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BIOPOL CHEMICALS LIMITED
CIN: U20297GJ2023PLC140117

Our Company was originally incorporated on April 12, 2023 under the name “*Biopol Chemicals Private Limited*” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently, our Company acquired the sole proprietorship firm of Mr. Santanu Sarkar i.e. “*M/s. United Chemical Company*”, pursuant to a Business Takeover Agreement dated September 25, 2023, effective from September 30, 2023. Thereafter, the status of the Company was changed to public limited Company and the name of our Company was changed to “*Biopol Chemicals Limited*” vide Special Resolution passed by the Shareholders at the Extra-Ordinary General Meeting of our Company held on February 22, 2024. The fresh certificate of incorporation consequent to conversion was issued on May 16, 2024 by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U20297GJ2023PLC140117.

Registered Office: D-211, 2nd Floor, Block-D, Sumel Bu, Nr Dudheshwar Circle, Dudheshwar Tadvipura, Ahmedabad, Ahmadabad City - 380004 Gujarat, India.;

Corporate Office: Unit No 2ES3B1, 2nd Floor Mani Casadona Street No 372 Action Area 1, IIF Newtown Alia University, New town, North 24 Parganas, West Bengal-700156, India.

Tel No: +91- 9147076778; **E-mail:** investors@biopolchemicals.com ; **Website:** <https://biopolchemicals.com/>;

Contact Person: Ms. Deepti Nama, Company Secretary and Compliance Officer

THE PROMOTERS OF OUR COMPANY ARE MR. SANTANU SARKAR AND MR. VEDANT SARKAR

INITIAL PUBLIC OFFER OF UPTO 33,96,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE “EQUITY SHARES”) OF BIOPOL CHEMICALS LIMITED (“OUR COMPANY” OR “BIOPOL” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹10/- EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, AND WILL BE ADVERTISED IN ALL EDITIONS OF ENGLISH NATIONAL DAILY NEWSPAPER, [●], ALL EDITIONS OF HINDI NATIONAL DAILY NEWSPAPER, [●], AND ALL EDITIONS OF THE DAILY REGIONAL NEWSPAPER, [●], (WHERE OUR REGISTERED OFFICE IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO EMERGE PLATFORM OF NSE (“NSE EMERGE”). FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS, AS AMENDED.

OUR COMPANY, IN CONSULTATION WITH THE BRLM, MAY CONSIDER ISSUING 3,50,400 EQUITY SHARES AS A PRE-IPO PLACEMENT BY OUR COMPANY FOR AN AGGREGATE AMOUNT UP TO ₹ [●]. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE AND THE PROCEEDS OF THE PRE-IPO PLACEMENT SHALL BE UTILIZED TOWARDS GENERAL CORPORATE PURPOSES PROCEEDS. PRIOR TO THE COMPLETION OF THE ISSUE, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE ISSUE OR THE ISSUE MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND THE PROSPECTUS.


ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED SEPTEMBER 29, 2025: NOTICE TO THE INVESTORS (“THE ADDENDUM”)

Potential Bidders may note the following: “DEFINITIONS AND ABBREVIATIONS”, “SUMMARY OF OFFER DOCUMENT”, “RISK FACTORS”, “CAPITAL STRUCTURE”, “OBJECTS OF THE ISSUE”, “OUR BUSINESS”, “OUR MANAGEMENT”, “OUR PROMOTERS AND PROMOTER GROUP”, “RESTATE FINANCIAL STATEMENTS”, “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS”, “OTHER REGULATORY AND STATUTORY DISCLOSURES”, “MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION” have been updated in accordance with the suggestions made by NSE.

The below mentioned changes are to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the information included in the Draft Red Herring Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable in the Red Herring Prospectus, as and when filed

with the RoC and the Stock Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

The Equity Shares offered in the offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or the law of any state of the United States, 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 U.S. Securities Act (as defined in Regulation S under the U.S. Securities Act (“Regulation S”)) and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. There will be no public offering of the Equity Shares in the United States.

Place: Gujarat Date: December 16, 2025		On behalf of Biopol Chemicals Limited Sd/- Mr. Santanu Sarkar Managing Director	
BOOK RUNNING LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE	
			
Smart Horizon Capital Advisors Private Limited <i>(Formerly Known as Shreni Capital Advisors Private Limited)</i> B/908, Western Edge II, Kanakia Space, Behind Metro Mall, off Western Express Highway, Magathane, Borivali East, Mumbai – 400066, Maharashtra, India. Tel No: 022-28706822 Email: director@shcapl.com Investors Grievance e-mail: investor@shcapl.com Contact Person: Mr. Parth Shah Website: www.shcapl.com SEBI Registration Number: INM000013183		BIGSHARE SERVICES PRIVATE LIMITED Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400 093, Maharashtra, India Tel: 022 - 6263 8200 E-mail: ipo@bigshareonline.com Investor grievance e-mail: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Sagar Pathare SEBI Registration No.: INR000001385	
ISSUE PROGRAMME			
ANCHOR INVESTOR BID/ISSUEPERIOD: [●] *		BID/ISSUE OPENS ON: [●] *	BID/ISSUE CLOSES ON: [●] **

*Our Company may in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

The details mentioned on the chapter titled “*Definitions and Abbreviations*” on page 2 of the Draft Red Herring Prospectus has been updated as:

ISSUE RELATED TERMS

Term	Description
“Individual Portion”	The portion of the Net Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares, who applies for minimum application size, minimum application size shall be two lots per application, such that the application value shall be exceeding ₹ 2.00 lakhs. (Including HUFs applying through their Karta) and Eligible NRIs .
“Individual Bidder(s)” or “Individual Investor(s)” or “II(s)” or “IB(s)”	Individual Investors or Individual Bidders refers to the Bidders who apply for minimum application size, minimum application size shall be two lots per application, such that the application value shall be exceeding ₹ 2.00 lakhs. (Including HUFs applying through their Karta) and Eligible NRIs

CONVENTIONAL TERMS / ABBREVIATIONS

Term	Description
EBIT	Earnings Before Interest and Taxes
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
ESIC	Employees' State Insurance Corporation
PAT	Profit After Tax
ROCE	Return on Capital Employed
RoE	Return on Equity
TDS	Tax Deducted at Source
NIIIs	Non-Institutional Investors
RIIs	Retail Individual Investors

SECTION II - SUMMARY OF OFFER DOCUMENT

The section titled “*Summary of Offer Document*” on page 26 of the Draft Red Herring Prospectus has been updated as:

SUMMARY OF OUR BUSINESS

Our Company is engaged in the business of trading, manufacturing and distribution of specialty chemicals under the categories of silicones, emulsifiers, biochemicals and polyelectrolytes.

OBJECTS OF THE ISSUE

The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue or Rs. 1,000 Lakhs, whichever is lower.

SUMMARY OF RESTATED FINANCIAL STATEMENTS

The details are as follows:

(₹ in lakhs other than share data)

Particulars	Biopol Limited	Chemicals	United Company	Chemical
	As At 31st March, 2025	As At 31st March, 2024	As At 30th September, 2023	As At 31st March, 2023
Net Asset Value per Equity Share (Post Bonus) (₹)*	17.12	11.63	0.00	0.00

*Net Asset Value per Equity Share = Restated Net worth divided by Total number of Equity Shares outstanding at the end of the period.

SECTION III – RISK FACTORS

The section titled “**Risk Factors**” on page 33 of the Draft Red Herring Prospectus has been updated as:

5. Our expansion plans, including the acquisition of industrial land in Gujarat, may expose us to operational, regulatory, and execution risks, and any delay or inability to complete the project as envisaged could adversely affect our business, results of operations, and financial condition.

Our Company proposes to expand its geographical presence as well as its manufacturing capacity in the State of Gujarat, keeping in view the past levels of capacity utilisation at our existing manufacturing unit and the increasing demand for our products as reflected in our order book. Pursuant to this, our Company has entered into a sale agreement dated September 02, 2025 for acquisition of industrial land admeasuring 30,687 square feet situated at Plot No. 123 & 124, R.S. No. 493, Vatva Industrial Estate, Phase-1, GIDC, Mouje: Vinzol, Ahmedabad, Gujarat. The proposed expansion involves significant capital investment and is subject to various operational and regulatory risks. These include obtaining necessary statutory and environmental approvals, construction of new facilities, installation and commissioning of machinery, recruitment and training of skilled manpower, and ensuring the operations are fully functional. There can be no assurance that the expansion will be completed within the expected timelines or budget, or that it will achieve the intended operational efficiencies, production levels, or profitability.

Further, delays in approvals, cost overruns, challenges in sourcing skilled personnel, supply chain constraints, or unforeseen technical difficulties could materially affect the successful execution of the expansion. Any inability to integrate the expanded facilities with our existing operations, or to generate sufficient revenues to cover the incremental costs, may adversely affect our business, financial condition, results of operations, and overall growth prospects.

14. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

As per our Restated Financial Statements, our cash flows from operating, and investing activities which are as set out below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024*	Year ended March 31, 2023 [#]
Net Cash from Operating Activities	(233.67)	(887.16)	23.57
Net Cash from Investing Activities	(2.45)	(7.10)	(49.37)
Net Cash from Financing Activities	342.72	902.49	13.61

*Our Company was incorporated on April 12, 2023. The company acquired the business of United Chemical Company w.e.f September 30, 2023 through a Business Transfer Agreement dated September 25, 2023. As the company was incorporated during the same financial year, its opening balance of Cash and Cash Equivalents is Nil.

[#] The business of the proprietorship firm, M/s United Chemical Company, was taken over by Biopol Chemicals Limited w.e.f September 30, 2023 through a Business Transfer Agreement dated September 25, 2023. As a result, the closing balance of Cash and Cash Equivalents for FY 2022–23 does not match the opening balance for FY 2023–24.

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 our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations

For further details, please see chapter titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 206 and 259 respectively of this Draft Red Herring Prospectus.

17. Geopolitical uncertainties and trade restrictions may affect the availability and pricing of critical raw materials for the Company.

The Company sources certain raw materials from both domestic and international suppliers. The following are the details of our domestic and international purchases for the financial years ended on March 31, 2025, 2024 and 2023, respectively:

(₹ in lakhs)

Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
	Purchases	% of Raw Materials Purchased	Purchases	% of Raw Materials Purchased	Purchases	% of Raw Materials Purchased
Domestic Raw Material Purchases	1,770.02	95.03	856.28	100.00	1,130.45	90.13
Imported Raw Material Purchases	92.66	4.97	0	0	123.77	9.87
Total of Raw Materials Purchased	1,862.68	100.00	856.28	100.00	1,254.22	100.00

The Company currently sources certain raw materials from foreign jurisdictions, including China and Hong Kong. Any increase in sourcing from such countries in the future may heighten our dependency on imports, thereby exposing us to import-related risks, including supply disruptions, price volatility, and currency fluctuations. Any geopolitical instability, such as conflicts, trade disputes, sanctions, or changes in export–import policies, may disrupt global supply chains and affect the availability, lead time, and pricing of key raw materials. Escalating geopolitical tensions or restrictive trade measures imposed by governments could result in supply shortages, increased freight costs, or higher import duties, thereby adversely impacting our procurement costs and production schedules.

Further, fluctuations in global commodity prices or currency exchange rates arising from such uncertainties may also increase our input costs. While the Company seeks to mitigate these risks through supplier diversification and prudent inventory management, there can be no assurance that such measures will fully offset the impact of prolonged geopolitical disruptions or trade restrictions. Any sustained increase in raw material costs or supply delays could adversely affect our profitability, liquidity, and overall business operations.

21. There are certain discrepancies and non-compliances noticed in some of our financial reporting and/or records relating to filing of returns and deposit of statutory dues with the taxation and other statutory authorities.

In the past, our company has at several instances, delayed in filing of GST, TDS, ESIC and EPF Returns, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues and late filing penalties, if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. The details of such delay filings are as follows:

TDS

Period/ Financial Year	26Q		24Q		Payment	
	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days
2024-25	No delay	No delay	No delay	No delay	12	3-44
2023-24 (Biopol Chemicals Limited)	No delay	No delay	No delay	No delay	1	24 Days
2023-24 (M/s. United Chemical Company)	No delay	No delay	No delay	No delay	No delay	No delay
2022-23	No delay	No delay	No delay	No delay	16	2-72

TCS

Period/ Financial Year	27EQ		Payment	
	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days
2024-25	No delay	No delay	4	2-35
2023-24 (Biopol Chemicals Limited)	No delay	No delay	4	2-35
2023-24 (M/s. United Chemical Company)	No delay	No delay	No delay	No delay
2022-23	1	48 Days	1	2 days

EPF

Period/ Financial Year	Return		Payment	
	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days
2024-25	1	214 days	1	214 days
2025-26	No delay	No delay	1	5 days

The reasons for delays in payment was due to delay in verification and approval procedures for provident fund payment, reconciliation of accounts with customers or delay in bill settlement. Also, sometimes these delays were also due to administrative and technical issues on the portal during these periods. As a corrective measure, Our Company has filed all the returns due with late filing fees and has appointed compliance officer to ensure that all the compliance related matters are taken care of on real time basis and have further strengthen the internal controls and compliance monitoring systems, including tracking mechanisms and timelines for statutory payment verification and approval to ensure that the flaws are cured in time. If any action is taken by the concerned authority in the matter and in the event of any penalty being imposed against the Company by the concerned authority, the financials of the company shall be adversely affected.

We hereby undertake to include the following risk factor in the RHP as:

22. Certain of our customers/entities share common addresses and/or are owned or managed by individuals having close personal or prior business relationships, which may expose us to customer concentration, operational and reputational risks and could adversely affect our business, results of operations and financial condition.

Certain of our customers/entities share common addresses and may be owned or managed by individuals belonging to the same family, friend circle or having prior business associations. While each such customer/entity operates as a separate and independent legal and commercial establishment and is treated separately for invoicing, accounting and receipt of payments, the existence of such commonalities may expose us to certain risks. In particular, any adverse development, dispute, deterioration in business relationship or discontinuance of business with any one such customer/entity may adversely affect our commercial relationship with other related customers/entities due to their close personal or prior business relationships. This may result in loss of business from multiple customers simultaneously and potential volatility in our revenues.

Although the Company does not have any ownership, control, influence or involvement in the management or commercial decisions of any of these customers/entities, there can be no assurance that any such risks will not materialise. The occurrence of any of these risks could materially and adversely affect our business, financial performance and cash flows.

24. Our dependence on a single technology platform for manufacturing exposes us to risks of obsolescence and inability to adapt to technological advancements.

Our manufacturing processes and product quality depend significantly on the technology platform currently employed by the Company. Any limitation, malfunction or obsolescence in this technology could disrupt our operations, reduce production efficiency and adversely affect our ability to meet customer requirements and market demand. The specialty chemicals industry is characterized by rapid technological advancements and failure to upgrade or integrate new technologies in a timely and cost-effective manner may render our existing systems less competitive or obsolete. Reliance on a single technology platform also limits our flexibility to adopt alternative manufacturing systems without incurring substantial cost, time and operational disruption. While the Company takes measures to make technological developments, there can be no assurance that such initiatives will always be sufficient or timely. The development and implementation of new technologies involve significant capital expenditure, technical expertise, and risk of failure. Competitors with access to more advanced or cost-efficient technologies may gain a competitive advantage, adversely affecting our market position. If we are unable to adapt to technological changes, or if our existing platform becomes outdated or experiences technical failures, our productivity, product quality, and overall competitiveness may be materially and adversely affected, resulting in a negative impact on our business, financial condition, and results of operations.

27. Growing environmental, social, and governance (ESG) compliance requirements and sustainability expectations from stakeholders may necessitate significant additional investments and operational changes which could materially and adversely affect our business, financial condition, results of operations.

We are subject to a rapidly evolving landscape of ESG regulations and increased sustainability expectations from customers, investors, regulators and the general public regarding our sustainability performance and ethical business practices. These evolving expectations and regulatory frameworks, such as the SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework, could expose us to additional investment and operational changes. We may be required to comply with reporting obligations, including detailed disclosures on environmental and social performance. Meeting these requirements

necessitates substantial investments in data collection systems, internal expertise, and potentially third-party assurance or assessment services to verify data accuracy. These costs can be significant, and we may be unable to fully bear them or pass them on to our customers, which could compress our operating margins.

Further aligning our operations with enhanced sustainability standards may require changes to our business model, strategies, and manufacturing processes. For instance, transitioning to sustainable raw materials or renewable energy sources might involve significant capital expenditures and potential disruptions to our production timelines. We may not be able to implement these changes efficiently or cost-effectively. Any failure to meet perceived sustainability standards or the occurrence of negative ESG events (such as environmental incidents, labor rights violations, or governance lapses) could result in negative publicity, reputational harm, and loss of customer and investor confidence.

28. We are subject to risks arising from foreign exchange fluctuations and delays in cross-border settlements could materially affect the Company's revenues and working capital.

A portion of our revenues or costs may be denominated in foreign currencies and as such fluctuations in exchange rates between the Indian Rupee and other currencies could materially affect our financial performance. While our reporting currency is Indian Rupee, we also transact some of our business in other currencies, primarily in U.S. Dollars for our export transactions in Bangladesh. We rely on prevailing foreign exchange rate for the export of our products. Foreign exchange rate movements may impact the value of our receivables, payables, and other financial assets or liabilities denominated in foreign currency. Further, delays in cross-border settlements or repatriation of funds could adversely affect our working capital position and liquidity.

Further, we do not hedge our exposure to foreign currency fluctuations and as a result, our operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate significantly. We may periodically be required to make provisions for foreign exchange differences in accordance with accounting standards. For further details see “*Restated Financial Statements*” on page 206 of this Draft Red Herring Prospectus. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations and cash flows. Certain markets in which we sell our products may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even nonrealization of revenue.

30. Future implementation of carbon emission norms and energy transition regulations could increase our costs and require significant capital expenditure.

The global and domestic regulatory landscape is progressively shifting towards stricter environmental and sustainability requirements including carbon emission reduction targets, energy efficiency standards and the promotion of renewable energy usage. Although our Company currently operates in compliance with all applicable environmental regulations, future introduction or tightening of carbon emission norms, energy transition mandates or sustainability-related disclosure requirements may subject us to additional compliance obligations. Such regulatory changes may require the Company to modify its existing manufacturing processes, install energy-efficient equipment, adopt cleaner production technologies or purchase carbon credits or renewable energy certificates. These actions could involve substantial capital expenditure and increase our overall operating costs. Additionally, delays or challenges in meeting new compliance timelines could expose the Company to penalties, restrictions on operations or reputational harm. Furthermore, if customers, particularly large institutional or export clients, begin to prefer or mandate suppliers with certified low-carbon or green manufacturing credentials, our inability to meet such requirements could adversely impact our competitiveness and business relationships. Consequently, future implementation of carbon emission or energy transition regulations may materially and adversely affect our business operations, financial condition, cash flows and profitability.

34. Climate change, extreme weather events and the absence of a comprehensive business continuity or disaster recovery plan may disrupt our supply chain, logistics, and manufacturing operations, adversely affecting our business.

Our Company's operations may be adversely affected by the increasing frequency and severity of extreme weather events, such as heavy rainfall, flooding, cyclones, heatwaves, or other climate-related disruptions. Such events could impact the availability and transportation of raw materials, delay deliveries to customers, damage infrastructure, or disrupt utility and communication networks. The effects of climate change may also increase the unpredictability of seasonal conditions, potentially affecting product demand patterns, particularly in the agricultural segment.

Further, our Company currently does not have a comprehensive, documented business continuity or disaster recovery plan in place. In the event of major operational disruptions such as natural disasters, fire, equipment breakdowns, industrial

accidents, power outages, or cyber incidents, the Company may face delays in production, inability to access critical data, or temporary suspension of operations.

While the Company has implemented certain informal measures to mitigate such risks including maintaining insurance coverage for plant and machinery, installing diesel generator (DG) sets for power back-up, and ensuring sufficient inventory storage. These measures may not be adequate to ensure uninterrupted operations or timely restoration of normal business activities under all circumstances. Any prolonged disruption could result in production losses, increased operational costs, reputational damage, and adverse effects on our business, financial condition and results of operations.

36. Increasing global requirements for compliance with restricted substance lists and brand standards may necessitate costly product reformulations and customer re-approvals for our Company.

The specialty chemical industry is witnessing increasing regulatory and commercial emphasis on environmental compliance and product safety, particularly in relation to restricted substance lists (RSLs), chemical safety standards and sustainability criteria set by global brands and multinational customers. Certain end-use industries such as textiles, home care and agrochemicals are progressively adopting stricter substance restrictions and eco-compliance certifications to meet evolving consumer and environmental expectations. While we have our 42 products (20 silicone-based products, 1 emulsifier-based product, all 15 biochemical products and all 6 polyelectrolyte products) been certified under Zero Discharge of Hazardous Chemicals Level 3 ('ZDHC Level 3'), which represents the highest level of product certification in our industry. However, our Company may be required to modify or reformulate certain existing products to comply with new or updated regulatory requirements or customer-imposed specifications.

Such product reformulations may involve extensive testing, validation and customer re-approval processes, which could result in additional costs, time delays and temporary disruption in supplies. Further, some raw materials currently used in our formulations may become restricted or phased out under new regulations, necessitating the identification and qualification of suitable alternatives. Any inability to comply with such requirements in a timely or cost-effective manner may adversely affect our ability to supply products to certain customers, potentially leading to loss of business, reduced competitiveness or reputational risk. Consequently, our financial performance and operational results could be materially and adversely impacted.

39. Regulatory changes relating to agrochemical applications and seasonal variations in agricultural demand may adversely affect our product sales and business performance.

Our Company manufactures certain specialty chemicals such as silicone adjuvants and surfactants that are used in agrochemical formulations to enhance spreadability, adhesion, penetration and overall efficacy of pesticides. Consequently, our business is dependent on demand from the agricultural sector and is indirectly affected by the performance of the agrochemical industry. Any change in government policies or regulatory framework governing the manufacture, sale or use of agrochemicals including restrictions on certain pesticide formulations, changes in permissible chemical compositions, or enhanced environmental and safety compliance requirements may adversely impact the demand for our products. Further, seasonal variations in agricultural activity, monsoon patterns or fluctuations in farm income may lead to variations in order inflows from agrochemical customers during certain periods. There can be no assurance that such regulatory developments or seasonal factors will not have an adverse effect on our operations, revenues, or profitability.

40. Future environmental taxes or carbon pricing mechanisms could increase the Company's operating costs and impact profitability.

In the future, the Government of India or other regulatory authorities may introduce environmental taxes, carbon pricing mechanisms, or emission trading systems aimed at reducing greenhouse gas emissions and promoting sustainable industrial practices. The implementation of such measures could directly increase our operating costs, particularly in relation to energy consumption, raw material procurement, waste management, and transportation. Compliance with future carbon emission norms may also require the Company to invest in cleaner technologies, energy-efficient equipment, or process modifications, which could involve significant capital expenditure. If the Company is unable to pass on the increased costs to its customers or achieve sufficient efficiency gains, its profitability could be adversely affected. Additionally, any delay in adapting to such evolving environmental regulations may result in penalties, reputational damage, or loss of business opportunities. Accordingly, the introduction or tightening of environmental taxes or carbon pricing mechanisms could materially and adversely affect the Company's business operations, financial condition, and results of operations.

SECTION IV – INTRODUCTION

CAPITAL STRUCTURE

The details mentioned on the chapter titled “*Capital Structure*” on page 83 of the Draft Red Herring Prospectus has been updated as:

NOTES TO THE CAPITAL STRUCTURE

2. Share Capital History of our Company:

(ii) Allotment of 30,344 Equity Shares of face value of ₹10/- each at an issue price of ₹800/- each:

Sr. No	Name	No of Equity Shares
1.	Mr. Santanu Sarkar	30,344*
	Total	30,344

**Pursuant to the Business Takeover Agreement dated September 25, 2023, effective from September 30, 2023, for the acquisition of the running business of the proprietorship firm "M/s. United Chemical Company" of our Promoter, Mr. Santanu Sarkar, the total consideration of ₹2,42,75,200/- has been settled by issuing 30,344 equity shares with a face value of ₹10.00/- each at an issue price of ₹800.00/- each (including a share premium of ₹790.00/- each) as determined by Mr. Priyesh Somaiya, a registered valuer through his valuation report dated October 03, 2023.*

38. Except for the acquisition of the running business of the proprietorship firm "M/s. United Chemical Company" of our Promoter, Mr. Santanu Sarkar through Business Takeover Agreement dated September 25, 2023, our Company has not undertaken any arrangements (acquisition, amalgamation and merger, slump sale, existing or proposed both) in the last 5 financial years.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The details mentioned on the chapter titled “*Objects of the Issue*” on page 95 of the Draft Red Herring Prospectus has been updated as:

UTILISATION OF NET PROCEEDS

The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue or Rs. 1,000 Lakhs, whichever is lower.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue or Rs. 1,000 Lakhs, whichever is lower.

DETAILS OF THE OBJECTS OF THE ISSUE

1. Acquisition of industrial land

Our Company is engaged in the business of trading, manufacturing and distribution of specialty chemicals under the categories of silicones, emulsifiers, biochemicals and polyelectrolytes.

E. Schedule of implementation:

The details of schedule of implementation along with necessary details of government approval required to be obtained for such purpose are as follows:

Particulars	Commencement	Completion
Execution of Sale Deed	September 2025	December 2025
Registration and possession of land	January 2026	January 2026
Non-Agriculture Land Approval	Not applicable as it is an industrial land.	
Shifting of Registered Office	January 2026	January 2026
Consent to Establish	January 2026	February 2026
Civil construction and site development	February 2026	April 2026
Installation of plant and machinery	March 2026	June 2026
Consent to Operate	June 2026	June 2026
Fire NOC	June 2026	June 2026
Factory License	June 2026	July 2026
Waste water discharge through common effluent treatment plant	July 2026	July 2026
Trial runs and commissioning	July 2026	July 2026
Commercial operations	August 2026	August 2026

2. *Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks, financial institutions and non-banking financial companies*

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 ₹ 1,100.00 Lakhs.

SECTION VI – ABOUT THE COMPANY

OUR BUSINESS

The details mentioned on the chapter titled “*Our Business*” on page 143 of the Draft Red Herring Prospectus has been updated as:

BUSINESS OVERVIEW

Our Company is engaged in the business of trading, manufacturing and distribution of specialty chemicals under the categories of silicones, emulsifiers, biochemicals and polyelectrolytes.

The key milestones in our journey are set out below:

Timeline	Events
2023	On September 25, 2023, our Company acquired the running business of the sole proprietorship firm of Mr. Santanu Sarkar i.e., ‘ <i>M/s. United Chemical Company</i> ’ pursuant to the Business Takeover Agreement dated September 25, 2023, effective from September 30, 2023.

OUR PRODUCT PORTFOLIO, TECHNICAL SERVICES AND TRADING ACTIVITIES

1. Our product portfolio

The details of our revenue generated from different industries we cater to, for the financial years ended on March 31, 2025, 2024 and 2023, respectively:

Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Textile Chemical	4,156.24	84.60	1,997.52	78.43	1,445.67	74.81
Industrial Chemical	512.34	10.43	163.42	6.42	191.66	9.92
Home Care	150.21	3.06	72.43	2.84	103.36	5.35
Agriculture	12.95	0.26	20.94	0.82	32.64	1.69
Others*	81.10	1.65	292.66	11.49	159.10	8.23
Total	4,912.84	100.00	2,546.97	100.00	1,932.43	100.00

*Note: This revenue details include our technical consulting services.

3. Our trading activities

In addition to our manufacturing and consultancy operations, our Company is also engaged in the trading of speciality chemicals to meet the various requirements of our customers. Since our Company primarily operates on a Business-to-Business (B2B) model, our customers often require different speciality chemicals for use in their formulations and product applications. Leveraging our industry knowledge, technical expertise and supplier network, we facilitate the supply of speciality chemicals that may not be part of our in-house manufacturing portfolio but are essential to our customers’ production processes. Accordingly, our trading portfolio primarily comprises products similar to those manufactured by the Company including silicone-based, emulsifier-based, biochemical and polyelectrolyte-based speciality chemicals, but in different grades, specifications or variations as required by customers. Our Company sources and supplies products such as silicone softeners, silicone oils, textile printing chemicals and other speciality chemicals manufactured by entities including Wacker, Suprafix and other brands. Our customers rely on our technical understanding and procurement capabilities to obtain the precise quality and specifications required for their formulations. The classification of products manufactured by our Company and products traded can be as follows:

Category	List of Products
Manufactured Products	66 products which comprises of 40 silicone-based products, 5 emulsifier-based products, 15 biochemical products and 6 polyelectrolyte products.
Traded Products	Silicone oils, silicone softeners, textile printing chemicals, emulsifiers, biochemicals, and polyelectrolytes of reputed brands such as Wacker and Suprafix

Further, trading activities are undertaken by the Company in cases where its existing manufacturing capacity is fully utilized or when customers request specific products that fall outside the Company's current manufacturing range. Accordingly, the trading segment complements the Company's manufacturing operations and enhances its overall product portfolio, enabling us to serve our customers better.

OUR STRATEGIES

4. Expansion of customer base

The details of our repeated customers and new customers for the financial years ended March 31, 2025, 2024 and 2023, respectively, are as follows:

(₹ in lakhs)

Particulars	FY 2024-25			FY 2023-24			FY 2022-23		
	No. of Customers	Revenue from Operations	%	No. of Customers	Revenue from Operations	%	No. of Customers	Revenue from Operations	%
Repeated Customers	39	3,319.09	67.56	26	1,086.18	42.65	24	728.13	37.68
New Customers	120	1,593.75	32.44	57	1,460.79	57.35	61	1,204.30	62.32
Total	159	4,912.84	100.00	83	2,546.97	100.00	85	1,932.43	100.00

RAW MATERIALS

The details of countries from where raw materials were imported for the financial years ended March 31, 2025, 2024 and 2023, respectively, are as follows:

(₹ in lakhs)

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
	Purchases	Purchases	Purchases
China	92.66	-	55.24
Hong Kong	-	-	68.53
Total	92.66	-	123.77

SALES & MARKETING STRATEGY

3. Dealer and Distributor Network

The number of distributors associated with the Company for the financial years ended March 31, 2025, 2024 and 2023, respectively, are as follows:

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Distributor	8	4	4

The Company has not entered into any formal agreements with such distributors. Instead, the Company maintains informal arrangements containing general terms of engagement and supply understanding with such parties. These arrangements are primarily in the nature of distributor arrangements and are entered into with select distributors based on business requirements.

HUMAN RESOURCE

The details of employees registered with Employees' Provident Fund and Employees State Insurance Corporation and the details of amount paid to the respective authorities for the period ended August 31, 2025 and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, respectively are as follows:

(Rs. In Lakhs)

Particulars	For the period ended August 31, 2025		2024-25		2023-24		2022-23	
	Number of employees registered	Amount paid	Number of employees registered	Amount paid	Number of employees registered	Amount paid	Number of employees registered	Amount paid
Employees' Provident Fund	15	2.09	14	3.68	NA	NA	NA	NA
Employees State Insurance Corporation	15	0.51	14	1.08	NA	NA	NA	NA

COMPETITION

Our peer companies include Rossari Biotech Limited, Fineotex Chemical Limited and Indian Emulsifiers Limited.

INSURANCE

The insurance coverage ratio of the Company as on September 01, 2025 is as follows:

(Rs. In Lakhs)

Particulars	Amount
Total Insured Value (A)	960.00
Total Insurable Value* (B)	1181.43
Insurance Coverage Ratio (A/B) in %	81.26 %

* The actual value of assets or potential loss exposure that could be insured is considered as total insurable value.

OUR MANAGEMENT

The details mentioned on the chapter titled “*Our Management*” on page 184 of the Draft Red Herring Prospectus has been updated as:

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Sr. No.	Name of the Director	Date of Appointment /Change in designation	Reason for Change
16.	Mr. Hardikkumar Dasharathbhai Patel	November 25, 2024	Cessation as Non-Executive Independent Director due to preoccupation.

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Ms. Deepti Nama

Prior to joining our Company, she was associated with Sahyog Holdings Private Limited as a Company Secretary for a period from June 01, 2019 till November 30, 2022 and Vrindavan Services Private Limited as a Company Secretary from December 01, 2022 till April 01, 2025. She has over 5 years of experience in legal and secretarial roles.

OUR PROMOTERS AND PROMOTER GROUP

The details mentioned on the chapter titled “*Our Promoters and Promoter Group*” on page 199 of the Draft Red Herring Prospectus has been updated as:

INTEREST OF OUR PROMOTERS

Interest of Promoters in the Property of our Company

Except for the acquisition of the running business of the proprietorship firm “*M/s. United Chemical Company*” of our Promoter, Mr. Santanu Sarkar pursuant to the Business Takeover Agreement dated September 25, 2023, our Promoters do not have any interest in any property acquired by our Company within three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements as on the date of this Draft Red Herring Prospectus.

SECTION VII – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

The details mentioned on the chapter titled “*Restated Financial Statements*” on page 206 of the Draft Red Herring Prospectus has been updated as:

(Rs. In Lakhs)

ANNEXURE NO. 26. RESTATED STATEMENT OF COST OF MATERIAL CONSUMED:			Biopol Chemicals Limited	Consolidated (United Chemical Company & Biopol Chemicals Limited)	Biopol Chemicals Limited	United Chemical Company	
Particulars			For the Financial Year Ended March 31st, 2025	For the Financial Year Ended March 31st, 2024	For the Financial Year Ended March 31st, 2024	From 1st April 2023 to 30th September 2023	For the Financial Year Ended March 31st, 2023
		Materials Consumed					
		Inventory at the beginning of the year	78.67	63.10	0.00	63.10	25.50
		Add: Purchases	3027.98	1446.30	1291.94	400.07	1170.57
			3106.65	1509.40	1291.94	463.17	1196.07
		Less: Inventory at the end of the year	355.20	78.67	78.67	238.74	63.10
		TOTAL : COST OF MATERIAL CONSUMED	2751.45	1430.73	1213.27	224.43	1132.97

Note :- The closing stock of United Chemical Company was not taken over by Biopol Chemicals Limited. While presenting the consolidated restated financial statements for FY 2023-24, the effect of the closing stock of United Chemical Company was eliminated from the consolidated purchase figures.

ANNEXURE NO. 27. RESTATED STATEMENT OF PURCHASE OF STOCK IN TRADE :			Biopol Chemicals Limited	Consolidated (United Chemical Company & Biopol Chemicals Limited)	Biopol Chemicals Limited	United Chemical Company	
Particulars			For the Financial Year Ended March 31st, 2025	For the Financial Year Ended March 31st, 2024	For the Financial Year Ended March 31st, 2024	From 1st April 2023 to 30th September 2023	For the Financial Year Ended March 31st, 2023
		Purchase of Stock in Trade	1567.26	851.83	783.99	71.90	236.30
		TOTAL : PURCHASE OF STOCK IN TRADE	1567.26	851.83	783.99	71.90	236.30

Note:- The closing stock of United Chemical Company was not taken over by Biopol Chemicals Limited. While presenting the consolidated financial statements, the effect of the closing stock of United Chemical Company was eliminated from the consolidated purchase figures.

ANNEXURE NO. 35. RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS

(e) Details of related party transactions during the year:

(Rs. In Lakhs)

ANNEXURE NO. 35. RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS :			Biopol Chemicals Limited
Nature of Transactions	Name of Related Parties	Relationship	As At
			31st March, 2025
1. Directors Remuneration	Vandan Vij Sarkar	Director	0.00
2. Salary Expense	Vandan Vij Sarkar	Relative of Director	6.00

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The details mentioned on the chapter titled "*Management's Discussion and analysis of Financial Condition and Results of Operations*" on page 259 of the Draft Red Herring Prospectus has been updated as:

BUSINESS OVERVIEW

Our Company is engaged in the business of trading, manufacturing and distribution of specialty chemicals under the categories of silicones, emulsifiers, biochemicals and polyelectrolytes.

KEY COMPONENTS OF THE COMPANY'S BALANCE SHEET

G) Trade receivables:

The detailed reasons for increase in Trade Receivables for the FY 2023-24 are as follows:

1. Extended credit terms to customers: During FY 2023-24, the Company strategically relaxed its credit terms and extended higher credit limits to both existing and newly onboarded customers to support volume growth. This credit strategy contributed to an increase in revenue from operations from ₹1,932.43 lakhs in FY 2022-23 to ₹2,546.97 lakhs in FY 2023-24, representing a growth of approximately 32%. As a direct result of the extended credit period and expanded credit limits, trade receivables increased from ₹701.22 lakhs in FY 2022-23 to ₹1,013.12 lakhs in FY 2023-24, reflecting a growth of approximately 45%.

2. Transfer of Receivables under Business Transfer Agreement: Trade receivables as on March 31, 2024 include a closing balance of ₹198.59 lakhs relating to certain receivables transferred from United Chemical Company to Biopol Chemical Limited pursuant to the Business Transfer Agreement. This has contributed to a comparatively higher receivables position.

Due to the combined impact of extended credit terms and the transferred receivables, trade receivables grew at a higher rate than revenue during the respective periods.

KEY COMPONENTS OF THE COMPANY'S PROFIT AND LOSS STATEMENT

- **Revenue from operations:** Revenue from operations mainly consists of income from manufacturing, trading and providing technical consultancy services of specialty chemicals under the categories of silicones, emulsifiers, biochemicals and polyelectrolytes.

FISCAL 2025 COMPARED WITH FISCAL 2024

Revenue from Operation

Revenue from operations has increased by 92.89% from ₹2,546.97 Lakhs in Fiscal 2024 to ₹4,912.84 Lakhs in Fiscal 2025. The increase in revenue from operations from FY 2023-24 to FY 2024-25 can be summarized by the following points:

1) Increase in revenue from Textile Chemical and Industrial Chemical

During FY 2025, the company reported revenue of ₹4,668.58 Lakhs from textile and Industrial chemicals, contributing 95.03% of Revenue from Operations. This revenue came from sales to the textile & industrial segment. The revenue from this segment showed an increase compared to the previous year, indicating a larger share of total operations during the financial year.

2) Increase in Revenue from Geographical Sale

In FY 2025, the company recorded revenue of ₹3,007.16 Lakhs from West Bengal and ₹1,220.74 Lakhs from Gujarat, representing 61.21% and 24.85% of the total revenue from operations. In FY 2024, revenue from West Bengal was ₹357.58 Lakhs and from Gujarat ₹1,648.19 Lakhs, contributing 14.04% and 64.71%, respectively. The company continued its export activity in Bangladesh, with revenue of ₹369.08 Lakhs in FY 2025 and ₹166.79 Lakhs in FY 2024, representing 7.51% and 6.55% of revenue from operations. The figures reflect a geographical shift in sales, with Gujarat contributing a higher share in FY 2024. West Bengal and Bangladesh showed a decline in contribution compared to the previous year. Overall, revenue

distribution across regions indicates growth in operations from Gujarat, while maintaining export presence in Bangladesh. This geographical spread resulted in an overall increase in revenue from operations in FY 2025.

3) Increase in manufacturing capacity of the Company

During FY 2025, the Company commissioned a new reactor vessel with jacket and condenser on February 23, 2024. The installed capacity of this reactor is 2,000 litres per day. Accordingly, the installed capacity for FY 2025 has been increased from 11,69,000 litres in FY 2024 to 18,25,000 litres in FY 2025. This increase in capacity leads to increase in revenue from operation during the year.

4) Increase in business volumes from both repeated and new customers

During FY 2024-25, the Company achieved higher sales volumes driven by increased orders from existing customers as well as onboarding of new customers. The growth in customer base and repeat business contributed significantly to the overall rise in revenue from operations. The details are as under:

(Rs. In Lakhs)

Particulars	FY 2024-25			FY 2023-24		
	No. of Customers	Revenue from Operations	%	No. of Customers	Revenue from Operations	%
Repeated Customers	39	3,319.09	67.56	26	1,086.18	42.65
New Customers	120	1,593.75	32.44	57	1,460.79	57.35
Total	159	4,912.84	100.00	83	2,546.97	100.00

5) Increase in revenue from trading activities

During FY 2024-25, the Company operated at a high capacity utilisation level of 93.59%, which limited its ability to fully meet the growing demand solely through in-house production. To bridge this gap and ensure uninterrupted supply to customers, the Company supplemented its product availability through the trading of similar specialty chemicals. This strategic measure enabled the Company to cater to incremental demand, retain its existing customers and secure orders from new customers. As a result, revenue from trading activities increased from ₹764.75 lakhs (30.03% of revenue from operations) in FY 2023-24 to ₹1,658.15 lakhs (33.75% of revenue from operations) in FY 2024-25.

6) Improvement in Trade Receivables

The Company realised its trade receivables more efficiently in FY 2024-25, with receivables reducing from 39.78% of revenue from operations in FY 2023-24 to 33.90% in FY 2024-25. This enhanced working capital liquidity and enabled timely procurement and execution of business operations.

7) Support from supplier for credit terms

Trade payables also increased from 23.43% of purchase of stock in trade in FY 2023-24 to 31.39% in FY 2024-25, reflecting improved credit terms extended by suppliers. This further supported the Company's working capital cycle and procurement of stock.

8) Access to business loan and working capital facilities

The Company availed a cash credit facility of ₹700.00 Lakhs during FY 2024-25, of which ₹681.25 lakhs was utilised. This facility provided the necessary working capital support to fund the growth in business and overall operational requirements.

9) Introduction of new products with higher gross margins in FY 2024-25

The Company added several new products across the silicone, biochemical, polyelectrolyte and emulsifier categories, each generating better gross margins in FY 2024-25. We hereby provide the gross margin contribution earned from such products in FY 2024-25:

(Rs. in Lakhs except %)

Product Name	Type of Product	Sales	COGS	Gross Profit	Gross Profit (in %)
		FY 2024-25	FY 2024-25	FY 2024-25	FY 2024-25
AQUAPHIL 2020	Silicone	109.00	96.72	12.28	11.27

Product Name	Type of Product	Sales	COGS	Gross Profit	Gross Profit (in %)
		FY 2024-25	FY 2024-25	FY 2024-25	FY 2024-25
BCL BULK BITUMEN VG 30	Biochemical	77.51	67.71	9.81	12.65
BIOPOL FUEL OIL	Biochemical	103.84	89.57	14.27	13.75
BIOPOL FUEL OIL (LOW SULPHUR)	Biochemical	148.39	133.55	14.84	10.00
BIOPOL PVC RESIN FJ 65 R	Polyelectrolyte	41.36	36.19	5.17	12.51
CAR & BIKE SHAMPOO COMPOUND	Emulsifier	38.06	33.65	4.42	11.6
SILICONE FLUID	Silicone	106.56	95.76	10.80	10.14
SILICONE OIL BIOPOL 1281F	Silicone	28.35	25.20	3.15	11.11
Total		653.07	578.33	74.74	

10) Higher margins realised from sale of some existing products in FY 2024-25

Certain key products particularly SOFTEX 100 and UNIQO 500 delivered significantly higher margins in FY 2024-25 as compared to FY 2023-24 primarily due to external market factors and pricing dynamics. In FY 2023-24, these products were available at lower costs owing to imports from China. However, in FY 2024-25, the imposition of additional taxes and anti-dumping duties on such imports resulted in a substantial increase in market prices for these products. This created a favourable pricing environment in which the Company was able to revise the selling prices of these high-quality textile softeners, thereby enhancing margins. Further, these products are specialised, high-performance softeners used in the textile industry where product quality is a critical determinant of customer preference. The Company has been able to meet these quality requirements through its technical expertise and formulation capabilities. We hereby provide the gross profit margins earned by the Company from such products in FY 2023-24 and 2024-25, respectively:

Details for FY 2023-24:

Product Name	Type of Product	Sale Amount (Rs. in Lakhs)	Selling Average Rate for FY 2023-24 (in Rs.)	COGS (Rs. in Lakhs)	Gross Profit (Rs. in Lakhs)	Gross Profit (in %)
SOFTEX 100	Silicone	107.82	64.19	92.39	15.43	14.31
UNIQO 500	Silicone	15.08	70.30	14.09	0.99	6.57
Total		122.90		106.48	16.42	

Details for FY 2024-25:

Product Name	Type of Product	Sale Amount (Rs. in Lakhs)	Selling Average Rate for FY 2024-25 (in Rs.)	COGS (Rs. in Lakhs)	Gross Profit (Rs. in Lakhs)	Gross Profit (in %)
SOFTEX 100	Silicone	246.48	211.17	74.33	172.15	69.84
UNIQO 500	Silicone	344.95	166.43	300.53	44.42	12.88
Total		591.43		374.87	216.56	

Profit after Tax

In Fiscal 2025, the Company reported a net profit of ₹434.34 Lakhs attributable to owners, marking a growth of 46.58% from ₹296.32 Lakhs in Fiscal 2024. This growth was primarily driven by an increase in Total Income, which rose from ₹2,547.02 Lakhs in Fiscal 2024 to ₹4,915.13 Lakhs in Fiscal 2025. Despite the increase in the absolute amount of profits, the company's profit margin decreased from 11.63% in Fiscal 2024 to 8.84% in Fiscal 2025. The detailed justifications for the same are as follows:

1. Increase in Freight and Logistics Costs:

Freight charges increased from ₹16.12 lakhs in FY 2023-24 to ₹34.03 lakhs in FY 2024-25, primarily due to higher sales volumes and escalated carrier rates including increased container-related charges. Such incremental impact of freight charges contributed to the overall cost elevation during the year.

2. Significant Increase in Purchases of Raw Materials:

Purchases of raw materials increased from 56.78% of total revenue in FY 2023-24 to 61.61% of total revenue in FY 2024-25 due to increased scale of operations and procurement required to support both manufacturing and trading activities.

3. Increase in Employee Benefit Expenses:

Employee benefit expenses rose from 1.78% of total revenue in FY 2023-24 to 2.14% of total revenue in FY 2024-25 as additional manpower was required to support the increase in operations of the Company.

4. Increase in finance costs:

To support the Company's capacity expansion and scale of operations during the year, the finance costs of the Company were increased which also impacted the overall profit margin.

Such factors resulted in the slight decline in the Company's PAT margin in FY 2024-25 despite the increase in revenue from operations of the Company.

FISCAL 2024 COMPARED WITH FISCAL 2023

Profit after Tax

In Fiscal 2024, the Company reported a net profit of ₹296.32 Lakhs attributable to owners, marking an increase from ₹53.79 Lakhs in Fiscal 2023. This growth was primarily driven by an increase in Total Income, which rose from ₹1,933.04 Lakhs in Fiscal 2023 to ₹2,547.01 Lakhs in Fiscal 2024. The company's profit margin also increased from 2.78% in Fiscal 2023 to 11.63% in Fiscal 2024. The detailed rationale for such increase is as follows:

Such significant improvement was primarily driven by incremental business generated through trading of specialty chemicals and reduction in finance costs. The key factors are explained below:

1. Increase in business through trading activities

The Company operated at substantially higher levels of capacity utilisation in FY 2024 supported by increased order flows from both existing customers and new customers. During FY 2024, the Company had an installed capacity of 11,69,000 litres and achieved actual production of 11,36,074 litres, reflecting a utilisation rate of 97.18%. The incremental demand of products was also met through increase of products through trading activities. This led to increase in revenue from operations and also improved the profit margin of the Company. We hereby provide the details of specialty chemicals traded by the Company in FY 2024:

Particular	Category	Amount in Lakhs
ACETIC ACID	Biochemicals	11.63
AMMONIUM CHLORIDE	Polyelectrolytes	0.32
AMMONIUM SULPHATE(ADI)	Polyelectrolytes	5.25
B. CELL (BUTYLE CELLOSOLVE)	Biochemicals	0.02
CITRONELLA R	Biochemicals	0.07
DECAMETHYLCYCLOPENTASILOXANE (D5)	Silicones	3.17
DIMETHYLCYCLOSILOXANE (DMC)	Silicones	73.00
EPOXY TERMINATED POLYETHER MODIFIED SILICONE FLUID	Silicones	3.10
FLUID 1000	Silicones	24.36
FORMALDEHYDE	Biochemicals	0.35
FORMIC ACID	Biochemicals	3.24
GLYCERINE	Biochemicals	0.03
ISOPROPYL ALCOHOL (IPA)	Biochemicals	2.12
MT PS 180R	Silicones	0.24
PINE OIL	Biochemicals	0.01
PLASTIC TARPAULIN FABRIC	Biochemicals	88.59
SILICONE SOFTENER	Silicones	4.81
SLES	Emulsifiers	0.17

Particular	Category	Amount in Lakhs
TEXTILE PRINTING CHEMICAL	Biochemicals	525.93
UNICAT - 5000	Polyelectrolytes	17.84
WACKER AM 8	Silicones	0.07
XYLENE	Biochemicals	0.44
Grand Total		764.75

Such increase of revenue from trading activities from ₹273.91 lakhs in FY 2022-23 to ₹764.75 lakhs in FY 2023-24 and the corresponding rise in revenue contributed to the Company's improved profitability in FY 2024.

2. Decrease in the Finance Cost

During FY 2023-24, the finance cost reduced from 4.10% of total revenue in FY 2023 to 1.52% in FY 2024. Such decrease was due to non-transfer of borrowings of United Chemical Company in Biopol Chemical Limited pursuant to the Business Takeover Agreement. The elaborate details of the such non-transferred borrowings are as follows:

Sr No	Name of Lender, Nature of Facility, Amount Sanctioned, Rate of Interest & Repayment Terms
1	ICICI Bank Nature of Loan : Vehicle Loan Rate of Interest : 11.24 % Repayment Term : 36 Months Amount Sanction : 20.01 Lakhs Installment : 0.66 Lakhs
2	ICICI Bank Nature of Loan : Vehicle Loan Rate of Interest : 8.40 % Repayment Term : 36 Months Amount Sanction : 4.00 Lakhs Installment : 0.13 Lakhs
3	Bajaj Finance Nature of Loan : Business Loan Rate of Interest : 17.5% Repayment Term : 60 Months Amount Sanction : 28.31 Lakhs Installment : 0.71 Lakhs
4	Clix Capital Services Private Limited Nature of Loan : Business Loan Rate of Interest : 18.00% Repayment Term : 36 Months Amount Sanction : 25.36 Lakhs Installment : 0.92 Lakhs
5	Hero Fincorp Limited Nature of Loan : Business Loan Rate of Interest : 18.50% Repayment Term : 36 Months Amount Sanction : 20.21 Lakhs Installment : 0.74 Lakhs
6	ICICI Bank Nature of Loan : Home Loan Rate of Interest : 8.75% Repayment Term : 180 Months Amount Sanction : 90.47 Lakhs Installment : 0.90 Lakhs
7	IDFC First Bank Nature of Loan : Business Loan Rate of Interest : 16.5% Repayment Term : 36 Months Amount Sanction : 30.60 Lakhs Installment : 1.08 Lakhs

Sr No	Name of Lender, Nature of Facility, Amount Sanctioned, Rate of Interest & Repayment Terms
8	Standard Chartered Bank Nature of Loan : Business Loan Rate of Interest : 16.50% Repayment Term : 36 Months Amount Sanction : 50.00 Lakhs Installment : 1.77 Lakhs
9	L & T Finance Nature of Loan : Term Loan Rate of Interest : 17.00% Repayment Term : 48 Months Amount Sanction : 34.90 Lakhs Installment : 1.01 Lakhs
10	Neogrowth Credit Private Limited Nature of Loan : Business Loan Rate of Interest : 26.94% Repayment Term : 30 Months Amount Sanction : 15.00 Lakhs Installment : 0.69 Lakhs
11	TATA Capital Services Private Limited Nature of Loan : Business Loan Rate of Interest : 16.50% Repayment Term : 36 Months Amount Sanction : 25.52 Lakhs Installment : 0.90 Lakhs

Since such borrowings were not transferred to Biopol Chemical Limited, the Company's overall interest burden reduced substantially, thereby positively impacting profitability of the Company in FY 2024.

OTHER REGULATORY AND STATUTORY DISCLOSURES

The details mentioned on the chapter titled “*Other Regulatory and Statutory Disclosures*” on page 288 of the Draft Red Herring Prospectus has been updated as:

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS AND AMENDMENTS THERETO

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. Our Company pursuant to a letter dated January 12, 2025 had sought an exemption from SEBI under Regulation 300(1)(c) of the SEBI ICDR Regulations for relaxation of the strict enforcement of Regulation 2(1)(pp) of the SEBI ICDR Regulations with regard to identification of and disclosures relating to Mr. Kewal Krishna Vij, Mr. Anurag Vij, Mr. Sanjeev Vij, Ms. Ritu Bhalla and Ms. Mamta Lala, and their connected entities (“Vij Family”) as members of the Promoter Group of our Company in this Draft Red Herring Prospectus, in accordance with the SEBI ICDR Regulations. Pursuant to its letter dated April 01, 2025, SEBI has not acceded to our Company’s request and has directed our Company to inter alia classify and disclose Vij Family and their related entities as a part of the Promoter Group of our Company and include applicable disclosures relating to them based on information available in the public domain. Except for the above matter, no other exemption has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The details mentioned on the chapter titled “*Material contracts and documents for inspection*” on page 389 of the Draft Red Herring Prospectus has been updated as:

MATERIAL DOCUMENTS

6. Land valuation report dated September 12, 2025, issued by Mr. Mahendra D. Bhavani, a government registered valuer of immovable properties obtained for acquisition of identified industrial land as per Objects of the Issue.
7. Statutory Auditors certificate certifying the cost already incurred by the Company for acquisition of identified industrial land as per Objects of the Issue.
8. Certificate obtained from Mr. Smit H. Bhagat, Advocate dated September 16, 2025 for estimating the total cost of land.
9. No-Objection Certificate obtained from ICICI Bank Limited dated September 29, 2025 for the loan availed by the seller of identified industrial land i.e., M/s. Bodal Chemicals Limited.
10. Statutory Auditors certificate certifying the details of outstanding borrowings availed of by the Company which are proposed to be repaid in the Objects of the Issue.
11. Statutory Auditors certificate certifying the utilization of borrowings availed by the Company which are proposed to be repaid in the Objects of the Issue.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- Santanu Sarkar Chairman and Managing Director DIN: 01245213	Sd/- Vedant Sarkar Whole Time Director DIN: 10134523
Sd/- Ms. Preety Priya Ghosh Non-Executive Independent Director DIN: 09811959	Sd/- Mr. Gaurav Mittal Non-Executive Independent Director DIN: 11281353
Sd/- Mr. Kaushikkumar Vasantbhai Darji Non-Executive Independent Director DIN: 11283918	

SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/- Mr. Sandip Choudhury Chief Financial Officer	Sd/- Ms. Deepti Nama Company Secretary and Compliance Officer
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Date: December 16, 2025

Place: Ahmedabad, Gujarat