 Applications for 581501663 Equity Shares (before technical rejections) resulting in 83.29 times subscription. The details of the Applications received in the Offer from various categories are as under (before technical rejections):

Detail of the Applications Received (Excluding Anchor)

Sr. No.	Category	No. of Applications	No. of Equity Shares applied	Equity Shares Reserved as per Prospectus	No. of times Subscribed	Amount (in ₹)
1	Retail Individual Investors	1,451,497	41,324,583	34,90,178	11.84	24,8,078,87,837
2	Non – Institutional Investors	3,712	40,55,88,923	14,95,791	271.15	2,53,13,86,59,708
3	Qualified Institutional Buyers (Excluding Anchor Investors)	103	13,45,88,157	19,95,448	67.45	84,38,67,74,439
	Total	14,55,312	58,15,01,663	69,81,417	83.29	3,62,33,33,21,984

Final Demand

A summary of the final demand as per BSE and NSE as on the Bid/Offer Closing Date at different Bid prices is as under:

Sr. No.	Bid Price	Bids Quantity	% of Total	Cumulative Total	% Cumulative Total
1	626.00	1,57,987	0.027169	58,15,01,663	0.0272
2	627.00	54,87,65,027	94.37033	58,13,43,676	94.3703
3	CUT OFF	3,25,78,649	5.602503	3,25,78,649	5.6025
	Total	58,15,01,663	100	58,15,01,663	100

The Basis of Allotment was finalised in consultation with the Designated Stock Exchange, being BSE Limited on March 02, 2021.

1) Allotment to Retail Individual Investors (After Technical Rejections)

The Basis of Allotment to the Retail Individual Investors, who have Bid at cut-off Price or at or above the Offer Price of ₹ 627 per Equity Share, was finalized in consultation with BSE. The category has been subscribed to the extent of 10.52 times. The total number of Equity Shares Allotted in this category is 34,90,178 Equity Shares to 1,51,746 successful applicants. The category-wise details of the Basis of Allotment are as under:

No. of Shares Applied for (Category-wise)	No. of Applications Received	% of Total	Total No. of Shares Applied in Each Category	% to Total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
23	11,89,879	92.7259	27,36,7217	74.54	23	103:871	32,36,307
46	46,956	3.6592	21,59,976	5.88	23	103:871	1,27,719
69	13,567	1.0573	9,36,123	2.55	23	11:93	36,892
92	6,753	0.5263	6,21,276	1.69	23	11:93	18,377
115	5,736	0.4470	6,59,640	1.80	23	11:93	15,594
138	2,295	0.1788	3,16,710	0.86	23	11:93	6,233
161	2,490	0.1940	4,00,890	1.09	23	11:93	6,762
184	953	0.0743	1,75,352	0.48	23	11:93	2,599
207	618	0.0482	1,27,926	0.35	23	11:93	1,679
230	2,751	0.2144	6,32,730	1.72	23	11:93	7,475
253	513	0.0400	1,29,789	0.35	23	11:93	1,403
276	673	0.0524	1,85,748	0.51	23	11:93	1,840
299	10,038	0.7822	30,01,362	8.17	23	11:93	27,278
299					20	1:59	20
Total	12,83,222	100	3,67,14,739	100			34,90,178

2) Allotment to Non Institutional Investors (After Technical Rejections)

The Basis of Allotment to the Non-Institutional Investors, who have bid at the Offer Price of ₹ 627 per Equity Share or above, was finalized in consultation with BSE. The category has been subscribed to the extent of 266.77 times. The total number of Equity Shares Allotted in this category is 1495791 Equity Shares to 1478 successful applicants. The category-wise details of the Basis of Allotment are as under (Sample basis):

No. of Shares Applied for (Category-wise)	No. of Applications Received	% of Total	Total No. of Shares Applied in Each Category	% to Total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
322	689	19.10	2,21,858	0.06	23	36:689	828
4,600	25	0.69	1,15,000	0.03	23	19:25	437
1,610	47	1.30	75,670	0.02	23	12:47	276
345	199	5.52	68,655	0.02	23	11:199	253
7,97,433	28	0.78	2,23,28,124	5.60	2,989	1 : 1	83,692
32,00,128	5	0.14	1,60,00,640	4.01	11,996	1 : 1	59,980
39,87,234	3	0.08	1,19,61,702	3.00	14,947	1 : 1	44,841
19,93,617	6	0.17	1,19,61,702	3.00	7,473	1 : 1	44,838
9,56,915	11	0.30	1,05,26,065	2.64	3,587	1 : 1	39,457
14,35,384	7	0.19	1,00,47,688	2.52	5,381	1 : 1	37,667
11,96,161	8	0.22	95,69,288	2.40	4,484	1 : 1	35,872
37,03,000	2	0.06	74,06,000	1.86	13,881	1 : 1	27,762
6,37,951	10	0.28	63,79,510	1.60	2,391	1 : 1	23,910
7,17,692	8	0.22	57,41,536	1.44	2,690	1 : 1	21,520
49,85,963	1	0.03	49,85,963	1.25	18,687	1 : 1	18,687
Cumulative Total	3,608	100	39,90,27,069	100			14,95,791

3) Allotment to QIBs excluding Anchor Investors (After Technical Rejections)

Allotment to QIBs, who have bid at the Offer Price of ₹ 627 per Equity Share or above, has been done on a proportionate basis in consultation with BSE. This category has been subscribed to the extent of 67.46 times of QIB portion. As per the SEBI ICDR Regulations, Mutual Funds were allotted 5% of the Equity Shares of QIB portion available i.e. 99773 Equity Shares and other QIBs and unsatisfied demand of Mutual Funds were allotted the remaining available Equity Shares i.e. 134516421 Equity Shares on a proportionate basis. The total number of Equity Shares allotted in the QIB category is 1995448 Equity Shares, which were allotted to 82* successful Applicants.

*There were 22 applications for 131445 shares received under QIB category which were further re-categorized to HNI category and 1 application for 159482 shares received under HNI category which was further re-categorized to QIB category for the purpose of allotment.

Category	FIs/BANKS	MF'S	IC	AIF	FIs/ FPIs	OTHERS	Total
QIB	9,02,862	1,71,965	37,676	-	3,75,391	5,07,554	19,95,448

4) Allotment to Anchor Investors (After Technical Rejections)

The Company and the Selling Shareholders in consultation with the BRLMs has Allocated 2990520 Equity Shares to 15 Anchor Investors at the Anchor Investor Offer Price of ₹ 627 per Equity Shares in accordance with the SEBI ICDR Regulations. This represents 60% of the QIB Category.

Category	FIs/BANKS	MF'S	IC	AIF	FIs/ FPIs	OTHERS	Total
Anchor	-	5,98,115	-	6,06,077	15,15,188	2,71,140	29,90,520

The Board of Directors of our Company at its meeting held on March 02, 2021 has taken on record the basis of allotment of Equity Shares approved by the Designated Stock Exchange, being BSE and has allotted the Equity Shares to various successful applicants. The Allotment Advice Cum Refund Intimation will be dispatched to the address of the investors as registered with the depositories. Further, instructions to the SCSBs have been dispatched / mailed for unblocking of funds and transfer to the Public Issue Account on or before March 03, 2021 and payment to non-Syndicate brokers have been issued on March 04, 2021. In case the same is not received within ten days, investors may contact the Registrar to the Offer at the address given below. The Equity Shares allotted to the successful allottees have been uploaded on or before March 03, 2021 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company is in the process of obtaining the listing and trading approval from BSE and NSE and the trading of the Equity Shares is expected to commence on March 05, 2021.

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus dated February 27, 2021 filed with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad. ("RoC").

INVESTORS PLEASE NOTE

The details of the allotment made has been hosted on the website of the Registrar to the Offer, Bigshare Services Private Limited at website: www.bigshareonline.com

All future correspondence in this regard may kindly be addressed to the Registrar to the Offer quoting full name of the First/ Sole Bidder Serial number of the ASBA form, number of Equity Shares bid for, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and copy of the Acknowledgment Slip received from the Designated Intermediary and payment details at the address given below:

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra, India.

Tel: +91 – 22 – 6263 8200 | **Fax:** +91 – 22 – 6263 8299

Email: ipo@bigshareonline.com | **Website:** www.bigshareonline.com

Contact Person: Mr. Ashok Shetty; SEBI Registration No.: INR000001385



On behalf of the Board of Directors
For Heranba Industries Limited

Sd/-

Sadashiv K. Shetty

Chairman & Executive Director

Place: Mumbai

Date: March 04, 2021

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF HERANBA INDUSTRIES LIMITED.

Disclaimer: Heranba Industries Limited has filed the Prospectus with the RoC on February 27, 2021 and thereafter with SEBI and the Stock Exchanges. The Prospectus is available on the website of SEBI at www.sebi.gov.in and on the websites of the BRLMs, Emkay Global Financial Services Limited and Batilvala & Karani Securities India Private Limited at www.emkayglobal.com and www.bksec.com, respectively. Investors should note that investment in Equity Shares involves a high degree of risk and for details relating to the same, please see "Risk Factors" beginning on page 28 of the Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the Securities Act and the applicable laws of each jurisdiction where such offers and sales are made. There will be no public offering in the United States.