(Please scan this QR code to view this Draft Red Herring Prospectus)

Draft Red Herring Prospectus
Dated: September 26, 2025
100% Book Built Issue
Please read Section 26 and 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with ROC)

SHANTI INORGANICS LTD

SHANTI INORGANICS LIMITED

(FORMERLY KNOWN AS SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED AND SHANTI INORGO CHEM (GUJ) LIMITED)

Corporate Identity Number: U24100GJ2010PLC059218

REGISTERED OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Plot No.-2015, Phase III GIDC, Vatva, Ahmedabad - 382445, Gujarat, India.	Abhik Jain, *Company Secretary and Compliance Officer*	**Tel**: +91-97277 52562 **Email**: info@shantiinorganics.com	https://shantiinorganics.com

PROMOTERS OF OUR COMPANY: MANOJKUMAR JAYANTILAL PATEL AND AVNISH MANOJKUMAR PATEL

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE (₹ IN LAKHS)	OFFER FOR SALE SIZE (₹ IN LAKHS)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 50,00,000 Equity Shares of face value of ₹10/- each aggregating to ₹ [●] lakhs.	NIL	Up to 50,00,000 Equity Shares of face value of ₹ 10/- each aggregating to ₹ [●] lakhs.	The Issue is being made pursuant to Regulation 229(2) and 253(1) of Chapter IX of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“**SEBI ICDR Regulations**”).

DETAILS OF ISSUE FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISKS IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10/- each. The Floor Price, the Cap Price and the Issue Price (determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process as stated under chapter titled *“Basis for Issue Price”* on page 120 of this Draft Red Herring Prospectus), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the issuer and the Issue including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”) nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of investors is invited to the section titled *“Risk Factors”* on page 31 of this Draft Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares issued through the Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (“**NSE EMERGE**”) in terms of the Chapter IX of the SEBI ICDR Regulations as amended from time to time. For this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited (“**NSE**”).

BOOK RUNNING LEAD MANAGER TO THE ISSUE

NAME AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
VIVRO Vivro Financial Services Private Limited	Kevin Dhruve / Jay Dodiya	**Email:** investors@vivro.net **Telephone:** +91 79 4040 4242

REGISTRAR TO THE ISSUE

KFINTECH KFin Technologies Limited	M Murali Krishna	**Email Id:** shanti.ipo@kfintech.com **Telephone:** +91 40 6716 2222 / 1800 309 4001

BID/ISSUE PERIOD

ANCHOR BID/ISSUE PERIOD: [●]*	BID/ISSUE OPENS ON: [●]	BID/ISSUE CLOSES ON: [●]**#

**Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period will open 1 (one) Working Day prior to the Bid/ Issue Opening Date.*

***Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulation.*

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

[This page has been intentionally left blank pursuant to Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018]

SHANTI INORGANICS LTD

SHANTI INORGANICS LIMITED

(FORMERLY KNOWN AS SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED AND SHANTI INORGO CHEM (GUJ) LIMITED)

Our Company was incorporated as "Shanti Inorgo Chem (Guj) Private Limited" as a private limited company in Ahmedabad, Gujarat under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated January 13, 2010, issued by the Registrar of Companies, Gujarat. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on January 27, 2025, and the name of our Company changed from "Shanti Inorgo Chem (Guj) Private Limited" to "Shanti Inorgo Chem (Guj) Limited". A fresh certificate of incorporation consequent upon conversion from a private limited company to a public limited company dated March 1, 2025, was issued by the Registrar of Companies, Central Processing Centre. Further, pursuant to resolutions passed by our Board of Directors in their meeting held on April 4, 2025, and Shareholder's Resolution passed on April 5, 2025, our Company's name was further changed from "Shanti Inorgo Chem (Guj) Limited" to "Shanti Inorganics Limited" and a fresh certificate of incorporation dated May 6, 2025, was issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U24100GJ2010PLC059218. For further details in respect of our Company, please refer to "History and Certain Corporate Matters" on page 199 this Draft Red Herring Prospectus.

Registered Office: Plot No.-2015, Phase III GIDC, Vatva, Ahmedabad - 382445, Gujarat, India
Website: https://shantiinorganics.com; **E-Mail:** info@shantiinorganics.com; **Telephone No:** +91 – 97277 52562
Company Secretary and Compliance Officer: Abhik Jain
Corporate Identity Number: U24100GJ2010PLC059218

PROMOTERS OF OUR COMPANY: MANOJKUMAR JAYANTILAL PATEL AND AVNISH MANOJKUMAR PATEL

THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 50,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF SHANTI INORGANICS LIMITED (*FORMERLY KNOWN AS 'SHANTI INORGO CHEM (GUJ) PRIVATE LIMITED' AND 'SHANTI INORGO CHEM (GUJ) LIMITED)'*, ("SIL" OR "SHANTI" OR THE "COMPANY" 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 [•] 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 [•] 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 HEREINAFTER 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 PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ADVERTISED IN ALL EDITION OF [•] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF [•] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND GUJARATI EDITION OF [•] (A WIDELY CIRCULATED GUJARATI DAILY NEWSPAPER, GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE. FOR FURTHER DETAILS, KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 309 OF THIS DRAFT RED HERRING PROSPECTUS

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of 1 (one) Working Day, subject to the Bid/Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH AND THE ISSUE PRICE IS [•] TIMES OF THE FACE VALUE

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", the "**QIB Portion**"), provided that our Company, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders wherein (a) one third of the portion available to Non-Institutional Investors shall be reserved for Applicants with Application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;(b) two third of the portion available to Non-Institutional Investors shall be reserved for Applicants with Application size of more than ₹10 lakhs; and (c) any unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to Applicants in the other sub-category of Non-Institutional Investors; and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "*Issue Procedure*" on page 325 of this Draft Red Herring Prospectus.

ELIGIBLE INVESTORS

All potential investors shall participate in the Issue through ASBA process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks ("**SCSBs**") for the same. For details in this regard, please refer to chapter titled "*Issue Procedure*" on page 325 of this Draft Red Herring Prospectus.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10/- each. The Floor Price, the Cap Price and the Issue Price (determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process as stated under chapter titled "*Basis for Issue Price*" on page 120 of this Draft Red Herring Prospectus), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the issuer and the Issue including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of investors is invited to the section titled '*Risk Factors*' on page 31 of this Draft Red Herring Prospectus

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("**NSE Emerge**") in terms of the Chapter IX of the SEBI ICDR Regulations as amended from time to time. Our Company has received 'in-principle' approval from NSE for the listing of Equity Shares pursuant to the letter dated [•]. For this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("**NSE**"). A copy of the Red Herring Prospectus and Prospectus shall be filed with the Registrar of Companies, Gujarat in accordance under Section 26(4) and Section 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page 381 of this Draft Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
VIVRO	KFINTECH EXPERIENCE TRANSFORMATION
Vivro Financial Services Private Limited Vivro House, 11 Shashi Colony, Opp. Suvidha Shopping Center, Paldi, Ahmedabad – 380 007, Gujarat, India. **Telephone:** +91 79 4040 4242 **Email Id:** investors@vivro.net **Investors Grievance Id:** investors@vivro.net **Website:** www.vivro.net **Contact Person**: Kevin Dhruve / Jay Dodiya **CIN:** U67120GJ1996PTC029182 **SEBI Registration Number:** INM000010122	**KFin Technologies Limited** 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400070, Maharashtra, India **Telephone:** +91 40 67162222 / 1800 309 4001 **Email Id:** shanti.ipo@kfintech.com **Investors Grievance Id:** einward.ris@kfintech.com **Website:** www.kfintech.com **Contact Person:** M Murali Krishna **CIN:** L72400MH2017PLC444071 **SEBI Registration Number:** INR000000221

BID/ISSUE PERIOD

ANCHOR BID/ISSUE PERIOD: [•]*	BID/ISSUE OPENS ON: [•]	BID/ISSUE CLOSES ON: [•]**#

**Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period will open 1 (one) Working Day prior to the Bid/ Issue Opening Date.*

***Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulation.*

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. Further, the Issue related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

Unless the context otherwise indicates, all references to "the Company" or "our Company" "or "Issuer", are references to Shanti Inorganics Limited (formerly known as 'Shanti Inorgo Chem (Guj) Private Limited' and 'Shanti Inorgo Chem (Guj) Limited'), a company incorporated under the Companies Act, 1956, and having its registered Office at Plot No.-2015, Phase III GIDC, Vatva, Ahmedabad - 382445, Gujarat, India. Furthermore, unless the context otherwise indicates, all references to the terms, "we", "us" and "our" are to our Company.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the respective rules and regulations made thereunder.

*Notwithstanding the foregoing, terms used in the sections, "**Statement of Possible Special Tax Benefits**", "**Industry Overview**", "**Key Regulations and Policies**", "**Restated Financial Information**", "**Other Financial Information**", "**Outstanding Litigation and Material Developments**" and "**Description of Equity Shares and Terms of Articles of Association**", on pages 127, 130, 186, 224, 267, 286 and 367, respectively, shall have the meaning ascribed to such terms in such sections.*

General Terms

Term	Description
"Shanti Inorganics Limited" or "SIL" or "The Company" or "Our Company" or "The Issuer"	Unless the context otherwise indicates or implies, Shanti Inorganics Limited, refers to, a Public Ldimited Company incorporated as a Private Limited company under the Companies Act, 1956, having its registered office at Plot No.-2015, Phase III GIDC, Vatva, Ahmedabad – 382445, Gujarat, India.
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to our Company.
"you", "your", or "yours"	Prospective investors in this Issue

Company and Promoter related terms

Term	Description
"AoA" or "Articles of Association or Articles"	The articles of association of our Company, as amended.
"Audit Committee"	The audit committee of our Board, constituted in accordance with the Section 177 of the Companies Act, 2013, and as described in "***Our Management – Committees of our Board***" on page 210 this Draft Red Herring Prospectus.
"Auditors" or "Statutory Auditors" or "Peer Review Auditor"	The statutory auditors of our Company, currently being M/s S. N. Shah & Associates, Chartered Accountants, having firm registration number 109782W.
"Board" or "Board of Directors"	The board of directors of our Company. For further details of our Directors, please refer to section titled *"**Our Management**"* beginning on page 203 of this Draft Red Herring Prospectus.
"Central Registration Centre (CRC)"	It's an initiative of the Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy

Term	Description
	incorporation related services in line with the best global practices. For more details, please refer https://www.mca.gov.in/content/mca/global/en/help-faq/faqs/crc.html.
"Chairman" or "Chairperson"	The chairman/ Chairperson of the Board of directors of our Company, being Manojkumar Jayantilal Patel.
"Chief Financial Officer" or "CFO"	Chief Financial Officer of our Company, Raval Kalpeshbhai Ambaprasad. For further details see, "***Our Management – Details of Key Managerial Personnel and Senior Management***" on page 214 this Draft Red Herring Prospectus.
"CIN"	Corporate Identification Number of our Company i.e. U24100GJ2010PLC059218.
"Companies Act, 2013"	The Companies Act, 2013 and amendments thereto.
"Company Secretary and Compliance Officer"	Company Secretary and Compliance Officer of our Company, Abhik Jain. For further details see, "***Our Management – Details of Key Managerial Personnel and Senior Management***" on page 214 this Draft Red Herring Prospectus.
"CSR Committee" or "Corporate Social Responsibility Committee"	Corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, and as described in "***Our Management – Committees of our Board***" on page 210 this Draft Red Herring Prospectus.
"DIN"	Director's Identification Number.
"Director(s)"	The Director(s) of our Company, unless otherwise specified. For further details see, "***Our Management***" on page 203 this Draft Red Herring Prospectus.
"Equity Shares"	Equity Shares of the Company of Face Value of ₹10/- each unless otherwise specified in the context thereof.
"Executive Director(s)"	Executive Directors shall include Managing Director and Joint Managing Director on our Board, as described in "***Our Management***", on page 203 this Draft Red Herring Prospectus.
"Group Company(ies)"	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the issuer as disclosed in "***Our Group Companies***" on page 221 of this Draft Red Herring Prospectus.
"Independent Directors"	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act. For details of the Independent Directors, please see ***"Our Management***" on page 203 this Draft Red Herring Prospectus.
"IPO Committee"	The IPO committee of our Board
ISIN	International Securities Identification Number. In this case being INE1ZEE01019.
"Joint Managing Director" or "JMD"	The Joint Managing Director of our Company being Avnish Manojkumar Patel.
"KMP" or "Key Managerial Personnel"	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in "***Our Management***" on page 203 this Draft Red Herring Prospectus.
"Legal Advisors to the Issue"	The legal advisors being Rajani Associates, Advocates and Solicitors.
"Manufacturing Unit I" or "Vatva Unit"	Manufacturing facility located at Plot no. 2015, phase III, GIDC, Vatva, Ahmedabad – 382445, Gujarat, India
"Manufacturing Unit II – Phase I" or "Bavla Unit"	Manufacturing facility located at Plot No. 5A and Plot No. 5B, Sankalp Industrial Estate, Moje Chidaya, Bavla, Ahmedabad, Gujarat
"Manufacturing Unit II – Phase II" or "Proposed Project"	Proposed Project located at Plot No. 6 and 7, Sankalp Industrial Estate, Chiyada, Bavla, Ahmedabad, Gujarat
"Materiality Policy"	The policy adopted by our Board in its meeting held on September 04, 2025 for identification of material: (a) outstanding litigation proceedings; (b) creditors; and (c) group companies, pursuant to the requirements of the SEBI ICDR Regulations

Term	Description
	and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
"Managing Director" or "MD"	The Managing Director of our Company being Manojkumar Jayantilal Patel.
"MoA" or "Memorandum of Association"	The Memorandum of Association of Shanti Inorganics Limited as amended from time to time.
"Nomination and Remuneration Committee"	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in *"**Our Management – Committees of our Board**"* on page 210 this Draft Red Herring Prospectus.
"Non-Executive Director"	A Director, not being an Executive Director or an Independent Director.
"NRIs/ Non-Resident Indians"	A person resident outside India, as defined under FEMA and includes non-resident Indians, FVCIs and FPIs.
"Peer review Auditor"	The Peer Review Statutory Auditor of our Company, being M/s S. N. Shah & Associates, Chartered Accountants.
"Person or Persons"	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
"Promoters"	The Promoters of our Company, being Manojkumar Jayantilal Patel and Avnish Manojkumar Patel. For further details, please see "***Our Promoters and Promoter Group***" on page 217 of this Draft Red Herring Prospectus.
"Promoter Group"	Such individuals and entities which constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "***Our Promoters and Promoter Group***" on page 217 of this Draft Red Herring Prospectus.
"Registered Office" or "Unit I"	The registered office of our Company, located at Plot No.-2015, Phase III GIDC, Vatva, Ahmedabad - 382445, Gujarat, India.
"Restated Financial Statements", "Restated Financial Information"	The restated financial statement of our Company, which comprise of the restated summary statement of assets and liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, the restated summary statements of profit and loss, the restated summary statement of cash flows and the restated statement for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, read together with summary statement of significant accounting policies, annexures and notes thereto prepared in accordance with Indian Generally Accepted Accounting Principles ("**IGAAP**") and restated by Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended.
"RoC" or "Registrar of Companies"	The Registrar of Companies, Gujarat situated at Ahmedabad.
"Shareholder(s)"	Shareholders of our Company, from time to time.
"Stakeholders Relationship Committee"	Stakeholders' relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "***Our Management – Committees of our Board***" on page 210 of this Draft Red Herring Prospectus.
"Stock Exchange"	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited.
"Takeover Agreement"	Agreement dated April 01, 2010 entered into by our Company and M/s. Shanti Industries, acting through its partners and our Promoters, Manojkumar Jayantilal Patel and Avnish Manojkumar Patel, to acquire the running business of the partnership firm as a going concern on an *'as is where is'* with effect from April

Term	Description
	01, 2010.

Conventional and General Terms or Abbreviations

Term	Description
"₹"/ "Rs."/ "Rupees"/ "INR"	Indian Rupees.
"AAGR"	Average Annual Growth Rate.
"AGM"	Annual general meeting of Shareholders under the Companies Act
"AIF(s)"	Alternative Investment Funds as defined in and registered with SEBI under the SEBI AIF Regulations.
"AIF Regulations" or "SEBI AIF Regulations"	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
"AS"	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time.
"AY"	Assessment Year
"Banking Regulation Act"	The Banking Regulation Act, 1949, as amended.
"BD"	Business Development.
"BIFR"	Board for Industrial and Financial Reconstruction
"BSE"	BSE Limited.
"BTI Regulations"	The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended.
"C.A."	Chartered Accountant
"CAGR"	Compounded Annual Growth Rate.
"Category I AIF"	AIFs registered as "Category I alternative investment funds" under the SEBI AIF Regulations.
"Category II AIF"	AIFs registered as "Category II alternative investment funds" under the SEBI AIF Regulations.
"Category I FPIs"	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations.
"Category II FPIs"	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations.
"Category III AIF"	AIFs registered as "Category III alternative investment funds" under the SEBI AIF Regulations.
"CC"	Cash Credit
"CDSL"	Central Depository Services (India) Limited.
"Civil Procedure Code"	Code of Civil Procedure, 1908, as amended.
"CIN"	Corporate Identification Number.
"CLRA"	Contract Labour (Regulation and Abolition) Act, 1970, as amended.
"Companies Act, 1956"	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder.
"Companies Act"	Companies Act, 2013 read with rules, regulations, clarifications and modifications thereunder.
"Competition Act"	The Competition Act, 2002.
"Competition Amendment Act"	The Competition (Amendment) Act, 2023.
"Consolidated FDI Policy"	The Consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time.
"Consumer Protection Act"	The Consumer Protection Act, 2019, as amended.
"CRM"	Customer Relationship Management.
"CrPC"	Code of Criminal Procedure, 1973.
"CS"	Company Secretary.

Term	Description
"CSR"	Corporate social responsibility.
"CST"	Central sales tax.
"D2C"	Direct to customer.
"Depositories Act"	The Depositories Act, 1996, read with the rules, regulations, clarifications and modifications thereunder.
"Depository"	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2025.
"DESA"	Department of Economic and Social Affairs.
"DGFT"	Director General of Foreign Trade, Ministry of Commerce.
"DIN"	Director Identification Number.
"DP"/ "Depository Participant"	A depository participant as defined under the Depositories Act.
"DPIIT"	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly known as Department of Industrial Policy and Promotion), Government of India.
"EBITDA"	Earnings before interest, taxes, depreciation, and amortization.
"EPS"	Earnings per share.
"EGM"	Extraordinary general meeting of Shareholders under the Companies Act.
"EU"	European Union.
"FCNR"	Foreign Currency Non-Resident.
"FDI"	Foreign Direct Investment.
"FDI Policy"	Consolidated Foreign Direct Investment Policy notified by the Department for Promotion of Industry and Internal Trade (DPIIT) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020.
"FDI Circular"	The Consolidated FDI Policy Circular dated October 15, 2020 issued by the DPIIT (formerly known as Department of Industrial Policy & Promotion).
"FEMA"	Foreign Exchange Management Act, 1999, as amended, read with rules and regulations thereunder.
"FEMA Rules"	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended.
"Financial Year"/ "Fiscal"/ "Fiscal Year"	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
"FPIs"	Foreign portfolio investor registered with SEBI pursuant to the SEBI FPI Regulations.
"FTA"	Foreign Trade (Development and Regulation) Act, 1992, as amended, and the rules framed thereunder FVCI.
"FVCI"	Foreign venture capital investors registered with SEBI pursuant to the SEBI FVCI Regulations.
"GDP"	Gross Domestic Product.
"GNI"	Gross National Income.
"GoI"/ "Central Government"	The Government of India.
"GST"	The Goods and Services Tax.
"GVA"	Gross Value Added.
"HFC"	Housing Finance Company.
"HR"	Human resource.
"HUF(s)"	Hindu undivided family(ies).
"ICAI"	Institute of Chartered Accountants of India.
"ICAI Guidance Note"	Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as updated from time to time.
"ICDR Master Circular" or "SEBI ICDR Master Circular"	SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024.
"IFRS"	International Financial Reporting Standards issued by the International Accounting Standard Board.

Term	Description
"IGAAP"	Indian Generally Accepted Accounting Principles.
"Income Tax Act"	Income-tax Act, 1961, as amended.
"Ind AS"	The Indian Accounting Standards notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, as amended.
"Ind AS Rules"	Companies (Indian Accounting Standards) Rules, 2015.
"Indian GAAP"	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
"IST"	Indian Standard Time.
"IT Act"	Information Technology Act, 2000, as amended.
"KPI"	Key Performance Indicator.
"KYC"	Know Your Customer.
"Listing Agreement"	The equity listing agreement to be entered into by our Company with the Stock Exchange.
"Listing Regulations"	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
"LTM"	Last Twelve Months.
"MCA"/ "Ministry of Corporate"	The Ministry of Corporate Affairs, Government of India.
"MHI"	The Ministry of Heavy Industries, Government of India.
"MIS"	Management Information System.
"Mn" or "mn"	Million
"MSME"	Micro, Small or a Medium Enterprise.
"N.A". or "NA"	Not applicable
"NACH"	National Automated Clearing House.
"NBFC"	Non-Banking Financial Company.
"NBFC-SI"/ "Systemically Important NBFCs"	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
"NCLT"	National Company Law Tribunal.
"NCR"	National Capital Region.
"NRE'	Non-Resident External.
"NRE Account"	Non-Resident External Account.
"NRI"	Non-Resident Indian.
"NRO"	Non-Resident Ordinary.
"NRO Account"	Non-Resident Ordinary Account.
"NOC"	No-objection certificate.
"NSDL"	National Securities Depository Limited.
"OCB"/ "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
"P/E Ratio"	Price/Earnings Ratio.
"PAN"	Permanent account number.
"Patents Act"	Patents Act, 1970, as amended.
"PLI"	Production Linked Incentive.
"PR"	Public Relations.
"RBI"	Reserve Bank of India.
"Regulation S"	Regulation S under the U.S. Securities Act.
"ROCE"	Return on Capital Employed.
"RoDTEP"	Remission of Duties and Taxes on Exported Products.

Term	Description
“ROE”	Return on Equity.
“RTGS”	Real Time Gross Settlement.
“Rule 144A”	Rule 144A under the U.S. Securities Act.
“SCRA”	Securities Contracts (Regulation) Act, 1956, as amended.
“SCRR”	Securities Contracts (Regulation) Rules, 1957, as amended.
“SCORES”	SEBI Complaints Redress System.
“SEBI”	Securities and Exchange Board of India, constituted under section 3 of the SEBI Act.
“SEBI Act”	Securities and Exchange Board of India Act, 1992, as amended.
“SEBI AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
“SEBI FPI Regulations”	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
“SEBI FVCI Regulations”	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended.
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
“SEBI Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
“SEBI Merchant Bankers Regulations”	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended.
“SEBI RTA Master Circular”	SEBI master circular bearing number SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025.
“SEBI Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
“SEBI Insider Trading Regulations”	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
“SEBI LODR Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
“SEBI VCF Regulations”	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended.
“Sec.”	Section
“SME”	Small and Medium Enterprises.
“STT”	Securities Transaction Tax.
“SWOT”	Strengths, Weaknesses, Opportunities and Threats.
“TAN”	Tax deduction account number.
“Trademarks Act”	Trademarks Act, 1999, as amended.
“U.K.”	United Kingdom.
“UN”	United Nations.
“UNFPA”	United Nations Population Fund.
“U.S.A.”	United States of America.
“U.S. GAAP”	Generally Accepted Accounting Principles in the United States of America.
“U.S. QIBs”	Persons that are “qualified institutional buyers”, as defined in Rule 144A.
“U.S. Securities Act”	U.S. Securities Act of 1933, as amended.
“US$/USD/US Dollar”	United States Dollar.
“USA/U.S./US”	United States of America.
“VAT”	Value added tax.
“VCF”	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 (now repealed) or the SEBI AIF Regulations, 2012 as the case may be.
“W.e.f.”	With effect from.

Issue Related Definitions

Term	Description
"Abridged Prospectus"	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
"Acknowledgement Slip"	The slip or document issued by the relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid cum Application Form.
"Allot"/ "Allotment" / "Allotted"	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue.
"Allotment Advice"	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
"Allottee(s)"	A successful Bidder to whom the Equity Shares are Allotted.
"Anchor Investor(s)"	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and this Draft Red Herring Prospectus, and who has Bid for an amount of at least ₹ 200 lakhs.
"Anchor Investor Allocation Price"	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the BRLM.
"Anchor Investor Application Form"	The form is used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
"Anchor Investor Bid" or "Issue Period" or "Anchor Investor Bidding Date"	The date, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which BRLM will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
"Anchor Investor Issue Price"	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of, the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
"Anchor Investor Pay-in Date"	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date.
"Anchor Investor Portion"	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
"ASBA"/ "Application Supported by Blocked Amount"	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorize an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
"ASBA Account"	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism.
"ASBA Bid"	A Bid made by an ASBA Bidder.
"ASBA Bidders"	All Bidders except Anchor Investors.
"ASBA Form"	An application form, whether physical or electronic, is used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Draft Red

Term	Description
	Herring Prospectus, the Red Herring Prospectus and the Prospectus.
"Banker(s) to the Issue"	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Issue Account Bank(s) and the Sponsor Bank(s), as the case may be.
"Banker to the Issue Agreement"	Agreement dated [●] entered amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
"Basis of Allotment"	Basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, is described in *"**Issue Procedure**"* on page 325 this Draft Red Herring Prospectus.
"Bid(s)"	An indication by an ASBA Bidder to make an Issue during the Bid/Issue Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of this Draft Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.
"Bid Amount"	The highest value of optional Bids indicated in the Bid cum Application Form, and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Issue, as applicable. In the case of Individual Investors who apply for minimum application size Bidding at the Cut off Price, the Cap Price is multiplied by the number of Equity Shares Bid for by such individual investors who apply for minimum application size and mentioned in the Bid cum Application Form.
"Bid cum Application Form"	The Anchor Investor Application Form or the ASBA Form, as the context requires.
"Bid Lot"	[●] Equity Shares of face value of ₹ [●]/- each and in multiples of [●] Equity Shares of face value of ₹10/- each thereafter.
"Bid" / "Issue Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located), and in case of any revision, the extended Bid/Issue Closing Date shall also be widely disseminated by notification to the Stock Exchange by issuing a public notice and also by indicating the change on the respective websites of the BRLM and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations. Our Company, in consultation with BRLM, may 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.
"Bid" / "Issue Opening Date"	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarati, where our Registered Office is located), and in case of any revision, the extended Bid/Issue Opening Date also be widely disseminated by notification to the Stock Exchange by issuing a public notice and also by indicating the change on the respective websites of the BRLM and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations.
"Bid" / "Issue Period"	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Draft Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for

Term	Description
	all categories of Bidders, other than Anchor Investors. Our Company, in consultation with BRLM, may 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.
"Bidder" / "Applicant"	Any prospective investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor.
"Bidding Centers"	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
"Book Building Process"	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
"Book Running Lead Managers" / "BRLM"	The book running lead manager to the Issue, being Vivro Financial Services Private Limited.
"Broker Centers"	Broker centers are notified by the Stock Exchange where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchange at http://www.nseindia.com/.
"CAN" / "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date.
"Cap Price"	The higher end of the Price Band, above which the Issue Price and Anchor Investor Issue. The higher end of the Price Band, above which the Issue Price and Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted. The Cap Price shall be at least 105.00% of the Floor Price.
"Cash Escrow and Sponsor Bank Agreement"	The agreement to be entered into amongst our Company, the Syndicate Members, the Registrar to the Issue, the BRLM, and the Banker(s) to the Issue for, among other things, collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Issue Account(s), and where applicable, remitting refunds, if any, to such Bidders, on the terms and conditions thereof.
"CDP(s)" / "Collecting Depository Participant(s)"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and other applicable circulars issued by SEBI as per the lists available on the website of the Stock Exchange at http://www.nseindia.com/, as updated from time to time.
"Client ID"	Client identification number maintained with one of the Depositories in relation to the demat account.
"Collecting Registrar and Share Transfer Agents"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI as per the lists available on the website of the Stock Exchange at www.nseindia.com, as updated from time to time.
"Cut-Off Price"	Issue Price, which shall be any price within the Price Band, finalized by our Company, in consultation with BRLM. Only Individual Investors who apply for minimum application size are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
"Cut-Off Time"	For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm after the Bid/Issue Closing Date.
"Demographic Details"	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable.
"Designated CDP Locations"	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of

Term	Description
	the Stock Exchange at http://www.nseindia.com/ as updated from time to time.
"Designated Date"	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Bank(s)) for the transfer of the relevant amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account and or the Refund Account and / or are unblocked, as the case may be, in terms of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted to successful Bidders in the Issue
"Designated Intermediary(ies)"	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to Individual Investors using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who were authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Issue. In relation to ASBA Forms submitted by Individual Investors Bidding in the Retail Portion by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
"Designated RTA Locations"	Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the website of the Stock Exchange (http://www.nseindia.com/) as updated from time to time.
"Designated SCSB Branches"	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at www.sebi.gov.in, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
"Designated Stock Exchange"	Unless the context requires otherwise, refers to, the EMERGE Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.
"Draft Red Herring Prospectus" or "DRHP'	This Draft Red Herring Prospectus dated September 26, 2025, issued in accordance with the SEBI ICDR Regulations, which does not contain complete details of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
"Eligible FPI(s)"	FPI(s) that were eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it was not unlawful to make an offer / invitation under the Issue and in relation to whom the Bid cum Application Form and the Draft Red Herring Prospectus constituted an invitation to purchase the Equity Shares.
"Eligible NRI(s)"	NRI(s) from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Bid Cum Application Form and the Draft Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
"Escrow Account(s)"	Account(s) opened with the Escrow Collection Bank and in whose favor Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
"Escrow Collection Bank"	Bank which is a clearing member and registered with SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Accounts in relation to the Issue for Bids by Anchor Investors will be opened, in this case being [●].
"First or sole	The Bidder whose name shall be mentioned in the Bid cum Application Form or the

Term	Description
Bidder”	Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
“Floor Price”	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids will be accepted.
“Fraudulent Borrower”	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
“Fugitive Economic Offender”	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.
“General Information Document” or “GID”	The General Information Document for investing in public Issues, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the BRLM.
“Individual Investor”	Individual investor who applies for minimum application size.
“Individual Investor Portions”	Portion of the Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Individual Investors (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum application size subject to availability in the Individual Investor Portion, and the remaining Equity Shares to be Allotted on a proportionate basis.
“Issue Agreement”	The agreement dated September 26, 2025, between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
“Issue Price”	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Draft Red Herring Prospectus which will be decided by our Company, in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price, which will be decided by our Company, in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus.
“Market Maker”	Market Maker appointed by our Company from time to time, in this case being [●], who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
“Market Maker Reservation Portion”	The reserved portion of [●] Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹[●] Lakhs to be subscribed by Market Maker in this Issue.
“Market Making Agreement”	The market making agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
“Minimum Application Size”	The minimum application size shall be two lots provided that the minimum application size shall be above ₹ 2 Lakhs
“Mutual Funds”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
“Mutual Fund Portion”	The portion of the Issue being 5% of the Net QIB Portion consisting of [●] Equity Shares of face value of ₹10 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
“Net Proceeds”	Proceeds of the Issue less Issue expenses.
“Net QIB Portion”	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
“Non-Institutional Category” or “Non-Institutional Portion”	The portion of the Issue being not less than 15% of the Issue consisting of [●] Equity Shares of face value of ₹10/- each, available for allocation to Non-Institutional Investors, of which one-third shall be available for allocation to Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs and two-thirds shall be available for allocation to Bidders with an application size of more than ₹10 lakhs, provided that the unsubscribed portion in either of such sub-categories may

Term	Description
	be allocated to applicants in the other sub-category of Non-Institutional Investors subject to valid Bids being received at or above the Issue Price. **Subject to finalization of the Basis of Allotment*
"Non-Institutional Investors" or "NIIs" or "Non-Institutional Bidders" or "NIBs"	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or Individual Investors and to whom allocation shall be made in the following manner: (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors.
"NPCI"	National Payments Corporation of India
"NR" or "Non-Resident"	Person resident outside India, as defined under FEMA and includes non-resident Indians, FVCIs and FPIs.
"Price Band"	The price band ranging from the Floor Price of ₹ [●] per Equity Share of face value of ₹10/- each to the Cap Price of ₹ [●] per Equity Share of face value of ₹10/- each, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company, in consultation with the BRLM, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located), at least two Working Days prior to the Bid/Issue Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchange for the purpose of uploading on their respective websites.
"Pricing Date"	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
"Prospectus"	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
"Public Issue Account(s)"	The bank account(s) opened with the Public Issue Account Bank(s) under Section 40(3) of the Companies Act, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
"Public Issue Account Bank(s)"	Bank(s) which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Issue Account(s) will be opened.
"QIB Portion"	The portion of the Issue being not more than 50% of the Issue or [●] Equity Shares of face value of ₹10 each, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
"QIBs" or "Qualified Institutional Buyers"	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
"Red Herring Prospectus" or "RHP"	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Issue Price and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the ROC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the ROC after the Pricing Date.
"Refund	The account opened with the Refund Bank(s), from which refunds, if any, of the whole

Term	Description
Account(s)"	or part of the Bid Amount to Anchor Investors shall be made.
"Refund Bank(s)"	The Banker to the Issue with whom the Refund Account(s) will be opened, in this case being [●].
"Registered Brokers"	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stockbrokers) Regulations, 1992, as amended and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of UPI Circulars, issued by SEBI.
"Registrar Agreement"	The agreement dated September 24, 2025, entered into between our Company, and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
"Registrar to the Issue" or "Registrar"	KFin Technologies Limited
"Revision Form"	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Investors who apply for Minimum Application Size can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.
"RTAs" or "Registrar and Share Transfer Agents"	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the website of NSE, and the UPI Circulars.
"Self-Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI Mechanism is appearing in the "list of mobile applications for using UPI in Public Issues" displayed on SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. The said list shall be updated on SEBI website from time to time.
"Specified Locations"	Bidding centers where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time.
"Sponsor Bank(s)"	[●], being Banker(s) to the Issue, appointed by our Company to act as a conduit between the Stock Exchange and the NPCI in order to push the mandate collect requests and/or payment instructions of UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
"Stock Exchange" or "Designated Stock Exchange"	EMERGE Platform of NSE i.e. NSE EMERGE.
"Stock Exchanges"	Together BSE and NSE.
"Sub-Syndicate Members"	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
"Syndicate Agreement"	The agreement to be entered into between our Company, the Registrar to the Issue, the BRLM and the Syndicate Members in relation to the procurement of Bids by the Syndicate.
"Syndicate Member(s)"	[●].
"Syndicate" or	Together, the BRLM and the Syndicate Members.

Term	Description
"Members of the Syndicate"	
"Underwriter"	Underwriter to this Issue namely [●].
"Underwriting Agreement"	The agreement dated [●], between the Underwriter and our Company.
"UPI"	Unified Payments Interface, which is an instant payment mechanism, developed by the NPCI.
"UPI Bidders"	Collectively, individual investors applying as individual investors who apply for Minimum Application Size in the Retail Portion, individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹5,00,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism. Pursuant to SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
"UPI Circulars"	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI master circular with circular number SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI RTA Master Circular (to the extent it pertains to UPI) and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchange in this regard, including the circular issued by NSE having reference number 25/2022 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchange in this regard. .
"UPI ID"	ID created on UPI for single-window mobile payment system developed by the NPCI.
"UPI Mandate Request"	A request (intimating the UPI Bidder by way of a notification on the UPI application, by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
"UPI Mechanism"	The bidding mechanism that shall be used by a UPI Bidder to make an ASBA Bid in the Issue in accordance with the UPI Circulars.
"UPI PIN"	Password to authenticate UPI transaction.
"Wilful Defaulter"	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"Working Day(s)"	All days on which commercial banks in Ahmedabad, Gujarat, India are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, the expression "Working Day" shall mean all days on which commercial banks in Ahmedabad, Gujarat , India are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, the expression 'Working Day' shall mean all trading days of Stock Exchange, excluding Sundays and

Term	Description
	bank holidays, in terms of the circulars issued by SEBI.

Industry and Business Related Terms or Abbreviations

Term	Description
"AIs"	agrochemical actives
"APIs"	Active Pharmaceutical Ingredient
"ASEAN"	Association of Southeast Asian Nations
"BEE"	Bureau of Energy Efficiency's
"BTA"	Bilateral trade agreement
"CAGR"	Compound Annual Growth Rate
"Care Report" or "CareEdge Report"	Industry Research Report on Inorganic Chemicals Industry dated September 19, 2025 prepared by CARE Analytics and Advisory Private Limited (formerly known as CARE Risk Solutions Private Limited)
"CCTV"	Closed Circuit Television
"CDMO"	Contract Development and Manufacturing Organization
"CEFIC"	European Chemical Industry Council
"CMI"	Custom Market Insights
"CMSR"	Chemical (Management and Safety) Rules, 2024
"CPCB"	Central Pollution Control Board
"CPI"	Consumer Price Index
"CRAMS"	Contract Research and Manufacturing Services
"CSR"	Corporate Social Responsibility
"CY"	Calender Year
"DCPC"	Department of Chemicals and Petrochemicals
"ERP"	Enterprise Resource Planning – software used for business process management.
"ESG"	Environmental, Social, and Governance
"ETP "	Effluent Treatment Plant
"EU"	European Union
"F&B"	Food & Beverage
"FAI"	Fertiliser Association of India (FAI)
"FDI"	Foreign Direct Investment
"FE"	Final Estimates
"FMCG"	Fast Moving Consumer Goods
"FRE"	First Revised Estimates
"FTA"	Free Trade Agreements
"GDP"	Gross Domestic Product
"GIDC"	Gujarat Industrial Development Corporation
"GNDI"	Gross National Disposable Income
"GVA"	Gross Value Added
"HACCP"	Hazard Analysis and Critical Control Points
"HAZOP"	Hazard and Operability Study training
"HDPE"	High-Density Polyethylene
"IBCs"	intermediate bulk containers
"ICCA"	International Council of Chemical Associations
"IIP"	Index of Industrial Production
"IMF"	International Monetary Fund
"IPI"	Indian pharmaceutical industry
"ISO"	International Organization for Standardization
"IT"	Information Technology
"MT"	Metric Ton
"MTPA"	metric ton per annum
"$NaHSO_3$"	Sodium Bisulphite
"$Na_2S_2O_5$"	Sodium Metabisulphite

Term	Description
“NH_4HSO_3”	Ammonium Bisuphite Solution
“Na_2SO_3”	Sodium Sulphite Anhydrous
“NBS”	Nutrient Based Subsidy
“NIP”	National Infrastructure Pipeline
“NMEEE”	National Mission on Enhanced Energy Efficiency
“NMGC”	National Mission for Clean Ganga
“NSDC”	National Skill Development Corporation
“NSF”	National Sanitation Foundation
“OALP”	Open Acreage Licensing Policy
“PAT”	Perform, Achieve, and Trade
“PCPIRs”	Petroleum, Chemicals, and Petrochemicals Investment Regions
“PE”	Provisional Estimates
“PFCE”	Private Final Consumption Expenditure
“PLI”	Production-Linked Incentive
“PMFME”	Pradhan Mantri Formalisation of Micro Food Processing Enterprises
“PMI”	Purchasing Managers’ Index
“RBI”	Reserve Bank of India
“SAE”	Second Advance Estimates
“SDP”	State Domestic Product
“SDS”	Safety Data Sheets
“SO_2”	Sulfur dioxide
“UGVCL”	Uttar Gujarat Vij Company Limited
“USTR”	United States Trade Representative
“WEO”	World Economic Outlook
“Y-o-Y”	Year-on-Year
“ZLD”	zero-liquid discharge

Key operational and financial performance indicators

Term	Description
“Revenue from Operations”	Revenue from operation provides information regarding growth of the business operations over the period.
“Earnings before Interest, Tax, Depreciation”	EBITDA (earnings before interest, tax depreciation and amortisation) provides information and operational profitability and the financial performance of the business.
“EBITDA Margins”	EBITDA margin provides the financial benchmarking against peers as well as to compare against the historical performance of the business.
“Profit after Tax” / “PAT”	PAT provides information regarding the overall profitability of our business.
“PAT Margins”	PAT margin is an indicator of the overall profitability of the business and provides the financial benchmarking against peer as well as to compare against the historical performance of the business.
“Cash Profit after Tax”	Cash Profit after Tax is an indicator which denotes profit generated from the business operations during the period before adjusting the non-cash items.
“Current Ratio”	Current ratio is an indicator of short-term solvency i.e., company's ability to pay short-term obligations or those due within one year.
“Net Worth”	Net-Worth is an indicator of total net-worth after deducting the aggregate value of the accumulated losses, each as applicable for the Company on a restated basis.
“Debt-Equity Ratio”	Debt Equity Ratio is an indicator of overall leverage of the company
“Return on Equity”	RoE provides how efficiently the Company generates profits from average shareholders' funds.
“Return on Capital Employed”	RoCE provides how efficiently the Company generates earnings from the capital employed in the business.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to *"India"* in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the *"Government"*, *"Indian Government"*, *"GoI"*, *"Central Government"* or the *"State Government"* are to the Government of India, central or state, as applicable. All references to the *"U.S.", "US", "U.S.A"* or *"United States"* are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of the Draft Red Herring Prospectus.

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Financial Year, are to the year ended on March 31, of that calendar year.

In this Draft Red Herring Prospectus, the terms "we", "us", "our", "the Company", "our Company", "Issuer", "Issuer Company", unless the context otherwise indicates or implies, refers to "Shanti Inorganics Limited".

Financial Data

Unless the context otherwise requires or indicates, the financial information in this Draft Red Herring Prospectus has been derived from our Restated Financial Information of our Company for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, and prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI ICDR Regulations, set out in the section titled *"**Restated Financial Information**"* on page 224 of this Draft Red Herring Prospectus. Our Restated Financial Information are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI ICDR Regulations. For further information, please see the section titled "***Restated Financial Information***" on page 224 of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. In addition, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

There are significant differences between Indian GAAP, Ind AS, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the readers level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. Further, Our Company does not provide a re-conciliation of its financial statements with IFRS or U.S. GAAP requirements.

Our Company's Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that calendar year. Accordingly, all references to a particular Fiscal or Financial Year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified. Unless stated otherwise, or the context requires otherwise, all references to an "year" in this Draft Red Herring Prospectus are to a calendar year.

The Restated Financial Information of our Company, which comprises of the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the Financial Years ended on March 31, 2025, March 31, 2024, and March 31, 2023 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

Unless the context otherwise indicates, any percentage amounts, as set forth in ***"Risk Factors", "Our Business"*** and ***"Management's Discussion and Analysis of Financial Position and Results of Operations"*** on pages 31, 167 and 269 respectively, of this Draft Red Herring Prospectus and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Financial Information, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Non-GAAP Financial Measures

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, PAT Margin, Return on Equity, Net Asset Value per Equity Share, Net worth, Return on Net worth and certain other statistical information relating to our operations and financial performance (together, "**Non-GAAP Measures**") that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-Indian GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Currency and Units of Presentation

All references to:

- "Rupee(s)", "Rs." or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India;
- "U.S. Dollar(s)" or "USD" or "US Dollar" are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in lakhs, except where specifically indicated. One lakh represents 1,00,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand".

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the other currencies used in this Draft Red Herring Prospectus:

(in ₹)

Currency	Exchange rate as on March 31, 2025	Exchange rate as on March 31, 2024*	Exchange rate as on March 31, 2023
USD	85.58	83.37	82.22

**If the RBI reference rate is not available on a particular date due to a public holiday, the previous working day not being a public holiday has been considered.*
Source: www.fbil.org.in *and* www.rbi.org.in
Note: The reference rates are rounded off to two decimal places.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from report titled *"Industry Research Report on Inorganic Chemicals Industry"* ("**Care Report**") dated September 19, 2025, prepared by CARE Advisory Research and Training Limited (formerly known as CARE Risk Solutions Private Limited) ("**Care**"). The Report has been commissioned and paid for by our Company exclusively for the purposes of the Issue, pursuant to an engagement letter dated March 18, 2025 and is available on our Company's website at https://shantiinorganics.com. Further, CARE vide their consent letter dated September 19, 2025 has accorded their no objection and consent to use the Care Report in this Draft Red Herring Prospectus and vide their consent letter has also confirmed that they are an independent agency, and that it is not related to our Company, our Directors, our Promoters, our Key Managerial Personnel, or the BRLM.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "***Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risk***" on page 51 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

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FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "*aim*", "*anticipate*", "*are likely*", "*believe*", "*expect*", "*estimate*", "*intend*", "*likely to*", "*objective*", "*plan*", "*project*", "*propose*", "*will"*, "*seek to"*, "*will continue*", "*will pursue*" or other words or phrases of similar import. Similarly, statements that describe our business, prospects, strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us or any third parties in this Draft Red Herring Prospectus, are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties, expectations and assumptions abo us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact constitute 'forward-looking statements'. All statements regarding our expected financial conditions and results of operations, business plans and objectives, strategies and goals and prospects are forward looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our inability to respond to them, our inability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. We derive a substantial portion of our revenue from the food and beverages, oil-field and chemical industries. Consequently, any material decline in the performance of the food and beverages, oil-field and chemical industries, or our failure to sustain, grow, or efficiently manage our sales within these industries may materially and adversely affect our business operations, financial condition and results of operations.

2. Our Company derives revenue from diversified customers. Our inability to acquire new customers or loss of all or a substantial portion of any of our major customers, for any reason and/or continued reduction of the business from them, could have a material adverse impact on our business, results of operations, cash flows and financial condition.

3. We do not maintain long-term contractual arrangements with the majority of our customers. As a result, the loss of one or more key customers, or any significant reduction in their demand for our products, could materially and adversely affect our business operations, financial condition, results of operations and cash flows

4. A substantial portion of our revenue is derived from exports, exposing us to risks associated with international markets. Any adverse developments in these markets may materially and adversely affect our business operations, financial condition and results of operations.

5. A significant increase in the cost of raw materials, particularly if not matched by a corresponding increase in product pricing or revenue, could materially and adversely affect our profit margins and overall financial performance. If we are unable to pass on these increased costs to our customers, it may result in reduced profitability and negatively impact our results of operations and financial condition

6. We have not made any long-term supply arrangement or agreement with our suppliers. In an eventuality where our suppliers are unable to deliver us the required materials, at a competitive price, in a time-bound manner it may have a material adverse effect on our business operations and profitability.

7. Our manufacturing facilities situated in Vatva, Ahmedabad ("Manufacturing Unit – I") and Bavla, Ahmedabad ("Manufacturing Unit – II – Phase I") are critical for our business and any disturbance, slowdown or shutdown of our manufacturing facilities, may have an adverse impact on our business,

results of operations and financial conditions.

8. Our Proposed Project of capital expenditure relating towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite for phase II of Manufacturing Unit - II are subject to the risk of unanticipated delays in implementation and cost overruns.

9. There have been certain instances of delay with respect to filings of forms and intimations under the Companies Act, 2013 with the RoC, non-compliance of section 203 (3) and 135 of the Companies Act, 2013 in the past. We cannot assure you that regulatory proceedings or actions will not be initiated against us, and we will not be subject to any penalty imposed by the competent regulatory authority in this regard in the future which may impact our financial condition and reputation.

10. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our results of operations, cash flows and financial condition.

For details regarding factors that could cause actual results to differ from expectations, see "***Risk Factors***", "***Our Business***" and " ***Management's Discussion And Analysis Of Financial Position And Results Of Operations*** " beginning on 31, 167 and 269 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoters, our Directors, the BRLM nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the BRLM will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Equity shares pursuant to the Issue.

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SUMMARY OF THE ISSUE DOCUMENTS

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "***Risk Factors***", "***The Issue***", "***Capital Structure***", "***Objects of the Issue***", "***Industry Overview***", "***Our Business***", "***Restated Financial Information***", "***Outstanding Litigation and Material Developments***", "***Issue Procedure***", and "***Description Of Equity Shares Related Terms of the Articles of Association***" on pages 31, 70, 91, 105, 130, 167, 224, 286, 325 and 367, respectively of this Draft Red Herring Prospectus.

a) Summary of Business

We are engaged in the business of manufacturing and trading of sulphur based inorganic chemicals. Our product portfolio consists of ammonium bisulphite, sodium bisulphite solutions, sodium meta/ bisulphite, and sodium sulphite powder, which are primarily used as preservatives, reducing agents, oxygen scavengers and process intermediates across multiple industries such as oil drilling, pharmaceuticals, food and beverages, pulp & paper and water treatment. Our manufacturing facilities are located at Vatva, Ahmedabad and Bavla, Ahmedabad with an installed capacity of 16,200 MTPA and 18,000 MTPA, respectively. We propose to establish Proposed Project at Bavla, Ahmedabad with an installed capacity of 31,200 MTPA.

For further details, please refer chapter titled "***Our Business***" on page 167 of this Draft Red Herring Prospectus.

b) Summary of Industry

The global inorganic chemicals market has witnessed moderate growth, growing from USD 833 billion in 2019 to an estimated USD 1,144 billion in 2024, with a CAGR of 6.6%. Going forward, the market is expected to grow at an accelerated CAGR of 7.9% to reach USD 1,675 billion by 2029. This growth is likely to be supported by sustained demand momentum across diverse end-use sectors such as construction, water treatment, agriculture, and energy. Furthermore, increasing industrial output in emerging markets, along with growing applications in electronics and green technologies, is expected to drive market expansion.

For further details, please refer chapter titled "***Industry Overview***" on page 130 of this Draft Red Herring Prospectus.

c) Name of the Promoters

The Promoters of our Company are Manojkumar Jayantilal Patel and Avnish Manojkumar Patel. For detailed information on our Promoters and Promoter Group, please refer to chapter titled "***Our Promoters and Promoter Group***" on page 217 of this Draft Red Herring Prospectus.

d) Issue Size

Issue[(1)]	Issue of up to 50,00,000 Equity Shares of ₹10/- each for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹ [●] lakhs.
Out of which	
Market Maker Reservation Portion	[●] Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] lakhs.
Net Issue to the Public	[●] Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹ [●] lakhs.

(1) The Issue has been authorized by our Board pursuant to the resolution passed at its meeting held on September 15, 2025, and the Issue has been authorized by our Shareholders pursuant to a special resolution passed on September 16, 2025.

The price band will be decided by our Company in consultation with the BRLM and will be advertised in all editions of the [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Gujarati editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our registered office is located), each with wide circulation, at least 2 (two) working days prior to the bid/issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the EMERGE platform of National Stock Exchange of India Limited i.e., NSE EMERGE ("**NSE EMERGE**" or "**Stock Exchange**") for the purpose of uploading on their website for further details kindly refer to chapter titled "***Terms of the Issue***" on page 309 of this Draft Red Herring Prospectus.

For further details, see *"**The Issue**" "**Issue Structure**",* and *"**Issue Procedure**"* on page 70, 319 and 325 of this Draft Red Herring Prospectus.

e) Objects of the Issue

The fund requirements for each of the Objects of the Issue are stated as below:

The details of the proceeds of the Issue are summarized in the table below:

(₹ in lakhs)

Objects	Amount
Gross proceeds of the Issue	Up to [●]
Less: Estimated Issue related expenses	[●]
Net Proceeds of the Issue (Net Proceeds)*	[●]

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.*

Utilisation of the Net Proceeds and Schedule of Deployment

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(₹ in lakhs)

Sr. No.	Objects	Amount
1.	Part funding the capital expenditure towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite situated at Bavla, Ahmedabad, Gujarat (*"**Proposed Project**")*	4,300.00
2.	General Corporate Purposes*	[●]
	Total#	[●]

** To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 15% of the Gross Proceeds from the Issue or ₹ 1,000.00 lakhs, whichever is lower.*
 # Assuming full subscription and subject to finalization of basis of allotment.

For further details, see "***Objects of the Issue***" on page 105 of this Draft Red Herring Prospectus.

f) Aggregate pre-Issue shareholding of our Promoters and Promoter Group

As on date of this Draft Red Herring Prospectus, the aggregate pre-Issue shareholding of our Promoters and Promoter Group, as a percentage of the pre-Issue paid-up Equity Share capital of our Company is set out below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)*	Percentage of the Post-Issue Equity Share capital (%)
Promoter				
1.	Manojkumar Jayantilal Patel	69,61,440	60.24	[●]
2.	Avnish Manojkumar Patel	16,88,000	14.61	[●]

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)*	Percentage of the Post-Issue Equity Share capital (%)
	Sub Total (A)	**86,49,440**	**74.85**	[●]
Promoter Group				
1.	Sarojben Manojbhai Patel	5,08,800	4.40	[●]
2.	Suhani Avanishkumar Patel	5,08,800	4.40	[●]
	Sub Total (B)	**10,17,600**	**8.80**	[●]
	Total (A+B)	**96,67,040**	**83.65**	[●]

g) Shareholding of Promoters / Promoter Group and Additional Top 10 Shareholders of the Company as at allotment:

Sr. No.	Pre-Issue shareholding as at the date of DRHP			Post-Issue shareholding as at Allotment[(2)]			
				At the lower end of the price band (₹[●])		At the upper end of the price band (₹[●])	
	Shareholders	Number of Equity Shares[(1)]	Share holding (in %)[(1)]	Number of Equity Shares [(1)]	Share holding (in %)[(1)]	Number of Equity Shares[(1)]	Share holding (in %)[(1)]
A.	**Promoters**						
1.	Manojkumar Jayantilal Patel	69,61,440	60.24	[●]	[●]	[●]	[●]
2.	Avnish Manojkumar Patel.	16,88,000	14.61	[●]	[●]	[●]	[●]
B.	**Promoter Group**						
1.	Sarojben Manojbhai Patel	5,08,800	4.40	[●]	[●]	[●]	[●]
2.	Suhani Avanishkumar Patel	5,08,800	4.40	[●]	[●]	[●]	[●]
C.	**Additional Top 10 Shareholders**						
1.	Reina R Jaisinghani	6,37,200	5.51	[●]	[●]	[●]	[●]
2.	Rameshbhai Bhimjibhai Patel	5,08,800	4.40	[●]	[●]	[●]	[●]
3.	Seema Dilip Vora	1,66,800	1.44	[●]	[●]	[●]	[●]
4.	Invicta Continuum Fund I	1,66,800	1.44	[●]	[●]	[●]	[●]
5.	Amrut Bharat Opportunities Fund - Series I	1,40,400	1.21	[●]	[●]	[●]	[●]
6.	Piyush Kirti Purohit	1,16,000	1.00	[●]	[●]	[●]	[●]
7.	Shah Enterprises (Karta – Mayur Gulab Shah)	54,000	0.47	[●]	[●]	[●]	[●]
8.	Bhupendra Jagatsinh Rathod	39,600	0.34	[●]	[●]	[●]	[●]
9.	Rashmi Ranjit Gaekwad	38,400	0.33	[●]	[●]	[●]	[●]
10.	Krisha Vishal Talreja	10,000	0.09	[●]	[●]	[●]	[●]

(1) To be updated at the time of filing the Red Herring Prospectus and the pre-Issue and Price Band Advertisement.
(2) Includes all options that have been exercised until date of Prospectus and any transfers of Equity Shares by existing shareholders after the date of the pre-issue and price band advertisement until date of Prospectus.
(3) Based on the Issue price of ₹[●] and subject to finalization of the basis of allotment.

h) Summary of Financial Statements

A summary of the financial information of our Company as per the Restated Financial Information for the past three years is as follows:

(₹ in Lakhs, except ratios and per share data)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Equity share capital (₹ in lakhs)	63.60	63.60	63.60
Net worth(1) (₹ in lakhs)	2,586.33	1,760.43	1,248.81
Total income (including other Income) (₹ in lakhs)	5,845.96	4,506.11	4,650.19
Profit/(loss) after tax(2) (₹ in lakhs)	825.90	511.62	460.21
Basic and Diluted Earnings per Share (in ₹) (before bonus issue)(3)	129.96	80.44	72.36
Basic and Diluted Earnings per Share (in ₹) (after bonus issue)(3)^	8.12	5.03	4.52
Net Asset value per Equity Shares (in ₹) (before bonus issue)(4)	406.66	276.80	196.35
Net Asset value per Equity Shares (in ₹) (after bonus issue) (4)^	25.42	17.30	12.27
Total borrowings (including current maturities of long-term borrowings) (₹ in lakhs)	2,538.03	2,434.05	562.52
Return on Net Worth (%)(5)	38.00%	34.00%	44.26%
Return on Capital Employed (6)(%)	27.20%	27.59%	49.34%

^ The EPS and NAV per Equity Share computed above are derived after giving the effect of Bonus Equity Shares issued in the ratio of 15:1 (i.e.,15 fully paid-up equity shares for 1 Equity Share) held by shareholders as on August 22, 2025.

Notes:

1) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, debenture redemption reserves, write-back of depreciation and amalgamation.

2) Profit/ (loss) after tax means profit for the year after tax carried to balance sheet after share in profit of associate and excluding minority interest

3) Earnings per share are computed in accordance with AS 20 – Earnings per Share (as amended).

4) Net Asset Value per Equity Share represents adjusted net worth as at the end of the fiscal year, as divided by the number of Equity Shares as at the end of the fiscal year

5) Return on Net worth is calculated as Restated profit after tax After Tax carried to balance sheet for the year divided by average net worth, where average net worth is calculated by dividing sum of closing adjusted net worth of the current fiscal year and closing adjusted net worth of the previous fiscal year by 2. Adjusted net worth of FY 2022 is taken from audited financial statements

6) Return on Capital Employed is calculated as Earnings Before Interest and Tax divided by Average Capital Employed. Average Capital Employed is calculated by dividing sum of closing capital employed of the current fiscal year and closing capital employed of the previous fiscal year by 2. Capital employed is calculated as sum of adjusted net worth and Long-Term Borrowings. Capital Employed of FY 2022 is taken from audited financial statements.

The financials statements of the Company are available on the website of Company .

i) Qualifications of the Auditors which have not been given effect to in the Restated Financial Statements

There are no qualifications included by the Statutory Auditors in their audit reports and hence there are no qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Information.

j) Summary of Outstanding Litigation

A. A summary of outstanding litigation proceedings involving our Company, our Promoters, our Directors, KMPs and SMPs as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in lakhs)

Name of Entity	*Criminal Proceeding*	*Statutory or Regulatory Proceeding*	*Disciplinary actions by the SEBI or Stock Exchanges*	*Material Civil Litigation*	*Aggregate amount involved (₹ in Lakhs)*
Company					
By our Company	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against our Company	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Directors (Other than Promoters)					
By our Directors	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against our Directors	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Promoters					
By our Promoters	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against our Promoters	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
KMPs and/or SMPs					
By our Key Managerial Personnel	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against our Key Managerial Personnel	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Group Companies					
Outstanding litigation which may have a material impact on our Company	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*

B. A summary of outstanding tax litigation proceedings involving our Company, our Directors, our Promoters, KMPs and SMPs as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in lakhs)

Nature of Cases	*Number of Cases*	*Amount Involved*
Company		
Indirect Tax	*Nil*	*Nil*
Direct Tax	*4*	*7.64**
Directors (except promoters)		
Indirect Tax	*N.A.*	*N.A.*
Direct Tax	*Nil*	*Nil*
Promoters		
Indirect Tax	*N.A.*	*N.A.*
Direct Tax	*Nil*	*Nil*
KMPs and/or SMPs (except directors)		
Indirect Tax	*N.A.*	*N.A.*
Direct Tax	*N.A.*	*N.A.*

* *Outstanding demand amount is the total outstanding demand amount for the fiscal years 2017 and 2020, excluding the accrued interest.*

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" on page 286 of this Draft Red Herring Prospectus.

k) Risk Factors

For further details, see "***Risk Factors***" on page 31 of the Draft Red Herring Prospectus.

l) Summary of Contingent Liabilities

Summary of our contingent liabilities as at March 31, 2025, March 31, 2024, and March 31, 2023, as derived from the Restated Financial Statements are as follows:

(₹ in lakhs)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Bank guarantee for UGVCL	27.70	27.70	-

For further details of the contingent liabilities, see "***Contingent Liabilities – Note 14 –Related Party Transactions***" on page 237 of this Draft Red Herring Prospectus.

m) Summary of Related Party Transactions

A summary of the related party transactions for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, as per AS 18 – Related Party Disclosures read with the SEBI ICDR Regulations and derived from our Restated Financial Information is set out below:

I. Transaction during the year/period

(₹ in lakhs)

Name of the Related Party	Nature of Transaction	For the financial year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Avnish Manojkumar Patel	Remuneration to Director	36.00	24.00	24.00
	Unsecured Loans Received	42.92	144.00	200.00
	Unsecured Loans Repaid	136.35	40.00	200.00
	Interest Expenses	-	2.19	2.73
Manojkumar Jayantilal Patel	Remuneration to Director	36.00	24.00	24.00
	Unsecured Loans Received	149.80	50.00	-
	Unsecured Loans Repaid	135.26	40.00	-
	Interest Expenses	-	0.77	-
Saroj M. Patel	Remuneration	3.00	3.00	3.00
	Unsecured Loans Received	-	-	1.50
	Unsecured Loans Repaid	-	-	1.50
Suhani A. Patel	Remuneration	3.00	3.00	3.00
Abhik Jain (Company Secretary and Compliance Officer)	Remuneration	0.46	-	-
Kalpesh Raval (Chief Financial Officer)	Remuneration	2.20	-	-
Bodal Chemicals Limited	Purchase of Goods	8.17	17.02	0.10
	Sale of Goods	71.68	23.04	51.87
	Advance Repaid Back	-	6.00	-
Suresh J. Patel	Advance Received Back	-	14.61	-

II. Balances at the end of year / period:

(₹ in lakhs)

Name of the Related Party	Nature of Transaction	As at		
		March 31, 2025	March 31, 2024	March 31, 2023
Avnish Manojkumar Patel	Loans	(12.54)	(105.97)	-
	Remuneration/Salary	(2.33)	(1.60)	(2.00)
Manojkumar Jayantilal Patel	Loans	(25.22)	(10.69)	-
	Expenses Payable	-	-	(0.38)
	Remuneration/Salary	(2.33)	(0.49)	(1.18)
Saroj M. Patel	Remuneration/Salary	(0.25)	(0.25)	(0.25)
Suhani A. Patel	Remuneration/Salary	(0.25)	(0.25)	(0.25)
Abhik Jain (Company Secretary)	Remuneration/Salary	(0.46)	-	-
Kalpesh Raval (Chief Financial Officer)	Remuneration/Salary	(0.71)	-	-
Suresh J. Patel	Advances Given	-	-	14.61
Bodal Chemicals Limited	Advances Received Against Sale of Fixed Assets	-	(32.78)	(32.78)
	Purchase of Goods	(25.21)	(17.03)	(21.25)
	Sale of Goods/Rent Income	62.74	2.09	(15.22)
Bodal Chemicals Trading Private Limited	Sale of Goods/Rent Income	-	-	6.02

For further details of the related party transactions, see "***Restated Financial Information – Note AG – Related Party Transactions***" on page 263 of this Draft Red Herring Prospectus.

n) Financing arrangements

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

o) Weighted average price at which the Equity Shares were acquired by our Promoters in one year preceding the date of this Draft Red Herring Prospectus

Sr. No.	Name of Promoter	No. of Equity Shares Acquired during the last one year	Weighted Average Price (₹ per equity share)#
1.	Manojkumar Jayantilal Patel	65,26,350*	Nil
2.	Avnish Manojkumar Patel	15,82,500**	Nil

#As certified by M/s. S. N. Shah & Associates, Chartered Accountants, pursuant to their certificate dated September 26, 2025.
**65,26,350 equity shares were acquired by way of bonus allotment on August 22, 2025.*
***15,82,500 equity shares were acquired by way of bonus allotment on August 22, 2025.*

p) Average Cost of Acquisition of Equity Shares by our Promoters

Sr. No.	Name of Promoters	No. of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*^
1.	Manojkumar Jayantilal Patel	69,61,440	2.47
2.	Avnish Manojkumar Patel	16,88,000	1.88

* *As certified by M/s. S.N. Shah & Associates, Chartered Accountants, pursuant to their certificate dated September 26, 2025.*

^ after giving effect of bonus shares issued in ratio of 15:1 on August 22, 2025.

q) Weighted average cost of acquisition of specified securities transacted in the last one year, eighteen months and three years, immediately preceding this Draft Red Herring Prospectus

Period	Weighted Average Cost of Acquisition (in ₹)*	Cap Price is 'X' times the Weighted Average Cost of Acquisition^	Range of acquisition price: Lowest Price –Highest Price (in ₹)
Last one year, eighteen months and three years	90.00	[●]	Nil – 90.00

** As certified by M/s. S. N. Shah & Associates, Chartered Accountants, pursuant to their certificate dated September 26, 2025.*
^ to be updated upon finalization of the Price Band

r) **Pre – IPO Placement**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.

s) **Issuances of Equity Shares made in the last one year for consideration other than cash**

Other than as disclosed in the section "***Capital Structure – Issue of shares for consideration other than cash or by way of bonus issue or out of revaluation of reserves***" on page 94, our Company has not issued any equity shares for consideration other than cash or bonus issue in the one year preceding the date of this Draft Red Herring Prospectus.

t) **Split/ Consolidation of Equity Shares in the past one year**

Our Company has not undertaken any spilt or consolidation of Equity Shares in the last 1 (one) year preceding the date of this Draft Red Herring Prospectus.

u) **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

As on the date of this Draft Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

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SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition as of the date of this Draft Red Herring Prospectus. The risks described below are not the only ones relevant to us or the Equity Shares, the industry in which we operate or India and other regions we operate in. In the event that any of the following risks, or other presently unknown or currently deemed immaterial risks, materialize in the future, our business, operations, prospects and financial results may be adversely affected. Consequently, the value of the Equity Shares could diminish, and investors may experience partial or total loss of their investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, the effects of certain risks may be unquantifiable, and accordingly, have not been disclosed in the applicable risk factors.

*To obtain a more detailed understanding of our business and operations, prospective investors should read this section in conjunction with the sections, "**Our Business**", "**Industry Overview**" and "**Management's Discussion And Analysis Of Financial Position And Results Of Operations**" "**Restated Financial Information**" on pages 167, 130, 269 and 224, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of our business, operations and prospects and the terms of the Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about specific implications on you of an investment in the Issue.*

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see "**Forward-Looking Statements**" on page 21 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information in this chapter is derived from our Restated Financial Statements for the financial years ended March 31, 2025, 2024 and 2023 as included in "**Restated Financial Information**" on page 224 of this Draft Red Herring Prospectus.*

*Unless otherwise indicated, the industry and market related information in this section is derived from the report titled "Industry Research Report on Inorganic Chemicals Industry" dated September 19, 2025 ("**Care Report**") prepared by CARE Analytics and Advisory Private Limited (formerly known as CARE Risk Solutions Private Limited) ("**Care**"), who was appointed pursuant to an engagement letter dated March 18, 2025, entered into with our Company. We commissioned and paid for the Care Report for the purposes of confirming our understanding of the industry, specifically for the purpose of the Issue. A copy of the Care Report is made available on the website of our Company at https://shantiinorganics.com. The data included in this section includes excerpts from the Care Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the Care Report and included herein with respect to any particular year refers to such information for the relevant calendar year. See "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation**" on page 18, "**Risk Factors - Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risk**." and "**Industry Overview**" on pages 51 and 130 respectively.*

MATERIALITY

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered to determine the materiality:

- Some events may have material impact quantitatively;
- Some events may have material impact qualitatively instead of quantitatively;
- Some events may not be material individually but may be found material collectively;

- Some events may not be material at present but may have a material impact in future.

INTERNAL RISK FACTORS

1. We derive a substantial portion of our revenue from the food and beverages, oil-field and chemical industries. Consequently, any material decline in the performance of the food and beverages, oil-field and chemical industries, or our failure to sustain, grow, or efficiently manage our sales within these industries may materially and adversely affect our business operations, financial condition and results of operations.

Our business operations are primarily engaged in the manufacture and supply of sulphur-based inorganic chemicals, which have critical applications in the food and beverages, oil-field and chemical industries. Accordingly, our performance is significantly dependent on the demands, trends, growth and stability of these industries, both in India and in international markets.

Revenue generated from sales to the food and beverages industry constituted 40.84%, 37.75% and 37.91% of our total revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Revenue from the oil-field industry contributed 19.55%, 14.41% and 17.25%, of our total revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, while revenue from the chemical industry contributed 15.76%, 16.62% and 16.76% of our total revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Collectively, these three industries accounted for more than 75% of our revenue in each of the last three fiscal years, which demonstrates our significant dependence on these industries. The following tables set forth our revenue from operations by industry type for the periods/years indicated, which are also expressed as a percentage of our revenue from operations:

(₹ in lakhs)

Sr. No.	Industry	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount	**Contribution (in %)**	**Amount**	**Contribution (in %)**	**Amount**	**Contribution (in %)**
1.	Food and beverages	2,301.99	40.84%	1,681.28	37.75%	1,724.19	37.91%
2.	Oilfield	1,102.24	19.55%	641.92	14.41%	784.66	17.25%
3.	Chemicals	888.49	15.76%	740.39	16.62%	762.41	16.76%
4.	Pharma	535.07	9.49%	698.61	15.68%	597.21	13.13%
5.	Water treatment	218.28	3.87%	433.63	9.74%	180.36	3.97%
6.	Agrochem	423.32	7.51%	89.18	2.00%	83.40	1.83%
7.	Petrochem	136.03	2.41%	114.59	2.57%	101.91	2.24%
8.	Cosmetics	27.01	0.48%	32.19	0.72%	18.08	0.40%
9.	Paints	4.42	0.08%	2.86	0.06%	5.65	0.12%
10.	Polymer	-	-	3.15	0.07%	17.07	0.38%
11.	Trader	-	-	16.25	0.36%	272.74	6.00%
	Total	**5,636.83**	**100.00%**	**4,454.04**	**100.00%**	**4,547.68**	**100.00%**

The food and beverages industry is influenced by evolving consumer demand, regulatory requirements, product safety standards, and macroeconomic conditions such as inflation and disposable income. The oil-field industry is inherently cyclical and impacted by global crude oil prices, exploration and production activity, and geopolitical developments. The chemical industry, being diverse and competitive, is subject to volatility in raw material prices, energy costs, technological shifts, and global trade dynamics.

Any adverse developments in one or more of these sectors, such as a downturn in demand, regulatory tightening, commodity price fluctuations, or increased competition, may lead to a decline in demand for our products. Moreover, customers may shift to lower-priced alternatives or substitutes, which could adversely affect our pricing, margins, and overall financial performance.

Given that a substantial portion of our revenue is derived from these industries, any prolonged slowdown, cyclical downturn, or regulatory change impacting the food and beverages, oil-field or chemical industries may materially and adversely affect our business operations, financial condition, results of operations and cash flows.

2. Our Company derives revenue from diversified customers. Our inability to acquire new customers or loss of all or a substantial portion of any of our major customers, for any reason and/or continued reduction of the business from them, could have a material adverse impact on our business, results of operations, cash flows and financial condition.

Our Company derives revenues from diversified customers. Based on Restated Financial Statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, our revenue from top one (1), top five (5) and top ten (10) customers are as follows:

(₹ in lakhs)

Sr. No.	Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount	Contribution (in %)	Amount	Contribution (in %)	Amount	Contribution (in %)
1.	Revenue from top one (1) customer	851.21	15.10%	504.50	11.33%	585.90	12.88%
2.	Revenue from top five (5) customers	2,670.03	47.37%	2,033.15	45.65%	2,386.28	52.47%
3.	Revenue from top ten (10) customers	3,841.14	68.14%	3,002.52	67.41%	3,345.98	73.58%

Our customer base is diversified across domestic and international markets; however, a significant portion of our revenue is concentrated among our top one (1), five (5) and ten (10) customers. We cannot assure that we will be able to maintain historic levels of business from our top one (1), five (5) and ten (10) customers, or that we will be able to reduce customer concentration in the future. The volume and timing of sales to top one (1), five (5) and ten (10) customers may vary due to variation in demand from such customers. Any decrease in the demand for our products from our top one (1), five (5) and ten (10) customers, could adversely impact our business, results of operations, financial condition and cash flows.

While no single customer accounts for a majority of our revenues, the relatively high contribution from our top one (1), five (5) and ten (10) customers exposes us to customer concentration risk. Any reduction in orders, deterioration in relationships, delay in payments or loss of one or more of these key customers could materially and adversely impact our business, financial performance and cash flows. Further, demand from our customers is linked to the performance of end-use industries such as food and beverages, oilfield, chemicals, pharmaceuticals, water treatment, agrochemicals, petrochemicals, cosmetics and paints polymer. Adverse developments in these industries, such as slowdown in demand, regulatory changes, or pricing pressures, may indirectly impact our sales volumes.

Although we seek to expand and diversify our customer base by exploring new geographies and industries, there can be no assurance that we will be able to consistently add new customers or reduce dependency on existing ones. Any inability to retain key customers or acquire new ones on competitive terms may materially and adversely affect our business operations, financial condition and prospects.

3. We do not maintain long-term contractual arrangements with the majority of our customers. As a result, the loss of one or more key customers, or any significant reduction in their demand for our products, could materially and adversely affect our business operations, financial condition, results of operations and cash flows.

We generally do not enter into long-term supply agreements with the majority of our customers. Instead, our sales are primarily governed by purchase orders issued by the customers on a transactional basis, which specify unit price, delivery schedule and quantity. Such orders can be amended, postponed or cancelled at the discretion of the customer, exposing us to fluctuations in demand and revenue visibility.

Our sulphur-based inorganic chemicals are used as critical inputs in industries such as food and beverages, oil-field, chemicals, agrochemicals, pharmaceuticals, water treatment petrochemicals, cosmetics and paints polymer. Demand for our products is therefore dependent on the performance of these end-use industries, which are cyclical and subject to macroeconomic factors, regulatory changes and shifts in global trade dynamics. In the absence of firm contractual commitments, any slowdown or adverse development in these industries may lead to reduced or cancelled orders, directly impacting our sales volumes.

While we do have dedicated customers and strive to acquire additional customers, we are exposed to the risk that customers may not place orders, may place smaller than-expected orders, or may cancel or delay existing orders. Such actions, particularly by significant customers, could reduce our sales volumes, disrupt production schedules, and delay payments for our inventory. In such cases, we may be unable to find alternative buyers for the surplus inventory or unused capacity, potentially resulting in financial losses.

We also make key operational decisions, including production planning, staffing and resource allocation based on projected customer demand. Variability in customer requirements, including shifts in demand for specific product types, may impair our ability to accurately forecast demand, optimize manufacturing capacity and maintain efficient production schedules. In anticipation of customer demand, we may incur additional costs by increasing capacity or staffing levels, which could negatively impact our margins, if orders are subsequently delayed, modified or cancelled.

4. ***A substantial portion of our revenue is derived from exports, exposing us to risks associated with international markets. Any adverse developments in these markets may materially and adversely affect our business operations, financial condition and results of operations.***

The following table sets forth our revenue from sales in India and outside India for the last three financial years:

Sr. No.	Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	**Contribution (in %)**	**Amount (₹ in lakhs)**	**Contribution (in %)**	**Amount (₹ in lakhs)**	**Contribution (in %)**
1.	Revenue from sales of product in India	2,602.39	46.17%	2,223.36	49.92%	2,155.92	47.41%
2.	Revenue from sales of product outside India	3,034.44	53.83%	2,230.68	50.08%	2,391.76	52.59%
	Total revenue from operations	**5,636.83**	**100.00%**	**4,454.04**	**100.00%**	**4,547.68**	**100.00%**

Our revenue from sales outside India constituted 53.83%, 50.08% and 52.59% of our total revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. As a result, our business performance is significantly dependent on demand from international customers and global markets. The following tables set forth our revenue from operations by geography (including merchant export) for the periods/years indicated, which are also expressed as a percentage of our revenue from operations:

(₹ in lakhs)

Sr. No.	Name of Country	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount	Contribution (in %)	Amount	Contribution (in %)	Amount	Contribution (in %)
1.	India	2,602.39	46.17%	2,223.36	49.92%	2,155.92	47.41%
2.	Azerbaijan	45.15	0.80%	51.55	1.16%	-	-
3.	Colombia	151.27	2.68%	40.73	0.91%	49.38	1.09%
4.	Egypt	-	-	56.62	1.27%	17.47	0.38%
5.	Eswatini	851.21	15.10%	504.50	11.33%	524.37	11.53%
6.	Iraq	9.21	0.16%	-	-	269.62	5.93%
7.	Turkey	154.32	2.74%	121.85	2.74%	-	-
8.	Malaysia	544.26	9.66%	351.43	7.89%	680.80	14.97%
9.	Merchant Export	-	-	59.50	1.34%	-	-
10.	Nigeria	252.66	4.48%	100.08	2.25%	-	-
11.	Puerto Rico	-	-	82.09	1.84%	94.99	2.09%
12.	Qatar	216.46	3.84%	96.47	2.17%	107.68	2.37%
13.	Russia	111.79	1.98%	54.98	1.23%	9.42	0.21%
14.	UAE	691.43	12.27%	710.86	15.96%	638.02	14.03%
15.	Vietnam	6.68	0.12%	-	-	-	-
	Total	**5,636.83**	**100.00%**	**4,454.04**	**100.00%**	**4,547.68**	**100.00%**

Exports expose us to a range of risks, including fluctuations in foreign currency exchange rates, changes in international trade policies and tariffs, imposition of anti-dumping duties, restrictions on imports by foreign governments and compliance with regulatory requirements in multiple jurisdictions. Further, geopolitical uncertainties, economic slowdowns, inflationary pressures, or disruption in global supply chains may negatively affect demand for our products in international markets.

Further, delays in shipping, increases in freight costs, or logistical challenges could impact timely delivery of our products to export customers, potentially leading to order cancellations, reduced margins, or strained customer relationships. Adverse changes in international relations, including sanctions or restrictions on trade with certain countries, could also limit our ability to continue serving some of our existing customers.

While revenue from domestic sales constituted 46.17%, 49.92% and 47.41% of our revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, the significant proportion of exports in our revenue mix indicates our exposure to global risks. Any material adverse developments in international markets, or reduction in export orders, could materially and adversely affect our business, results of operations, financial condition and cash flows.

5. ***A significant increase in the cost of raw materials, particularly if not matched by a corresponding increase in product pricing or revenue, could materially and adversely affect our profit margins and overall financial performance. If we are unable to pass on these increased costs to our customers, it may result in reduced profitability and negatively impact our results of operations and financial condition.***

Our primary operating expense comprises the cost of raw materials. Our primary raw materials include sulphur dioxide, anhydrous ammonia, soda ash light, caustic soda flakes, caustic lye, sodium bi-sulphite solution, D.M. water and sodium bi-sulphite powder. For the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, the cost of materials consumed represented 40.76%, 45.29%, and 54.35%, respectively of our total income. We procure our raw materials through purchase orders, which necessitates forecasting of supply and demand. Any failure to forecast such requirements may adversely affect our working capital, business operations and financial results.

The supply and pricing of raw materials are inherently volatile and subject to numerous external factors beyond our control, including but not limited to global demand and supply dynamics, macroeconomic and geopolitical conditions, transportation and labour costs, natural disasters, and competitive pressures.

Despite the methodologies and assumptions employed, there are inherent uncertainties in estimating these variables. Disruptions in supply, failure to meet delivery schedules or quality standards, or discontinuation of supply by vendors may adversely impact our production timelines and, consequently, our business and financial performance.

We cannot assure you that our suppliers will not experience capacity constraints, demand fluctuations, or other operational issues that may result in shortages or delays in the supply of raw materials. In the event of a significant or prolonged shortage, and if we are unable to secure alternative sources on commercially reasonable terms, our ability to meet production schedules and fulfill customer orders may be compromised, adversely affecting our sales, margins and customer relationships.

6. ***We have not made any long-term supply arrangement or agreement with our suppliers. In an eventuality where our suppliers are unable to deliver us the required materials, at a competitive price, in a time-bound manner it may have a material adverse effect on our business operations and profitability.***

We are dependent on third party suppliers for the procurement of raw materials, however, we have not entered into any long-term supply arrangement or agreement for the same. Based on Restated Financial Statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, our purchases from top one (1), five (5) and top ten (10) suppliers are as follows:

(₹ in lakhs)

Sr. No	Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
		Amount	% of our purchases	Amount	% of our purchase	Amount	% of our purchase
1.	Purchase from top one (1) supplier	431.41	17.55%	452.87	22.12%	490.63	17.61%
2.	Purchase from top five (5) suppliers	1,598.35	69.39%	1,351.28	65.99%	1,868.89	67.09%
3.	Purchase from top ten (10) suppliers	1,978.22	96.26%	1,824.12	89.08%	2,415.25	86.70%

Although we have not experienced any significant disruption or delay in the sourcing of raw materials, which resulted in delays in our business activities, we cannot assure that such disruptions or delay will not occur and/or we shall continue to be able to source raw materials in a cost-effective manner. In the absence of a long-term supply arrangement or agreement with the suppliers, we cannot assure that a particular supplier will continue supplying raw materials to us in the future. Further, there can be no assurance that we will be able to effectively manage relationships with our existing or new suppliers or that we will be able to enter into arrangements with new suppliers at attractive terms or at all. If we fail to successfully leverage our existing and new relationships with suppliers, our business and financial performance could be adversely affected.

7. ***Our manufacturing facilities situated in Vatva, Ahmedabad ("Manufacturing Unit – I") and Bavla, Ahmedabad ("Manufacturing Unit – II – Phase I") are critical for our business and any disturbance, slowdown or shutdown of our manufacturing facilities, may have an adverse impact on our business, results of operations and financial conditions.***

Our manufacturing facilities located in Vatva, Ahmedabad ***("Manufacturing Unit – I"** or **"Vatva Unit")*** and Bavla, Ahmedabad ***("Manufacturing Unit – II – Phase I"*** or ***"Bavla Unit")***, are integral to our business operations. These facilities have an installed capacity of 16,200 MTPA and 18,000 MTPA, respectively, as on March 31, 2025. Our business is dependent on our ability to effectively manage our manufacturing facilities, which are subject to various operating risks such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. In particular, there is a risk of accidents due to the use of hazardous and flammable gases, i.e. NH_3 (Ammonia) and SO_2 (Sulphur Dioxide), in one of our manufacturing units. While there have been no instances in the past, any significant malfunction or breakdown of our plant and machinery and any other part of our manufacturing processes may entail significant repair and maintenance costs and cause delays in our operations which may severely affect our ability to meet our customers' demand leading to loss of any of our customers or a significant reduction in demand from such customers. If we are unable to repair our plant and machinery and any other part of our manufacturing processes in a timely manner or at all, our operations may need to be suspended until we procure the appropriate plant and machineries to replace them and there can be no assurance that the new plant and machineries and other part of manufacturing process will be procured and/or integrated in a timely manner.

Further, any local social unrest, natural disaster or breakdown of services and utilities in these areas could have a material adverse effect on the business, financial position and results of our operations. While no such event has happened which materially affect our business operations, we cannot assure you that no such event will happen in future which may have any material impact on our business operations and financial position.

In addition to the above, if our manufacturing facilities suffer losses as a result of any industrial accident, we may be forced to shut down our manufacturing facilities which could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing facilities may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. While we have not faced any such event in past, we cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

Our operations also require a supply of electricity, fuel and water and any shortage or non-availability of such utilities may adversely affect our operations. Any interruption in the supply of water and electricity may negatively impact the properties of chemicals and adversely affect the quality of the final product manufactured by us, which may result in delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationship. A prolonged interruption of water or electricity supply can also result in production slowdown or shutdowns; increased costs associated with restarting production and the loss of production in progress. While no such event has happened which materially affect our business operations, we cannot assure you that no such event will happen in future which may have any material impact on our business operations and financial position.

8. ***Our proposed project of capital expenditure relating towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite for phase II of Manufacturing Unit - II are subject to the risk of unanticipated delays in implementation and cost overruns.***

We have made and intend to continue making investments to expand the capacity of our manufacturing facility to aid our growth efforts and expand our presence. We intend to use a part of the Net Proceeds towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite at Plot No. 6 and 7, Sankalp Industrial Estate, Chiyada, Bavla, Ahmedabad, Gujarat, (***"Proposed Project"***). The total estimated cost for the Proposed Project is ₹10,770.88 lakhs and estimated to be operational in August 2026. The Proposed Project are intended to be funded from combination of internal accruals, borrowings from banks and proceeds of the Issue. For further details, see ***"Objects of the Issue"*** on page 105.

Our expansion plans remain subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facility, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre- operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. There can be no assurance that the proposed capacity additions and expansions will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

We have placed orders/procured quotations from various vendors in relation to the capital expenditure to be incurred for the Proposed Project. These quotations are valid only for a specified period and may be subject to changes due to commercial, technical, or regulatory factors. In the event that the vendors are unable to deliver equipment in a timely manner, or at all, or if the costs of procurement increase materially, we may encounter significant delays or cost overruns, which may adversely affect the implementation schedule of the Proposed Project and the deployment of Net Proceeds. Such delays could adversely impact our ability to commence commercial operations from the manufacturing facility as planned, which, in turn, may materially affect our business operations, prospects, financial condition and results of operations.

The proposed expansion by setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite will require us to obtain various approvals, which are routine in nature. In addition to such pending approvals, we may also need to apply for certain additional approvals required for the proposed expansion. There can be no assurance that we will be able to obtain these registrations and approvals in a timely manner or at all. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

9. There have been certain instances of delay with respect to filings of forms and intimations under the Companies Act, 2013 with the RoC, non-compliance of section 203 (3) and 135 of the Companies Act, 2013 in the past. We cannot assure you that regulatory proceedings or actions will not be initiated against us, and we will not be subject to any penalty imposed by the competent regulatory authority in this regard in the future which may impact our financial condition and reputation.

(a) Our Company acknowledges one instance of non-compliance of Section 203(3) of the Companies Act, 2013, which prohibits a whole-time key managerial personnel from holding office in more than one company simultaneously.

Our Promoter and Joint Managing Director, Avnish Manojkumar Patel was appointed by the Company as Whole-time Director and Chief Financial Officer on January 25, 2025 while concurrently serving as a Managing Director of Jagjanani Textiles Limited, a listed company. This simultaneous holding of whole-time key-managerial position in two companies contravened Section 203(3) of Companies Act, 2013. Subsequently, he resigned from his position as whole-time director of our Company w.e.f. January 25, 2025.

To address this non-compliance, our Company has voluntarily filed an application for adjudication under Section 454 of the Companies Act, 2013, on April 15, 2025. The matter was reviewed by and the order has been received from the Registrar of Companies/the Regional Director, Ahmedabad and the penalty was imposed on the Company and defaulting officers. Pursuant to the order, the Company has made the necessary payments towards the fines and penalties levied by the respective authority. The Company has also filed Form INC-28 with the Registrar of Companies to formally record and give effect to the said orders.

Our Company has taken steps to ensure that the composition of its Board of Directors is now fully compliant with the provisions of the Companies Act, 2013. However, there can be no assurance that similar instances of non-compliance will not occur in the future.

(b) Further, there has been one instance of violation of Section 135 of the Companies Act, 2013 pursuant to which a Company is required to spend 2% of average net profit of the company made during the three immediately preceding financial years in current financial year. Further, if the company fails to spend such amount, the Board shall transfer such unspent amount to a Fund specified in Schedule VII of the Companies Act, 2013, within a period of six months of the expiry of the Financial Year

For the Financial Year 2023-24, the Company was required to allocate ₹8.61 lakhs towards its CSR obligations under Section 135 of the Companies Act, 2013. However, the Company neither utilized the stipulated amount during the Financial Year 2023-24 nor transferred the unspent amount to a designated Schedule VII fund within the prescribed six-month period following the financial year's end.

In response, our Company has voluntarily filed an application dated September 22, 2025, for adjudication of this non-compliance under Section 454 of the Companies Act, 2013. The matter is currently pending before the adjudicating officer, and the Company awaits the outcome of the adjudication process.

Our Company has since taken measures to ensure full compliance with the CSR expenditure requirements of the Companies Act, 2013. Nonetheless, there can be no assurance that similar instances of non-compliance will not occur in the future.

In the past, there have been certain instances of delays in filing statutory forms as per the reporting requirements under the Companies Act, 2013 with the Registrar of Companies such as (i) Form-5 for change in share capital; (ii) Form 20B for Annual Return; (iii) Forms ADT-1 for approval of appointment of our auditors; (iv) Forms MGT-14 for resolution passed by our Board of Directors; (v) Form CHG-4 for satisfaction of charge; (vi) Forms AOC-4 for filing of financial statements; (vii) Form INC-27 for conversion of private company into public company; (viii) Form DIR-12 for appointment of Director and Key Managerial Personnel; and (ix) Form MR-1 for Appointment of Key Managerial Personnel.

Further, our Company has filed various Forms under the Companies Act, 1956 and the Companies Act, 2013 with the Registrar of Companies viz. (a) Form 66 for submission of compliance certificate for the financial years ended on March 31, 2011 and March 31, 2012; (b) Form 8 for registration of creation or modification of charges filed during the financial years 2011 and 2012; (c) Form MGT-14 for resolution approved by the Board of Directors of the Company on March 24, 2015; and (d) Form PAS-3 for allotment of Equity Shares on private placement basis approved by the Board of Directors of the Company on March 24, 2015. However, we are unable to trace challans for the said forms and our Company has made an application to the ROC, Ahmedabad vide application dated September 26, 2025 for providing the challans for the said Forms.

We cannot assure you that the RoC, will not impose a penalty or take any other action against our Company in this regard. Any actions, including legal proceedings initiated by regulatory or statutory authorities on our Company or its directors/officers in relation to the same, may have an adverse effect on our business and financial condition/reputation. Furthermore, there can be no assurance that we will receive favourable orders in respect of any compounding applications that may be filed, or that even after receiving favourable orders, we would not be required to pay penalties in respect of such compounding applications. Further, we cannot assure you that such non-compliances will not occur in the future.

We have also obtained a search report dated September 26, 2025 from Dhyanam Vyas & Associates, Practising Company Secretaries, in relation to the said discrepancies and errors. Although no regulatory action has been taken on our Company for the abovementioned purported delayed, however, it cannot be assured that no such regulatory action will be taken in the future.

Further, we cannot assure you that such non-compliances may not occur in the future. Therefore, if the concerned authorities impose monetary penalties on us or take certain punitive actions against our Company or its directors/ officers in relation to the same, our business and financial condition could be adversely affected.

10. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our results of operations, cash flows and financial condition.

Our Company's operations are subject to various risks and hazards inherent in the manufacturing business. We have obtained insurance policies in relation to fire, anti-burglary, group personal accident, marine cargo, workmen compensation and vehicle insurance.

At present, the insurance policies of our Company provide for coverage against risks such as fire, anti-burglary, group personal accident, marine cargo, workmen compensation and vehicles. However, there can be no assurance that any claim under the insurance policies maintained by our Company will be honoured fully, in part or in time. While our Company maintains insurance coverage in amounts consistent with industry norms, the said insurance policies do not cover all risks, specifically risks such as loss of profits.

As on the date of the Draft Red Herring Prospectus, there have been no instances where the claims made by the Company have exceeded the liability insurance coverage. The insurance policies maintained by the Company are adequate to cover the identified risks.

There can be no assurance that our Company's insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. If our Company suffers a significant uninsured loss or if the insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by our Company significantly exceeds its insurance coverage, our Company's business, financial condition and results of operations may be materially and adversely affected. Further, there is no assurance that the insurance premium payable by our Company will be commercially viable or justifiable. For further details on the insurance policies availed by us, kindly refer *"**Our Business - Insurance**"* on page 180 of this Draft Red Herring Prospectus.

Further, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure that such renewals will be granted in a timely manner, on commercially acceptable terms or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us, and our results of operations, cash flows and financial condition may be adversely affected.

11. Our operations can be adversely affected in case of industrial accidents at our manufacturing facilities. Further, any fire or mishap or accidents of such nature at the Company's facilities could lead to accident claims and damage and loss of property, inventory, raw materials, etc.

We operate in hazardous industry involving the manufacture of products that require the handling of hazardous chemicals. As such, we are subject to an extensive and increasingly stringent framework of environmental, health and safety laws, regulations and standards. Although, we have availed public liability insurance policy, we cannot assure you that we will be able to receive a claim from these policies, failing which we will have to provide the compensation to the employees from our own resources.

While no industrial accident, fire, or similar incident has occurred at our manufacturing facilities in the past, there can be no assurance that such incidents will not occur in the future. Our Company has adopted adequate safety measures, we cannot assure you that, in the future no such cases will be instituted against our Company, alleging that we were negligent or we did not provide adequate supervision therefore, holding us liable for injuries that were suffered during the manufacture of our products. In the event any such accidents take place in the manufacturing facilities of our Company, we may get involved in litigation or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations. Moreover, the discovery of currently unknown environmental conditions or issues may further increase our liabilities.

12. Our success in large part depends upon our KMPs and other employees with technical expertise and if we are unable to recruit and retain such qualified and skilled employees, our business and our ability to operate or grow our business may be adversely affected.

We operate in an industry where the quality of our people is a critical asset. We benefit significantly from the strategic guidance, experience and skills of several key members of our management team, which include our Promoters, supported by the skills, efforts, expertise, continued performance and motivation of our Key Managerial Personnel.

Our success depends on the continued efforts of our Promoters, KMPs and other employees with technical expertise, and the loss of any such employee(s) and the inability to find an adequate replacement may impair our relationship with key supplier(s) and customer(s) and our level of technical expertise, which may adversely affect our business, cash flows, financial condition, results of operations and prospects. While there has been no instance in the last three Fiscals where the resignation of any KMPs had an adverse impact on our business, results of operations, cash flows or financial conditions, we cannot assure that such instance will not arise in the future.

Our future success, among other factors, will depend upon our ability to continue to attract, train and retain qualified personnel with suitable expertise and skills that are capable to support key customers and suppliers. We may therefore need to increase compensation and other benefits in order to attract and retain personnel in the future, which may adversely affect our business, financial conditions, cash flows and results of operations. The market for qualified professionals is competitive, and we may not continue to be successful in our efforts to attract and retain qualified personnel. The table below sets forth employee benefits expense of our Company for the periods indicated:

Particulars	**Fiscal 2025**	**Fiscal 2024**	**Fiscal 2023**
	(₹ in lakhs, except percentages)		
Employee benefit expenses	248.39	164.90	159.83
Employee benefit expenses as a percentage of total income	4.25%	3.66%	3.44%

The overall attrition rate in our Company is 57.39%, 33.73%, and 22.22% for the Fiscal 2025, 2024 and 2023 respectively.

Our inability to hire, train and retain a sufficient number of qualified employees could impair the success of our operations. Our success also depends, in part, on key customers relationships established by our senior management. If we were to lose these members of the senior management, we cannot assure that we will be able to continue to maintain key relationships, which could adversely affect our business, financial condition, results of operations and cash flows.

13. ***Failure to maintain required quality accreditations and certifications may adversely affect our reputation, customer confidence and market credibility, which could, in turn, have a material adverse impact on our business operations and financial performance.***

Our Company holds certifications, including ISO 9001:2015 for quality management systems, NSF Certification for drinking water treatment chemicals, Kosher and Halal Certifications for compliance in food preservatives and HACCP Certification for food safety compliance. These accreditations are critical in assuring our customers of the quality, safety, and reliability of our products, particularly in regulated sectors such as food and beverages, water treatment, and chemicals.

There can be no assurance that we will be able to maintain or renew these certifications on a timely basis, or at all. Any lapse, suspension, or withdrawal of such certifications may adversely affect our ability to supply to customers in certain industries, reduce customer confidence in our products and negatively impact our reputation. Such developments could materially and adversely affect our business operations, financial performance and growth prospects.

14. ***There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities, which may have an adverse impact on our financial condition and cash flows.***

Our Company is required to pay certain statutory dues including in relation to our Company's employees including the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employee state insurance Corporation (ESIC), professional taxes, Goods and services tax and Taxes deducted or collected at source. The table below sets out details of the delays in statutory dues payable by our Company for the years indicated:

The table below sets out details of statutory dues paid by the Company during the Financial Years 2025, 2024 and 2023:

(₹ in lakhs)

Nature of payment	Financial Year 2025	Financial Year 2024	Financial Year 2023
Provident Fund	23.00	11.52	7.55
Employee state insurance	1.25	1.39	1.26
Professional taxes	1.56	0.86	0.68
Labour welfare fund charges	0.02	0.01	0.01
Goods and services tax	876.78	685.15	647.60
Taxes deducted or collected at source	58.25	41.32	26.35
Total	960.87	740.25	683.44

Further, the table below sets out the number of permanent employees for which employment-related statutory dues were applicable during the Financial Years 2025, 2024 and 2023:

Nature of payment	Financial Year 2025		Financial Year 2024		Financial Year 2023	
	No. of employees	Amount Paid (₹ in lakhs)	No. of employees	Amount Paid (₹ in lakhs)	No. of employees	Amount Paid (₹ in lakhs)
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	54	23.00	29	11.52	21	7.55
Employee State Insurance Act, 1948	16	1.25	16	1.39	16	1.26
Professional Taxes	54	1.56	36	0.86	28	0.68
Tax Deducted at Source	11	20.94	6	12.64	3	10.89

The table below sets out details of instances of delays in payment of statutory dues during the Financial Years 2025, 2024 and 2023:

Nature of payment	Financial Year 2025		Financial Year 2024		Financial Year 2023	
	No. of employees	Amount Paid (₹ in lakhs)	No. of employees	Amount Paid (₹ in lakhs)	No. of employees	Amount Paid (₹ in lakhs)
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	Nil	Nil	Nil	Nil	Nil	Nil
Employee State Insurance Act, 1948	Nil	Nil	Nil	Nil	Nil	Nil
Professional Taxes	Nil	Nil	Nil	Nil	Nil	Nil
Tax Deducted at Source	1	0.57	Nil	Nil	Nil	Nil
Total	**1**	**0.57**	Nil	Nil	Nil	Nil

There has been a delay in filing the returns for Tax Deducted at Source for the Financial Year 2025 and it has been rectified by filing the returns with late fees and applicable interest as mandated by respective law/act.

The delay in payment of the aforesaid statutory dues were due to administrative oversight by the accounts team, however the same has been subsequently rectified and paid. The Company is taking steps to adhere to the timelines and to ensure that such delays does not occur in the future. The Company is also in process of implementing internal controls to track the compliances required, due dates and the actual date of compliances on a regular basis to ensure such delays are prevented in future. However, we cannot assure that such delays may not arise in future. This may lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

15. We operate in a competitive industry, and increasing competition may adversely affect our business, financial condition and results of operations.

The industry in which we operate is competitive, with several players offering products that may be similar to ours. Competitive pressures may arise in the form of pricing, quality and capacity expansion. Pricing is unregulated and a key differentiator in our industry, competitors may engage in price competition, potentially forcing us to lower prices or increase sales and marketing efforts, which could pressure our margins.

Further, changes in customer preferences, entry of new players, or adoption of advanced technologies by competitors could intensify competition. While our product portfolio and customer relationships provide us with an advantage, there can be no assurance that we will always be able to sustain or enhance our market position. Any inability to compete effectively may adversely affect our business, financial condition, and results of operations.

For further details, please see "***Industry Overview***" on page 130.

16. The failure to effectively expand our operations into international markets may hinder our growth prospects and could materially and adversely affect our business, financial condition and results of operations.

Our Company considers expansion into international markets such as European, North and South America to be a critical component of its long-term growth strategy. However, successful entry and operation in such markets necessitate increased managerial oversight and allocation of resources to adapt our products to the specific legal and regulatory requirements of each region.

In connection with the expansion of our operations into international markets, our Company may be subject to various risks, including but not limited to:

(a) legal and regulatory restrictions, and inconsistencies across different jurisdictions;
(b) heightened competition from established market participants;
(c) foreign exchange controls that may limit repatriation of profits;
(d) political and economic instability in target markets;
(e) operational challenges arising from geographical distance, language barriers and cultural differences;
(f) fluctuations in currency exchange rates; and
(g) increased costs associated with international operations.

These risks may adversely impact our ability to execute our expansion plan in international market which in turn could materially and adversely affect our business and results of operations.

17. Our commercial performance is inherently linked to the market success of our customers' products. A decline in consumer demand for such products may result in a corresponding reduction in demand for our offerings, which could materially and adversely affect our business operations and financial condition.

Our products serve as raw materials in the manufacture of various end-use applications, including food and beverages, oilfield, chemicals, pharmaceuticals, water treatment, agrochemicals petrochemicals, cosmetics and paints polymer. Accordingly, our commercial performance and future growth are significantly dependent on the performance and market acceptance of our customers' products. The success of such end products is, in turn, contingent upon our customers' ability to accurately anticipate and respond to evolving consumer preferences. We cannot assure you that our customers will be able to do so in a timely or effective manner. Any decline in consumer demand for the products in which our materials are used may materially and adversely affect our business, financial condition and results of operations.

18. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition.

As on the date of this Draft Red Herring Prospectus, we have not made any alternate arrangements for meeting our overall capital expenditure requirement for the Objects of the Issue. Although, we have availed term loan facility from HDFC Bank Limited of ₹3,400.00 lakhs and received proceeds from the private placement of ₹1,242.18 lakhs which together with the IPO proceeds and internal accruals, should be able to meet our capital expenditure requirements for our Objects of the Issue. In normal course of business, we meet our capital expenditure requirements through, owned funds and debt. Any shortfall in our net owned funds and our inability to raise debt in future would result in us being unable to meet our capital expenditure requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source to entirely fund the objects of the issue and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Net Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "***Objects of the Issue***" beginning on page 105 of this Draft Red Herring Prospectus.

19. Non-compliance with and changes in, safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, financial condition and results of operations.

We are subject to laws and government regulations, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to laws and regulations in relation to quality, safety and health.

For details on regulations and policies applicable to our business, see "***Key Regulations and Policies***" on page 186.

Any accident at our facilities may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. In particular, the environmental approvals obtained for our manufacturing facilities prescribe certain conditions, including limits on a facility's aggregate production output, the output of specific products and effluent discharge amounts. Any failure to comply with such conditions could result in revocation of the licenses and lead to shut down of our facilities. Any of the foregoing could subject us to litigation, which could lower our profits in the event we were found liable and could also adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing plants, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to end customers.

We are also subject to the laws and regulations governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital expenditures on an on-going basis to comply with all applicable environmental, health and safety and labour laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. We cannot assure you that we will not be found to be non-compliant with, or remain in compliance with all applicable environmental, health and safety and labour laws and regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production or a material increase in the costs of production.

20. Any dispute with employees or shortage of skilled or unskilled labours could affect our ability to meet the quality standards and timely completion of orders.

The smooth functioning of our business operations is significantly dependent on the continued cordial relationship with our employees, including both skilled and unskilled personnel at our manufacturing and operational facilities. As of August 31, 2025, we employed 65 employees across our manufacturing facilities and do not employee any contract labourers in our Company. While we have not experienced any material labour unrest or industrial disputes in the past, there can be no assurance that such events will not occur in the future. Any deterioration in our relationship with our employees, or failure to effectively address their grievances, may result in work stoppages, strikes, slowdowns or other forms of industrial action. Such disruptions could adversely impact our ability to meet production schedules, maintain quality standards and fulfil customer orders in a timely manner, thereby affecting our reputation and customer relationships.

Further, our operations are reliant on the availability of adequately trained and skilled manpower. In the event of shortage of skilled labour, whether due to increased competition for such resources, migration, demographic shifts or other external factors, we may face challenges in maintaining operational efficiency and quality standards. Additionally, any increase in labour costs or changes in applicable labour laws and regulations may result in higher operating expenses and adversely affect our profitability. If we are unable to attract, retain and motivate qualified personnel, or if we experience significant disruptions in our workforce, our business operations, financial condition and results of operations could be materially and adversely affected.

21. Certain properties of us are not located on land owned by us and we have only leasehold rights. Our inability to renew the lease agreements and/or leave and license agreements or any adverse impact on the title or ownership rights of our landlords / owners in relation to these premises may impede our operations.

Our Registered Office, Manufacturing Unit – I and other offices are on premises that have been taken on leave and license/lease from third parties. Upon expiration of the leave and license/ lease agreements for each of our premises, we will be required to negotiate the terms and conditions. Our leave and license/ lease agreements are renewable on mutually acceptable terms and upon payment of such rent escalations as stated in the agreements. Any delay or non-payment of rent may result in vacation of the property.

We cannot assure that we will be able to renew our lease/ leave and license agreements on commercially acceptable terms or at all. If we do not comply with the terms of the leave and license/ lease agreements, it may lead to termination which would have an adverse effect on our business, and results of operations. Further, any adverse impact on the title or ownership rights of the landlords, may force us to vacate such premises and we would be required to make alternative arrangements. In the event that we are required to vacate our current premises, we could be required to make alternate arrangements for our infrastructure and there can be no assurance that the new arrangements will be on commercially acceptable terms.

Further, relocation of any part of our operations may cause disruptions to our business and may require significant expenditure. If we are required to relocate our business operations, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

22. If our products fail to meet our customers' quality standards, it could result in our removal from our end-user customers' supplier lists, which would have a material adverse effect our business, financial condition and results of operations.

Our customers operate in the industries such as food and beverages, oil-field, chemicals, agrochemicals, pharmaceuticals and water treatment. These industries are characterised by intense competition. Our products make up a small proportion of the finished products manufactured by our customers. As such, any defect in our products would result in a disproportionately large amount of finished products being defective. Therefore, any lapse in the quality of our products could result in our removal from our end-user customers' supplier' lists. As such, we must ensure that our products and manufacturing facilities continue to meet our customers' standards and maintain our inclusion on our customers' lists of suppliers. If we are unable to do so, it would have a material adverse effect on our business, financial condition and results of operations.

23. We have entered and will continue to enter into related party transactions which may involve conflicts of interest. These or any future related party transactions may potentially involve conflict of interest and there can be no assurance that we could not have achieved better terms, had such arrangements been entered into with unrelated parties.

We have entered into certain related party transactions with our Promoters, members of the Promoter Group and Group Companies. These transactions include, among other matters, remuneration paid, loans taken/repaid, interest paid on unsecured loans, purchase and sales of goods. For further details, please refer *"**Restated Financial Information**"* on page 224 of this Draft Red Herring Prospectus. We confirm that the transactions with related parties entered into by our Company in the preceding three years, have been carried out at arms' length price and are not prejudicial to the interest of our Company. We may continue to enter into related party transactions in the ordinary course of business. There is no assurance that such current or future transactions, whether individually or in the aggregate, will not have an adverse effect on our business, financial condition or results of operations. Moreover, transactions with related parties may give rise to potential conflicts of interest. We cannot assure you that any disputes that may arise in connection with such transactions will be resolved in our favor.

24. We are subject to risks arising from exchange rate fluctuations which may adversely impact our results of operations and cashflows

While our reporting currency is Indian Rupee, we also transact some of our business in other currencies, primarily in U.S. Dollars. We rely on prevailing foreign exchange rate for the export of our products. We are, therefore, exposed to exchange rate fluctuations due to the revenue that we receive, that are denominated in currencies other than the Indian Rupee.

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 Information***" on page 224 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.

25. In the event that any of our products are alleged or determined to have caused, or are perceived to have caused, adverse side effects, whether substantiated or not, such occurrences may materially and adversely affect our reputation, customer confidence, revenue generation and overall profitability.

We are engaged in the business of manufacturing and trading of sulphur based inorganic chemicals, which are primarily utilized as raw materials in various end-use industries, such as food and beverages, oil-field, chemicals, pharmaceuticals, water treatment, pulp & paper and agrochem. In the event that products manufactured by our customers, utilizing our inorganic chemicals, are alleged or perceived to cause significant adverse effects to end-users, we may be exposed to a range of adverse consequences. These may include but are not limited to a substantial decline in demand for and sales of the affected products, product recalls or market withdrawals, suspension or revocation of regulatory approvals pertaining to our manufacturing facilities, reputational harm, and exposure to litigation or regulatory investigations, which may result in financial liabilities, penalties or sanctions. Such events, whether substantiated or based on perception, could materially and adversely affect our reputation, revenue streams and overall profitability.

26. ***Our operations are subject to significant working capital requirements, and any inability to secure adequate funding in a timely manner may adversely affect our business, financial condition and results of operations.***

Our business requires a working capital primarily due to the time gap between the purchase of raw materials and collection of receivables from customers. We are also required to maintain adequate inventory levels to meet production requirements as well as extend the credit period to customers in accordance with industry practice. As on March 31, 2025, we have a sanctioned limit for working capital of ₹1,200.00 lakhs from State Bank of India. Additionally, a further limit of ₹500.00 lakhs has been sanctioned by HDFC Bank Limited, which will become available upon the completion of Phase II. For further details, please refer "***Financial Indebtedness***" on page 280 of this Draft Red Herring Prospectus.

We cannot assure that we will be able to raise or renew such financing arrangements in a timely manner or on commercially favourable terms in the future. Any inability to secure sufficient working capital financing may disrupt our production schedules, delay fulfilment of customer orders, and adversely impact our growth, profitability and cash flows.

27. ***We are dependent on third-party transportation providers for the supply and distribution of our products. Any failure or delay in such transportation and logistics arrangements could materially affect our business, our operations and financial condition.***

Our business requires smooth supply and transportation of our raw materials as well as our finished goods. We are dependent on third-party transportation and logistics providers for transportation. Though our business has not experienced any major disruptions due to transportation strikes in the past, any future disruption in transportation services may have an adverse effect on our business.

We do not have formal contractual relationships with such transportation or logistic companies and freight forwarders. Transportation strikes may also have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, products may be lost or damaged in transit for various reasons including theft, occurrence of accidents or natural disasters. This may lead to a delay in delivery of our products which may also affect our business and the results of our operations negatively. Though such material events have not taken place in the past, any recompense received from insurers or third-party transportation providers may be time-consuming and insufficient to cover the cost of any delays and further may not be able to repair our relationships with our affected customers. We may also be affected by an increase in fuel costs and an increase in freight charges that may be levied by our third-party transportation providers. Any such adverse event or increase in costs could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

28. ***Our Promoters have provided personal guarantees for our secured loans. Revocation of these may adversely impact on our business, financials, and prospects.***

Our Promoters have provided personal guarantees for our borrowings to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to provide alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital which may not be available to us on commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.

29. ***Our Company's logo is not registered as on date of the Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.***

Our Company currently uses the logo and the name "SHANTI" as its trademarks for which applications have been made in the name of Shanti Inorganics Limited under the Trademarks Act, 1999. For further details, see "***Government and Other Approvals – Pending Approvals***" on page 294. If we are unable to register our trademarks for various reasons or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad.

Further, our efforts to protect our intellectual property in India and abroad, in the future, may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our trademarks, in India and abroad which shall be registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad. Further, if we do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we could lose our clients, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including client complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad.

30. ***Our Company is subject to certain outstanding tax demands. Any adverse decision in relation to such demands may have an adverse effect on our business, results of operations and financial condition.***

Mentioned below are the details of the proceedings involving our Company, our Promoters, Directors, KMPs, and SMPs as on the date of this Draft Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on September 04, 2025.

A. A summary of outstanding litigation proceedings involving our Company, our Promoters, our Directors, KMPs and SMPs as on the date of this Draft Red Herring Prospectus is provided below:

B.

(₹ in lakhs)

Name of Entity	Criminal Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigation	Aggregate amount involved (₹ in Lakhs)
Company					
By our Company	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	Nil	Nil	Nil	Nil
Directors (Other than Promoter)					
By our Directors	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil
Promoters					
By our Promoters	Nil	Nil	Nil	Nil	Nil
Against our Promoters	Nil	Nil	Nil	Nil	Nil
KMPs and/or SMPs					
By our Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil
Against our Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil

Group Companies					
Outstanding litigation which may have a material impact on our Company	Nil	Nil	Nil	Nil	Nil

C. A summary of outstanding tax litigation proceedings involving our Company, our Directors, our Promoters, KMPs and SMPs as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in lakhs)

Nature of Cases	Number of Cases	Amount Involved
Company		
Indirect Tax	Nil	Nil
Direct Tax	4	7.64*
Directors (except promoters)		
Indirect Tax	N.A.	N.A.
Direct Tax	Nil	Nil
Promoters		
Indirect Tax	N.A.	N.A.
Direct Tax	Nil	Nil
KMPs and/or SMPs (except directors)		
Indirect Tax	N.A.	N.A.
Direct Tax	N.A.	N.A.

** Outstanding demand amount is the total outstanding demand amount for the years 2018 and 2021, excluding the accrued interest.*

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" on page 286 of this Draft Red Herring Prospectus.

31. We have certain contingent liabilities which may adversely affect our financial condition.

Our Company had the following contingent liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023:

(₹ in lakhs)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Bank guarantee for UGVCL	27.70	27.70	-

In the event that contingent liabilities materialize, our financial condition may be adversely affected. For further information, please refer chapter titled "***Restated Financial Information – Note B.7 – Contingencies & Commitments***" on page 241 of this Draft Red Herring Prospectus.

32. Any failure or disruption in our information technology systems, or our inability to effectively adapt to evolving technological advancements, may materially and adversely affect our business operations.

We use information technology systems to enhance our performance and efficiency. We use third party software, Microsoft Office suite, SAP for maintaining accounting records and other reporting purposes. We believe that this system allows us to streamline our processes while enhancing our monitoring and control functions.

These systems are susceptible to disruptions arising from events such as fire, power outages, telecommunications failures, natural disasters, unauthorized access and other unforeseen incidents. Effective mitigation of such disruptions depends on the responsiveness and diligence of our personnel and third-party service providers. Further, our systems and electronically stored proprietary data are vulnerable to risks such as cyberattacks, malware, hacking and other forms of unauthorized access or tampering. Such failures may result in operational delays, data loss, security breaches or interruptions in service delivery, which could impair our ability to conduct business efficiently and impact our financial condition and results of operations. Any such breach could compromise sensitive information, including product formulations and development data, potentially resulting in operational interruptions, increased costs, reputational harm and exposure to legal liabilities.

Failure to adapt to technological advancements or to maintain the integrity and functionality of our information systems may adversely affect our competitiveness, increase operational costs and materially impact on our business, financial condition, and results of operations.

33. Upon completion of the Issue, our Promoters will continue to exercise significant control over our Company, including the ability to influence or determine the outcome of matters requiring shareholders' approval.

Upon completion of the Issue, our Promoters shall continue to retain approximately [●]% of the issued and paid-up Equity Share capital of our Company on a post-Issue basis. Consequently, the Promoters shall continue to exercise substantial influence over matters requiring shareholders' approval. This includes, but is not limited to, the appointment of directors to the Board, approval of significant corporate actions at both Board and shareholder meetings, issuance of Equity Shares, declaration of dividends, approval of business strategies, mergers and acquisitions, formation of joint ventures or strategic alliances, amendments to the Memorandum and Articles of Association and the assignment or transfer of our interests in any of its licenses. There can be no assurance that the interests of the Promoters will always align with those of the other shareholders or our Company. Any divergence in interests may result in conflicts that could materially and adversely affect our ability to implement its business strategies or conduct its operations effectively.

34. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. There have been no material instances of failure to maintain effective internal controls and compliance systems in the three preceding Fiscals but we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence.

As we continue to grow, there can be no assurance that there will be no instances of non-compliances with statutory requirements and no potential inadequacy or failure of internal processes or systems which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

35. We are subject to the risk of fraud, theft, embezzlement by our employees and customers, employee negligence or similar incidents may adversely affect our results of operations and financial condition.

Our business operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking. Our manufacturing facilities are equipped with CCTV surveillance, covering all areas to ensure thorough monitoring and enhanced security. While we have not experienced any instance of theft, fraud, employee negligence and resultant loss in the past, the business may encounter some inventory loss on account of employee theft and general administrative error, in the future. While we have obtained the anti – burglary insurance policy, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. In addition, losses due to theft, fire, breakage or damage caused by other casualties, theft of confidential information such as manufacturing processes, customers and product formulations, could adversely affect our results of operations and financial condition.

36. ***The declaration and payment of dividends in the future is subject to the discretion of our Board and will depend upon a number of factors, including but not limited to, our earnings, financial position, working capital requirements, capital expenditure plans and the terms and conditions of any restrictive covenants contained in our financing agreements.***

Our ability to declare and distribute dividends in the future shall be contingent upon a number of factors, including but not limited to, our profitability, financial position, liquidity, working capital requirements, capital expenditure plans and any restrictive covenants stipulated under existing or future financing agreements. For further details, please see *"**Financial Indebtedness**"* on page 280 of this Draft Red Herring Prospectus. Any decision regarding the declaration and payment of dividends shall be subject to the discretion of the Board and shall require subsequent approval of the shareholders, in accordance with applicable laws. Such decisions will be based on various considerations deemed relevant by the Board and the shareholders at the time, which may include, *inter alia*, our projected earnings, financial health, operational needs, strategic objectives and any contractual obligations. We may, at our discretion, elect to retain all or a portion of our earnings to support business growth and expansion initiatives, and consequently, may not declare dividends on the Equity Shares. There can be no assurance that dividends will be declared or paid in any future period.

37. ***Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risk.***

This Draft Red Herring Prospectus contains information from an industry report titled *"Industry Research Report on Inorganic Chemicals Industry"* (*"**Care Report**"*) dated September 19, 2025 prepared by CARE Analytics and Advisory Private Limited *(formerly known as CARE Risk Solutions Private Limited)*, an independent third-party research agency, commissioned and paid for by us, exclusively for the purpose of inclusion in this Draft Red Herring Prospectus. The Industry Report is available on the website of our Company at https://shantiinorganics.com Our Company, our Promoters and our Directors are not related to Care. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. While we have assumed responsibility for the contents of the report and have taken reasonable care in reproduction of the information, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Further, the Industry Report is not a recommendation to invest/disinvest in any company covered in the Industry Report. Accordingly, prospective investors should not place undue reliance on or base their investment decision solely on this information.

In view of the foregoing, prospective investors may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the Industry Report. Prospective investors should consult their own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the Industry Report before making any investment decision regarding the Issue. For further details, kindly refer "***Industry Overview***" on page 130 of this Draft Red Herring Prospectus.

38. ***We are dependent on credit facilities from banks and financial institutions to fund our business operations. Any event where we are unable to obtain, renew or enhance credit limits from the banks and financial institutions, or repay such facilities obtained, would affect our financial position and credit standing.***

We rely on various credit facilities, which include cash credit from state bank of India and dropline overdraft facility from Oxyzo Financial Services Private Limited, term loans from State Bank of India, HDFC Bank Limited, Standard Chartered Bank, Kotak Mahindra Bank and L & T Finance Holdings Limited, respectively to finance our operations. Our inability to renew existing credit facilities, obtain additional financing or enhance current credit facilities due to changes in banking regulations, adverse economic conditions or financial performance, could adversely affect our cash flow, operations, and overall financial condition. A failure to secure necessary financing could constrain our ability to meet financial obligations, fund future growth initiatives and manage day-to-day operations effectively.

As on March 31, 2025, our total financial indebtedness (short-term as well as long-term) stood at ₹2,538.03 lakhs. We may need to avail further loans in the future and if we are unable to do so, or unable to repay the loans, it could potentially impact on our financial stability, operational capabilities and credit standing. For further information, please refer section titled "***Financial Indebtedness***" on page 280 of this Draft Red Herring Prospectus.

39. Some of our loan agreements contain restrictive covenants which may adversely affect our business results of operations and financial condition.

As on March 31, 2025, our financial indebtedness (long-term and short-term borrowings) was ₹2,538.03 lakhs. The terms of sanction of such borrowings and certain terms of the financing agreements include restrictive covenants relating changes in capital structure, making material changes to constitutional documents, undertake any new project, implement any scheme of expansion/diversification or capital expenditure or acquired fixed assets, incurring further indebtedness, encumbrances on assets and paying dividends. There can be no assurance that maintaining or adhering to such covenants will not hinder business development and growth.

There can be no assurance that we will be able to comply with these covenants, or that we will be able to obtain the consents necessary to proceed with the actions which we believe are necessary to operate and grow our business, which may in turn have a material adverse effect on our business and operations. We cannot assure that we have complied with all such restrictive covenants in a timely manner, or at all, or that we will be able to comply with all such restrictive covenants in the future. Further, during any period in which we are in default, we may not be able to raise, or may face difficulties raising, further financing. For details, see "***Financial Indebtedness***" on page 280 of this Draft Red Herring Prospectus.

40. Our Company has availed unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may affect our cash flows

As on March 31, 2025, our Company has unsecured loans amounting to ₹37.77 lakhs from related parties that are repayable on demand to them. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition. For further details of unsecured loans of our Company, see chapter titled *"**Financial Indebtedness**"* on page 280 of this Draft Red Herring Prospectus.

41. Our failure to keep our technical knowledge confidential could erode our competitive advantage.

We possess certain technical knowledge about our products and manufacturing know-how. The machinery used in our manufacture processes is not commonly available. Our technical knowledge i.e., knowledge of our manufacturing processes and related aspects, is an asset that is not protected by intellectual property rights. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Certain technical knowledge may be leaked, either inadvertently or wilfully. Some of our employees have access to confidential processes and product and customer information. Moreover, certain of our employees may leave us and join our various competitors. In the event the confidential technical information in respect of our products, manufacturing processes or business becomes available to third parties or to the general public, any competitive advantage we may have over other companies in the sectors we operate in could be harmed. If a competitor is able to reproduce or otherwise capitalise on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Any leakage of confidential technical information in the future could have an adverse effect on our business, results of operations, financial condition and future prospects. While we have not encountered any instances confidential information regarding our manufacturing operations, products, or customers being leaked in the Fiscals 2025, 2024 and 2023, we cannot assure you that such instances will not arise in the future.

42. ***Certain entities forming part of our Group Companies, are in the same line of business as ours. There are no non-compete agreements between our Company and such Group Companies. We cannot assure that the said entity will not expand which may increase our competition, which may adversely affect our business operations and financial condition.***

Certain of the entities forming part of our Group Companies, are in similar line of business as our Company and there can be no assurance that conflicts of interest will not occur between our business and the businesses of such entities, which could have an adverse effect on our business and prospects.

Further, we have not entered into any non-compete agreement with said entities. The main objects of these entities allow them to engage in competing line of businesses. To the extent similar business is conducted by our Company, given that they operate in organic chemicals industry while our Company operates in the inorganic chemicals sector.

However, we cannot assure you that such entities will not expand in the future, which may increase our competition and, in turn, adversely affect the business operations and financial condition of our Company. For further details, please refer to *"**Our Group Companies – Common Pursuits**"* on page 221. While there is presently no conflict of interest between our Company, and Group Companies on the date of this Draft Red Herring Prospectus, there is no assurance that they will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in future. Such factors may have an adverse effect on the results of our operations and financial condition.

43. ***The average cost of acquisition of Equity shares by our Promoters may be lower than the Issue price.***

The average cost of acquisition of Equity Shares for our Promoters may be lower than the Issue Price. The details of the average cost of acquisition of Equity Shares held by our Promoters as on the date of this Draft Red Herring Prospectus is set out below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)^
1.	Manojkumar Jayantilal Patel	69,61,440	2.47
2.	Avnish Manojkumar Patel	16,88,000	1.88

^As certified by M/s. S. N. Shah & Associates, Chartered Accountants, pursuant to their certificate dated September 26, 2025.

For more details regarding weighted average cost of acquisition of Equity Shares by our Promoters, see "***Summary of the Issue Document***" on page 23 this Draft Red Herring Prospectus.

44. ***Our historical revenue growth may not be sustained in the future, and pricing pressures or other adverse factors may materially affect our business, results of operations and financial condition.***

Our revenue from operations increased from ₹4,486.73 lakhs in Fiscal 2024 to ₹5,710.55 lakhs in Fiscal 2025, indicating a growth of 27.28%. However, between Fiscal 2023 and Fiscal 2024, our revenue decreased marginally from ₹4,574.21 lakhs to ₹4,486.73 lakhs, primarily due to a reduction in the average selling price of our products, despite stable sales volumes. This highlights our sensitivity to pricing pressures in the markets in which we operate.

Our future growth will depend on our ability to sustain demand, manage product pricing, and navigate external factors such as competitive pressures, fluctuations in raw material costs, and broader industry and economic conditions. There can be no assurance that we will be able to maintain or improve our historical growth trends, and any sustained pricing pressure or slowdown in demand could materially and adversely affect our business prospects, results of operations and financial condition.

45. ***Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a financial institution or a bank or any other independent agency and deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring agency. Further, we have not entered into definitive arrangements with some of the vendors to utilize certain portions of the Net***

Proceeds of the Issue. We have relied on the quotations received from third parties for estimation of the cost for our capital expenditure requirements and have not been independently appraised by a bank or a financial institution.

We propose to use the Net Proceeds for the purposes described in "***Objects of the Issue***" on page 105 of this Draft Red Herring Prospectus. Our funding requirements are based on management estimates and our current business plans and have not been appraised by any bank or financial institution or any other independent agency. The deployment of the Net Proceeds will be at the discretion of our management of our Company and will not be subject to monitoring by any independent agency but subject to the provisions of applicable laws. We have not entered into definitive agreements with some of the vendors to utilize the Net Proceeds for the object of the Issue and have relied on the quotations received from third parties for estimation of the cost. For further details, please see *"**Objects of the Issue**"* on page on page 105 of this Draft Red Herring Prospectus. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Our funding requirements are based on our current business plan and may vary based on various factors some of which are beyond our control, such as interest rate fluctuations, changes in input cost, changes in terms of purchase orders and other financial and operational factors and consequently, the funding requirement and the utilisation of proceeds from the Issue may also change. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the Issue in a timely or an efficient manner, it may affect our business, results of operations and financial condition.

While in the past we have not faced any time and cost overruns in respect of our business operations, we cannot assure you that such expansion plans will be successfully implemented. In the event of any variation in actual utilisation of the Net Proceeds, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and/or from our internal accruals. Further, any such revision in the estimates may require us to revise our projected expenditure, which may have a bearing on our profitability.

Since the size of the Issue is less than ₹5,000 lakhs, we need not to appoint a monitoring agency to oversee the deployment of funds raised through this Issue. The deployment of funds raised through this Issue is hence, at the discretion of the management and will not be subject to monitoring by any independent agency. The Board of Directors or Board of Directors of our Company through the Audit Committee will monitor the utilization of the Issue proceeds. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

46. If we inadvertently infringe upon the intellectual property rights of others, our business and results of operations may be adversely affected. Further, failure to maintain confidential information of our customers could adversely affect our results of operations or damage our reputation.

While we seek to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing on any existing third-party intellectual property rights. We may be susceptible to claims from third parties asserting infringement and other related claims. Non-compliance with the intellectual property rights of others and any claims and actions by third parties may force us to alter our technologies or design new non-infringing technologies, obtain licences, or cease some of our operations. Such licences or design modifications can be extremely costly. Furthermore, necessary licences may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which could be costly. We may also be held liable for any past infringement. Any of the foregoing could adversely affect our business, results of operations and financial condition.

In addition, in certain cases, our customers share their confidential information with the Company. We are bound by confidentiality obligations under our non-disclosure agreements with our customers to protect their intellectual property, manufacturing processes, know-how, etc. Although in the past there has been no breach or misuse of intellectual property or proprietary data, an inadvertent breach or any misuse of intellectual property or proprietary data by any of our employees or sub-contractors may expose us to expensive infringement claims and may diminish our goodwill and reputation among our customers, suppliers, lenders, investors and the public, making it difficult for us to operate our business and compete effectively.

47. Our performance may be adversely affected if we are not successful in forecasting customer demands, managing our inventory or working capital.

Our daily operations largely depend on consistent stock control which is generally dependent on our projected sales in different months of the year. It also largely depends on the forecast and trends for the forthcoming season. An optimal level of stock is important to our business as it allows us to respond to customer demand effectively and to maintain a range of stock. If we overstock, our required working capital will increase and if we under-stock inventory, our ability to meet consumer demand and our operating results may be adversely affected. Any mismatch between our planning and the actual off take by customers can impact us adversely.

48. Our Company is not in strict compliance with the Corporate Social Responsibility as required under the provision of Companies Act 2013.

As per the applicable laws, our Company is required to spend 2% of its average net profits made during preceding Fiscal 2024 on CSR activities. In line with the CSR policy, our Company is committed to integrate its economic growth with environmental care and social well-being. We were required to spend ₹8.61 lakhs, as part of our CSR obligation for Fiscal 2024.

However, there were delays in spending the same and we could not transfer the unspent amount towards said contribution to a separate bank account before spending the same. Thus, there are certain amounts which remain unspent by our Company towards CSR expenditure.

Any failure to spend these amounts in accordance with Section 135 of the Companies Act, 2013 may result in future regulatory actions or penalties

49. Delays or outages in our monitoring systems could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our operations depend on the efficient and uninterrupted operation of complex and sophisticated monitoring systems, which are subject to failure and disruption. Our dependence upon automated monitoring systems to control the manufacturing process and record and process transactions may further increase the risk that technical system flaws will result in losses that are difficult to detect. As a result, we face the risk that the design of our controls and procedures may prove inadequate thereby causing delays in detection or errors in information.

We may also be subject to disruptions, failures or infiltrations of our IT systems arising from events that are wholly or partially beyond our control (including, for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, hacking, cyber-attacks or similar events, or loss of support services from third parties such as internet backbone providers), for which we may be held liable. In the event we experience interruptions or infiltrations of our monitoring and/or IT systems, this may give rise to deterioration in customer service and to loss or liability to us, which may materially and adversely affect our business, financial condition and results of operations. Although we have taken a business interruption insurance policy, the amount of the loss may exceed our coverage for the loss.

50. Our business is dependent on the adequate and uninterrupted supply of electrical power at a reasonable cost. Unavailability of such adequate and uninterrupted supply of electrical power may significantly impact on our business and results of operation.

Adequate and cost-effective supply of electrical power is critical to our operations. We have our manufacturing facilities in Ahmedabad, Gujarat which depends on the delivery of an adequate supply of electrical power. There have been no major instances of power failure in the last three years There can be no assurance that electricity supplied to our existing manufacturing facilities will be sufficient to meet our requirements or that we will be able to procure adequate and uninterrupted power supply in the future at a reasonable cost. If the per unit cost of electricity is increased by the state electricity board our power cost will increase. An interruption in or limited supply of electricity may result in suspension of our manufacturing operations. A prolonged suspension in production could materially and adversely affect our business, financial condition, results of operations or cash flows.

51. ***Any variation in the utilisation of our Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.***

We propose to utilise the Net Proceeds from the Issue towards (i) Funding the capital expenditure towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite at Bavla, Ahmedabad, Gujarat; and (ii) General Corporate Purposes. For further details of the proposed objects of the Issue, please see "***Objects of the Issue***" on page 105 of this Draft Red Herring Prospectus. We cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. We have not entered into any definitive agreements and do not have any definite and specific commitments towards the aforementioned purposes for which our Company intends to use the Net Proceeds. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. In accordance with Section 13(8) and 27 of the Companies Act, 2013, any variation in the planned use of the Net Proceeds would require shareholders' approval by passing a special resolution and our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, at a price and manner in accordance with SEBI ICDR Regulations and may involve considerable time or cost overrun and in such an eventuality it may adversely affect our operations or business. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

52. ***We are subject to certain risks consequent to our operations involving the manufacture, usage and storage of various hazardous substances.***

We use and store hazardous or flammable materials in our manufacturing units including NH_3 (Ammonia) and SO_2 (Sulphur Dioxide). Although we employ safety procedures, including providing safety equipment on the shop floor, in the operation of our manufacturing units and maintain what we believe to be adequate insurance, there is a risk that an accident may occur in any of our facilities. Such an accident may result in destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects.

While we maintain insurance policies such as accident and medical insurance policies for our employees, we cannot assure you that the coverage under such policies will be sufficient to cover loss sustained or that an affected employee or third party will not additionally seek legal recourse against us. While there have been no such instances in the past, we may face claims and litigation filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, results of operations and financial condition could be adversely affected.

53. ***An increasingly stringent regulatory environment with regard to foods, cosmetic ingredients and other specialty additives could result in stricter standards being applied to our products, which could cause us to incur substantial costs and may therefore have an adverse effect on our business and results of operations.***

Food products and their ingredients and cosmetic substances are subject to high regulatory standards to protect consumers from health hazards in all countries in which we sell our products. Similar regulations also apply to medical products. In addition to Indian laws, rules and regulations, we must also comply with the laws, rules and regulations in each country where we sell our products. The most important regulatory frameworks for our business are that of India, Middle East Asia, Southeast Asia, Russia and Africa. We also plan to expand our product sales in Europe, North America and South America. The European Commission, in particular, regulates safety assessments, approval and distribution of aromas and food additives across the European Union with the aim of strengthening consumer protection.

We may be unable to comply with the rules and regulations of other countries, or our product might fail the quality standards of foreign countries. Gaps in our operational processes, improper handling, storage or processing of raw materials and any real or perceived contamination could adversely affect the quality of our products and result in regulatory non-compliance. Such a result could lead to potentially largescale adverse publicity, recalls and potential litigation. If product non-compliance were to go undetected by us, it could subject us to customer claims and adverse publicity, recalls, penalties, litigation costs and settlements, remediation costs or loss of sales. A violation could result in the loss of customers and could have an adverse effect on our business, results of operations and financial condition.

54. ***We operate in chemical industry which is highly regulated sector and if we fail to comply with the regulations prescribed by the authorities of the jurisdictions in which we operate, our business, results of operations, cash flows and financial condition could be adversely affected.***

We operate in a highly regulated industry, and various aspects of our operations are subject to extensive laws and regulations, in India and internationally, governing the inorganic chemical market. We are required to comply with the regulatory requirements of various local, state, provincial and national regulatory authorities, such as the Assistant Director of Boilers Ahmedabad, Gujarat Industrial Development Corporation, Vatva, Gujarat Pollution Control Board, Office of the Additional Director General of Foreign Trade, Industries (Development and Regulation) Act, 1951 etc. We are required to obtain certain approvals, NOCs from Existing Lenders, registrations, permissions and licenses under various regulations, guidelines, circulars and statutes regulated by authorities such as the Government of India, the State Governments and certain other regulatory and government authorities, for operating our business, including, LEI code granted by the Legal Entity Identifier India Limited, importer-exporter code issued by the Office of Additional Director General of Foreign Trade, GST registrations, registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and registration under Employees' State Insurance Act, 1948 etc. Further, there are certain approvals for which name change application has been made. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations. For further details of such permits, approvals and regulatory compliance, see "***Key Regulations and Policies***" and "***Government and Other Approvals***" beginning on pages 186 and 291, respectively.

Applicable regulations have become increasingly stringent, a trend which may continue in the future. The Government of India may implement new laws or other regulations and policies that could affect the industry in which we operate, which could lead to new compliance requirements, including requiring us to obtain additional approvals and licenses. While we have not experienced any instances of failure to obtain or maintain required approvals, licenses, registrations or permissions or inadvertently fail to comply with such regulations that materially affected our business, financial condition or results of operations in the past three Financial Years, if we fail to do so in the future, in a timely manner or at all, our business, financial condition and results of operations could be adversely affected. Furthermore, the approvals required by our Company are granted for a limited duration, they require renewal and are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Furthermore, obtaining new approvals, renewing expiring approvals and securing permissions for expansions are subject to numerous conditions, which we cannot assure you that we will satisfy.

55. We have not entered into any technical support service contract for the maintenance and smooth functioning of our equipment's and machineries, which may affect our performance.

Our monitoring systems, computers and equipment require periodic maintenance checks and technical support. Our company has not entered into any technical support service agreements with any competent third party. Our failure to reduce the downtime in case such events occur may adversely affect our productivity, business and results of operations.

56. Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business and results of operations.

Our business is supported by our manufacturing capabilities, comprising two manufacturing units in Ahmedabad, Gujarat. For further details on our manufacturing units, see "***Our Business***" on page 167.

Our ability to maintain our profitability depends on our ability to maintain high levels of capacity utilization. For information relating to our capacity utilization of our manufacturing units, see "***Our Business – Capacity and Capacity Utilization***" on page 180. Capacity utilization is affected by our product mix, our ability to accurately forecast customer demand, to carry out uninterrupted operations, the availability of raw materials, and industry/ market conditions. In the event there is a decline in the demand for our products, or if we face any prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing units, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

In addition to our two operational facilities, we are planning expansion of our phase II of manufacturing Unit - II. For details see, "***Objects of the Issue***" on page 105. The success of any capacity addition and expected return on investment on capital expenditure is subject to, among other factors, the ability to generate adequate customer demand to ensure maximum utilisation of the capacity addition. In case of oversupply in the industry or lack of demand we may not be able to utilise our expanded capacity efficiently and our capacity additions may be under-utilised thereby adversely impacting our revenue and profitability. Under-utilization of our manufacturing capacities over extended periods, or significant underutilization in the short term, or an inability to fully realize the benefits of our recently implemented capacity expansion, could materially and adversely impact our business, growth prospects and future financial performance.

57. We could be harmed by employee misconduct that are difficult to detect and any such incidences could adversely affect our financial conditions, results of operations and reputation.

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

58. Our Company does not have any similar and comparable listed peer which is involved in same line of business.

As on the date of this Draft Red Herring Prospectus, there are no comparable peer which is listed in India and which are engaged in the same line of business as our Company for comparison of performance and therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.

59. ***Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and the results of operations.

60. ***Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.***

The cost and availability of capital depend in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Our credit ratings as on July 08, 2025 indicated is set forth below:

Rating Agency	Total Bank loan facilities (₹ in lakhs)	Instrument	Credit Rating as of July 08,2025
Crisil Ratings	6,605.00	Long Term Rating	Crisil BBB-/Stable (Assigned)
		Short Term Rating	Crisil A3 (Assigned)

We cannot assure you that we will be able to maintain our credit ratings in future. Our credit rating reflects, amongst other things, the rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, or any downgrade in our ratings may increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business and results of operations. In addition, non-availability of credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

ISSUE SPECIFIC RISK

61. ***Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. This price will be based on numerous factors, as described under the chapter "***Basis for Issue Price***" on page 120 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

62. ***There are restrictions on daily movements in the price of Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Subsequent to listing, we will be subject to a daily circuit breaker imposed on listed companies by all Stock Exchange in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on the Indian stock exchanges. The percentage limit on our circuit breaker is set by the Stock Exchange based on the historical volatility in the price and trading volume of the Equity Shares. The Indian stock exchanges are not required to inform us of the percentage limit of the circuit breaker from time to time and may change it without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

63. You may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of shares on a stock exchange held for more than 12 months will be subject to capital gains tax in India at the applicable tax prevalent at the time of sale of such shares, subject to various conditions and exemptions, as applicable. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Further, the Government of India has recently announced the Union Budget for the Financial Year 2026 and further notified the Finance Act, 2025. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

64. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors

65. Any future issuance of Equity Shares by us or sales of Equity Shares by our Promoter could adversely affect the trading price of our Equity Shares and in the case of the issuance of Equity Shares by us result in the dilution of our then current shareholders.

As disclosed in *"**Capital Structure**"* on page 91, an aggregate of 20% of our fully diluted post-Issue capital held by our Promoter shall be considered as minimum Promoters' Contribution and locked in for a period of three (3) years, half of the balance Equity Shares held by the Promoters following the Issue will be locked-in for twenty (24) months from the date of Allotment and balance Equity Shares held by the Promoters following the Issue will be locked-in for twelve (12) months from the date of Allotment. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in *"**Capital Structure**"* on page 91, there is no restriction on disposal of Equity Shares by promoter. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that our Promoter will not sell, pledge or encumber his Equity Shares after the lock-in periods expire. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Issue Price. Sales of Equity Shares by the Promoter could also adversely affect the trading price of our Equity Shares

66. There is no guarantee that the Equity Shares will be listed on the Stock Exchange in a timely manner or at all, and any trading closures at the Stock Exchange may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Approval for listing and trading requires all other relevant documents authorizing the issuing of the Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the Designated Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares.

A third party could be prevented from acquiring control of us because of the anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the takeover regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that the interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Indian takeover regulations.

67. You will not be able to immediately sell any of the Equity Shares you purchase in this Issue on the Stock Exchanges.

The Equity Shares will be listed on the Stock Exchange. Pursuant to the applicable Indian laws and practice, permission for listing of the Equity Shares will not be granted till the Equity Shares in this Issue have been issued and allotted and all relevant documents are submitted to the Stock Exchanges. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the Investor's book entry or 'demat' accounts with the depository participants in India, expected to be credited within one (1) Working Day of the date on which the Basis of Allotment is finalized with the Designated Stock Exchange. In addition, the Allotment of Equity Shares in the Issue and the credit of such Equity Shares to the applicant's demat account with the depository participant could take approximately two Working Days from the Bid/Issue Closing Date and trading in Equity Shares upon receipt of listing and trading approval from the Stock Exchanges, trading of Equity Shares is expected to commence within three Working Days from Bid/ Issue Closing Date. Any failure or delay in obtaining the approval or otherwise commence trading in Equity Shares would restrict your ability to dispose of your Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts or that trading in the Equity Shares will commence in a timely manner (as specified herein) or at all. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

68. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Issue Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Issue within three (3) Working Days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Issue or may cause the trading price of our Equity Shares to decline on listing.

Individual Investors (who apply for minimum application size) can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within three (3) Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing

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

Under the foreign exchange regulations currently in force in India, transfers of shares between nonresidents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI, or any other government agency, can be obtained on any particular terms or at all.

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

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

71. Our assets and operations are located in India, and we are subject to regulatory, economic and political uncertainties in India and a significant change in the central and state governments' economic liberalization and deregulation policies could disrupt our business.

Under the foreign exchange regulations currently in force in India, transfers of shares between nonresidents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI, or any other government agency, can be obtained on any particular terms or at all.

72. ***Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles of Association and applicable law govern our corporate affairs. Legal principles related to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company incorporated under the laws of another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Consequently, investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation incorporated under the laws of another jurisdiction.

73. ***We may be subject to surveillance measures, such as the Additional Surveillance Measures (ASM) and the Graded Surveillance Measures (GSM) by the Stock Exchanges which may adversely affect trading price of our Equity Shares.***

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility**.**

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are subject to such pre-emptive surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

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

There has been no public market for our Equity Shares prior to the Issue. The purchase price of our Equity Shares in the Issue will be determined by our Company in consultation with the BRLM, pursuant to the Book Building Process. This price will be based on numerous factors, as described under in *"**Basis for Issue Price**"* on page 120. This price may not necessarily be indicative of the market price of our Equity Shares after the Issue is completed. You may not be able to re-sell your Equity Shares at or above the Issue price and may as a result lose all or part of your investment.

There can be no assurance that active trading in our Equity Shares will develop after the Issue or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

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

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

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

75. The trading volume and market price of the Equity Shares may be volatile following the Issue.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our earnings and results of operation, as well as those of our competitors;
- failure of securities analysts to cover the Equity Shares after the Issue;
- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations or estimates as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- activities of our suppliers;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

76. The requirements of being a publicly listed company may strain our resources.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/ or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

77. Failure to keep abreast with the latest trends in technology may adversely affect our cost competitiveness and may affect our financial condition adversely.

Our Company cannot assure that it would successfully implement new technology effectively or adapt to emerging industry standards. If our Company is unable to upgrade itself due to technical, financial, legal and/or other reasons to adapt in timely manner to the changing market conditions, its business, financial performance could be adversely affected.

EXTERNAL RISK FACTORS

78. A slowdown in economic growth in India could adversely affect our business

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or any future volatility in global commodity prices could adversely affect our business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting housing and tourism and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, Europe or China or Asian emerging market countries, may have an impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

79. We have presented certain supplemental information of our performance and liquidity which is not prepared under or required under c

We have included certain financial and operational measures in this Draft Red Herring Prospectus, which we believe to be non-GAAP financial measures (*"**Non-GAAP Measures**"*) and KPIs, in accordance with the SEBI ICDR Regulations. We compute and disclose such KPIs relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies such as us. These KPIs may not be computed on the basis of any standard methodology that is applicable across industry and therefore may not be comparable to financial and operational measures, and industry-related statistical information of similar nomenclature that may be computed and presented by other companies pursuing similar business.

Further, while after listing of the Equity Shares, we will continue to disclose the KPIs in accordance with the applicable laws, however, as the industry in which we operate continues to evolve, the measures by which we evaluate our business may change. Our internal systems and tools have a number of limitations, and our methodologies or assumptions that we rely on for tracking these metrics may also change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose, or our estimates of our category position. In addition, if the internal tools we use to track these measures under-count or overcount performance or contain algorithmic or other technical errors, the data and/or reports we generate may not be accurate. We calculate measures using internal tools, which are not independently verified by a third party. Any real or perceived inaccuracies in such metrics may harm our reputation and adversely affect our stock price, business, results of operations, and financial condition. Further, non-GAAP measures presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity and should not be considered in isolation or construed as an alternative to cash flows, profit for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

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

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

81. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.

Our business, results of operations and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. For details on the laws applicable to us, please see *"**Key Regulations and Policies**"* on page 186.

The governmental and regulatory bodies may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, results of operations and financial condition.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals.

The Government of India has introduced (a) the Code on Wages, 2019 **("Wages Code")**; (b) the Code on Social Security, 2020 **("Social Security Code")**; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 (collectively, the **"Labour Codes"**) which consolidate, subsume and replace numerous existing central labour legislations. The Government of India has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been notified in its entirety, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. We are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. Furthermore, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. The implementation of such laws has the ability to increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

The Parliament of India has passed the Bharatiya Nyaya Sanhita, 2023, the Bharatiya Nagarik Suraksha Sanhita, 2023 and the Bharatiya Sakshya, 2023, which have replaced the Indian Penal Code, 1860, the Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively, with effect from July 1, 2024. The effect of the provisions of these on us and the litigations involving us cannot be predicted with certainty at this stage.

The Government proposes to replace the Income Tax Act with a new income tax act and, on February 13, 2025, introduced the Income Tax Bill, 2025. The Income Tax Bill, 2025 retains most of the provisions of the Income Tax Act but aims to simplify the language and remove redundant provisions. Till such time, the Income Tax Bill, 2025 is codified into an act, the Income Tax Act will continue to prevail.

There can be no assurance that the Government of India will not implement new regulations and policies requiring us to obtain approvals and licenses from the Government of India or other regulatory bodies or impose onerous requirements and conditions on our operations. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and financial condition

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time-consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

82. All our revenue is derived from business in India and a decline in economic growth or political instability or changes in the Government in India could adversely affect our business.

We derive all our revenue from our operations in India and so the performance and the growth of our business are dependent on the performance of the Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, may have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

83. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

We are incorporated in India, and our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and other economies and our results of operations and cash flows are significantly affected by factors influencing the Indian and global economies.

Other factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

- high rates of inflation in India and in countries where we operate our business could increase our costs without proportionately increasing our revenue, and as such decrease our operating margins;
- any slowdown in economic growth or financial instability in India and in countries where we operate our business;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- prevailing income conditions among consumers and corporates;
- volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges;
- changes in existing laws and regulations in India and in countries where we operate our business;
- political instability, terrorism or military conflict in the region or globally, including in various neighboring countries;
- occurrence of natural or man-made disasters;
- any downgrading of debt rating of India or where we operate our business, by a domestic or international rating agency;
- instability in financial markets;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and, or a timely basis; and
- any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations
- and financial condition and the price of the Equity Shares.

84. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

85. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent times, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether full or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such cases, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GOI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

86. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, fires, explosions, pandemic disease and man-made disasters, and acts of terrorism and military actions could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, an deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares.

In addition, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, may be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions, or conflicts, strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares. We may also face difficulty in accessing certain parts of India at certain times of the year or under adverse or inclement weather conditions.

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SECTION III – INTRODUCTION

THE ISSUE

The following is the summary of the Issue

Particulars	Details
Equity Shares Issued through Public Issue: *(1)(2) Present Issue of Equity Shares by our Company	Issue of upto 50,00,000 Equity Shares of face value of ₹10/- each at a price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs
Of which:	
Issue Reserved for the Market Maker	[●] Equity Shares of face value of ₹10/- each at a price of ₹ [●]/- per Equity Share reserved aggregating to ₹ [●] Lakhs
Net Issue to Public	Net Issue to Public of [●] Equity Shares of face value of ₹10/- each at a price of ₹ [●]/- per Equity Share aggregating to ₹ [●] Lakhs
Of which:	
A. Allocation to Qualified Institutional Buyers (3)(4)	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
(i) Anchor Investor Portion	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
(ii) Net QIB portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
b) Balance of QIB Portion for all QIBs including Mutual Funds)	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
B. Allocation to Non- Institutional Investors	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
a) One third of the portion available to Non-Institutional Investors reserved for Applicants with Application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 10 lakhs	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
C. Allocation to Individual Investors who apply for Minimum Application Size (5)	[●] Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Pre-Issue and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,15,56,200 Equity Shares of face value of ₹ 10/- each
Equity Shares outstanding after the Issue*	[●] Equity Shares of face value of ₹ 10/- each
Use of Proceeds	For further details, see "***Objects of the Issue***" on page 105 of this Draft Red Herring Prospectus.

**Subject to finalization of the Basis of Allotment number of shares may need to be adjusted for lot size upon determination of issue price.*

(1) The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our Company in terms of Regulation of 229 (2) and Regulation 253 (1) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of the SCRR wherein not less than 25% of the post – issue paid up equity share capital of our Company are being issued to the public for subscription.

(2) The present Issue has been authorized pursuant to a resolution of our Board dated September 15, 2025, and by Special Resolution

passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on September 16, 2025.

(3) *Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for Mutual Funds, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. For further details, see "**Issue Procedure**" on page 325 this Draft Red Herring Prospectus.*

(4) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

(5) *Not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders wherein (a) one third of the portion available to Non-Institutional Investors shall be reserved for Applicants with Application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) two third of the portion available to Non-Institutional Investors shall be reserved for Applicants with Application size of more than ₹10 lakhs; and (c) any unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to Applicants in the other sub-category of Non-Institutional Investors; and not less than 35% of the Issue will be available for allocation to individual investors who apply for minimum application size, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders, other than the Anchor Investors, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see "**Issue Procedure**" on page 325 of this Draft Red Herring Prospectus.*

In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Investor Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investor Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

In the event of an under-subscription in the issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the BRLM shall first ensure Allotment of Equity Shares issued pursuant to the Fresh Issue by the Issuer.

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SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023. The Restated Financial Information referred to above are presented under "***Restated Financial Information***" on page 224. The summary of financial information presented below should be read in conjunction with the "***Restated Financial Information*** **" and "*****Management's Discussion And Analysis Of Financial Position And Results Of Operations***" on pages 224 and 269, respectively.

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SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)
ANNEXURE – I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Sr. No.	Particulars	Notes	As at March 31, 2025	2024	2023
	EQUITY AND LIABILITIES				
1)	Shareholders' Funds				
	a. Share Capital	A	63.60	63.60	63.60
	b. Reserves & Surplus	B	2,522.73	1,696.83	1,185.21
			2,586.33	**1,760.43**	**1,248.81**
2)	Non-Current Liabilities				
	a. Long Term Borrowings	C	1,150.78	1,299.26	105.92
	b. Deferred Tax Liabilities	D	71.65	31.01	36.89
	c. Other Long Term Liabilities	E	32.78	32.78	38.78
	c. Long Term Provisions	F	25.73	14.62	12.16
			1,280.94	**1,377.67**	**193.75**
3)	Current Liabilities				
	a. Short Term Borrowings	G	1,387.25	1,134.79	456.60
	b. Trade Payables	H			
	- Total Outstanding dues of Micro and Small Enterprises		428.86	229.56	32.35
	- Total Outstanding dues of creditors other than Micro and Small Enterprises		612.33	477.76	569.17
	c. Other Current Liabilities	I	62.79	89.58	56.64
	d. Short Term Provisions	J	245.86	198.83	199.41
			2,737.09	**2,130.52**	**1,314.17**
	T O T A L		**6,604.36**	**5,268.62**	**2,756.73**
	ASSETS				
1)	Non-Current Assets				
	a. Property, Plant & Equipment and Intangible Assets	K			
	i. Property, Plant and Equipment		4,125.81	1,040.79	846.51
	ii. Intangible Assets		20.94	0.69	0.69
	iii. Capital Work in Progress		524.00	1,845.17	128.85
	iv. Less: Accumulated Depreciation		414.28	334.82	271.35
	Net Block		**4,256.47**	**2,551.83**	**704.70**
	b. Non-current Investments	L	61.17	63.96	63.96
	c. Long Term Loans & Advances	M	136.18	274.37	256.94
	d. Other Non – Current Assets	N	22.45	25.66	11.60
			4,476.27	**2,915.82**	**1,037.20**
2)	Current Assets				
	a. Inventories	O	233.99	62.29	56.93
	b. Trade Receivables	P	1,567.93	1,188.70	1,078.78
	c. Cash and Cash Equivalents	Q	11.26	149.25	5.86
	d. Short Term Loans & Advances	R	314.91	952.56	577.96
			2,128.09	**2,352.80**	**1,719.53**
	T O T A L		**6,604.36**	**5,268.62**	**2,756.73**

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Shanti Inorganics Limited

Sd/-

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 20-09-2025
UDIN:25144892BMHWRT5556

Sd/-

Manojkumar J. Patel
(Din: 02724947)
Managing Director

Sd/-

Avnish M. Patel
(Din: 02724940)
Joint Managing Director

Sd/-

Company Secretary

Sd/-

Chief Financial Officer

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)
ANNEXURE – II
RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Sr. No.	Particulars	NOTES	For the year ended March 31,		
			2025	2024	2023
A	**INCOME**				
	Revenue from Operations	S	5,710.55	4,486.73	4,574.21
	Other Income	T	135.41	19.38	75.98
	Total Income (A)		**5,845.96**	**4,506.11**	**4,650.19**
B	**EXPENDITURE**				
	Cost of Material Consumed	U	2,382.90	2,040.82	2,527.59
	Purchase of Stock-in-trade	V	-	34.70	-
	Changes in Inventories of Finished Goods & Work-in-Process	W	(91.72)	4.63	(4.55)
	Manufacturing Expenses	X	469.16	222.79	232.07
	Employee benefit expenses	Y	248.39	164.90	159.83
	Finance costs	Z	163.43	142.40	71.97
	Depreciation and amortisation expense	AA	79.46	63.47	56.55
	Administrative, Selling & Other Expenses	AB	1,490.39	1,146.29	962.53
	Total Expenses (B)		**4,742.01**	**3,820.00**	**4,005.99**
C	**Profit before exceptional, extraordinary items and tax**		**1,103.95**	**686.11**	**644.20**
	Exceptional items		-	-	-
D	**Profit before extraordinary items and tax**		**1,103.95**	**686.11**	**644.20**
	Extraordinary Expenses		-	-	-
E	**Profit before tax**		**1,103.95**	**686.11**	**644.20**
	Tax expense :				
	(i) Current tax	AC	237.41	180.37	182.2
	(ii) Deferred tax	AD	40.64	(5.88)	1.79
F	**Total Tax Expense**		**278.05**	**174.49**	**183.99**
G	**Profit after tax (E-F)**		**825.90**	**511.62**	**460.21**
H	**Earning Per Share**				
	Basic		**129.86**	**80.44**	**72.36**
	Adjusted		**129.86**	**80.44**	**72.36**

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Shanti Inorganics Limited

Sd/-

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 20-09-2025
UDIN:25144892BMHWRT5556

Sd/-
Manojkumar J. Patel
(Din: 02724947)
Managing Director

Sd/-
Avnish M. Patel
(Din: 02724940)
Joint Managing Director

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)
ANNEXURE III

RESTATED STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	As at 31st March,		
	2025	2024	2023
Cash flow from operating activities:			
Net Profit before tax as per Profit and Loss A/c	**1,103.95**	**686.11**	**644.20**
Adjusted for:			
Depreciation & Amortisation	79.46	63.47	56.55
Interest & Finance Cost	163.44	142.40	71.95
Profit/(Loss) on Sale of Property plant and Equipment	-	-	(2.86)
Profit/(Loss) on Sale of Investments	(31.68)	-	-
Provision for Gratuity	14.34	3.14	6.75
Interest Income	(0.46)	(0.82)	(0.05)
Prior Period Expenses	-	-	-
Dividend Income	(0.06)	(0.06)	(0.06)
Operating Profit Before Working Capital Changes	**1,328.99**	**894.24**	**776.48**
Adjusted for (Increase)/ Decrease:			
Trade Receivables	(379.23)	(109.92)	(481.90)
Trade Payables	333.88	105.79	226.33
Other Current Liabilities	(26.79)	32.95	13.01
Inventories	(171.69)	(5.37)	9.75
Short term loan and Advances	659.42	(422.15)	(56.40)
Other Non Current Assets	3.21	(14.06)	(6.30)
Long Term Provisions	(3.23)	(0.69)	(2.40)
Short Term Provisions	3.17	0.69	0.06
Cash Generated From Operations	**1,747.73**	**481.48**	**478.63**
Direct Tax Paid	(215.30)	(134.10)	(166.39)
Net Cash Flow from/(used in) Operating Activities: (A)	**1,532.43**	**347.38**	**312.24**
Cash Flow From Investing Activities:			
Purchase of Property, Plant & Equipment	(1,784.14)	(1,910.58)	(306.25)
Proceeds from Sale of Investments	34.48	-	-
Sale of Property, Plant & Equipment		-	6.75
Interest Income	0.46	0.82	0.05
Dividend Income	0.06	0.06	0.06
Changes in Long Term Loans & Advances	138.18	(17.43)	(242.33)
Changes in Long Term Liabilities	-	(6.00)	-
Net Cash Flow from/(used in) Investing Activities: (B)	**(1,610.96)**	**(1,933.13)**	**(541.72)**
Cash Flow from Financing Activities:			
Proceeds/(Repayment) of Long-term borrowings	(69.58)	1,076.68	52.09
Proceeds/(Repayment) of Short-term borrowings	252.45	678.20	249.34
Proceeds/(Repayment) of borrowings from Directors & Relatives	(78.89)	116.66	-
Interest & Finance Cost	(163.44)	(142.40)	(71.95)
Net Cash Flow from/(used in) Financing Activities (C)	**(59.46)**	**1,729.14**	**229.48**
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(137.99)	143.39	-
Cash & Cash Equivalents as at beginning of the Year	149.25	5.86	5.86
Cash & Cash Equivalents as at end of the Year	**11.26**	**149.25**	**5.86**

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

2. Reconciliation of Cash & Cash Equivalents as per the statement of cash flow.

Balances with Banks	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Current Account	5.08	0.07	0.07
Cash on hand	6.18	4.18	4.88
FD With Banks	-	145.00	0.91
Cash and Cash Equivalents at the End of the Period	**11.26**	**149.25**	**5.86**

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Shanti Inorganics Limited

Sd/-

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 20-09-2025
UDIN:25144892BMHWRT5556

Sd/-

Manojkumar J. Patel
(Din: 02724947)
Managing Director

Sd/-

Avnish M. Patel
(Din: 02724940)
Joint Managing Director

Sd/-

Company Secretary

Sd/-

Chief Financial Officer

GENERAL INFORMATION

Our Company was incorporated as *"**Shanti Inorgo Chem (Guj) Private Limited**"* as a private limited company in Ahmedabad, Gujarat under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated January 13, 2010, issued by the Registrar of Companies, Gujarat. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on January 27, 2025, and the name of our Company changed from "***Shanti Inorgo Chem (Guj) Private Limited***" to *"**Shanti Inorgo Chem (Guj) Limited**"*. A fresh certificate of incorporation consequent upon conversion from a private limited company to public limited company dated March 1, 2025, was issued by the Registrar of Companies, Central Processing Centre. Further, pursuant to resolutions passed by our Board of Directors in their meeting held on April 4, 2025, and Shareholder's Resolution passed on April 5, 2025, our Company's name was further changed from *"**Shanti Inorgo Chem (Guj) Limited**"* to *"**Shanti Inorganics Limited**"* and a fresh certificate of incorporation dated May 6, 2025, was issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U24100GJ2010PLC059218. For further details in respect of our Company, please refer to "***History and Certain Corporate Matters***" on page 199 this Draft Red Herring Prospectus.

Registered Office

Shanti Inorganics Limited
Plot No.-2015, Phase III GIDC,
Vatva, Ahmedabad,
Gujarat, India, 382445
Telephone No.: +91 97277 52562
E-Mail: info@shantiinorganics.com
Investor grievance id:
Website: https://shantiinorganics.com
Corporate Identification Number: U24100GJ2010PLC059218

There has been no change in the registered office of our Company since incorporation.

For further details please see *"**History and Certain Corporate Matters**"* on page 199 of this Draft Red Herring Prospectus.

Registrar of Companies

Our Company is registered with the Registrar of Companies, Gujarat ("**RoC**") located at the following address:

Registrar of Companies
ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stop, Naranpura,
Ahmedabad-380013,
Gujarat, India.
Telephone: 079-2743 8531
Email: roc.ahmedabad@mca.gov.in
Website: www.mca.gov.in

Board of Directors

Our Board comprises of the following Directors as on the date of filing of this Draft Red Herring Prospectus:

Name	Designation	Address	DIN
Manojkumar Jayantilal Patel	Chairman and Managing Director	FB 40-41, Sector F, Sterling City, behind Pankhil Bungalows, Bopal, Ahmedabad - 380058, Gujarat, India	02724947
Avnish Manojkumar Patel	Joint Managing Director	FB 40-41, Sector F, Sterling City, behind Pankhil Bungalows, Bopal, Ahmedabad	02724940

Name	Designation	Address	DIN
		- 380058, Gujarat, India	
Suhani Avanishkumar Patel	Non-Executive Director	FB 40-41, Sector F, Sterling City, behind Pankhil Bungalows, Bopal, Daskroi, Ahmedabad - 380058, Gujarat, India	10879088
Indira Suresh Vora	Non-Executive Independent Director	A-2 Shiv Pujan Duplex, Near Shail Ganga Society, Chandkheda Society Area, Chandkheda, Mansa, Gandhinagar - 382424, India	10581630
Niraj K Dalal	Non-Executive Independent Director	35, Shreeji Krupa Society, Near Court Road, Gayatri Nagar, Bharuch - 392001, Gujarat, India	06861116

For brief profiles and further details of our directors, see *"**Our Management**"* on Page 203 of this Draft Red Herring Prospectus.

Chief Financial Officer:

Raval Kalpeshbhai Ambaprasad is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

Raval Kalpeshbhai Ambaprasad
Plot No.-2015, Phase III GIDC,
Vatva, Ahmedabad,
Gujarat, India, 382445
Tel No.: +91 97277 52562
Email: cfo@shantiinorganics.com mailto:info@shantiinorganics.com

Company Secretary and Compliance Officer:

Abhik Jain is the Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder.

Abhik Jain
Plot No.-2015, Phase III GIDC,
Vatva, Ahmedabad,
Gujarat, India, 382445
Tel No.: +91 97277 52562
Email: cs@shantiinorganics.com

INVESTOR GRIEVANCES

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related grievances, such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Issue-related grievances, other than that of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. All Issue-related grievances of the Anchor Investors may be addressed to the BRLM, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM, where the Anchor Investor Application Form was submitted by the Anchor Investor.

The Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned above. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of the SEBI ICDR Master Circular, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. On receipt of such application/s, the SCSB would be required to resolve the same within 15 days, failing which it would have to pay interest at the rate of 15% per annum for any delay beyond the said period of 15 days.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THE ISSUE AND OUR COMPANY:

Book Running Lead Manager to the Issue

Vivro Financial Services Private Limited
Vivro House, 11 Shashi Colony,
Opp Suvidha Shopping Center, Paldi,
Ahmedabad – 380 007, Gujarat, India.
Telephone: +91 79 4040 4242
Email Id: investors@vivro.net
Investors Grievance Id: investors@vivro.net
Website: www.vivro.net
Contact Person: Kevin Dhruve / Jay Dodiya
CIN: U67120GJ1996PTC029182
SEBI Registration Number: INM000010122

Syndicate Member

[●]

Legal Counsel to the Issue

Rajani Associates, Advocates and Solicitors
204-207 Krishna Chambers, 59 New Marine Lines,
Mumbai – 400 020, Maharashtra, India.
Telephone.: +91-22-4096 1002
Email: sangeeta@rajaniassociates.net
Contact Person: Sangeeta Lakhi
Website: www.rajaniassociates.net

Statutory And Peer Review Auditors of the Company

M/s. S. N. Shah & Associates,
Chartered Accountants
"Sapan House", 10/B, Government Servant Housing Cooperative Society,
Oppsoite Municiple Market, B/h Vallabha Dining Hall,
Navarangpura, Ahmedabad – 380009, Gujarat, India
Telephone: +91 79-4009 8280
Email: snshah_asso@hotmail.com
Contact person: Priyam Surendra Shah
Website: www.snshahassociates.com
Membership No: 144892
F.R.N.: 1097282W
Peer Review Certificate No: 018603

Registrar to the Issue

KFin Technologies Limited
301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road,
Nav Pada, Kurla (West), Mumbai – 400070,
Maharashtra, India
Telephone: +91 40 6716 2222 / 1800 309 4001
Email Id: shanti.ipo@kfintech.com
Investors Grievance Id: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
CIN: L72400MH2017PLC444072
SEBI Registration Number: INR000000221

Banker to our Company

HDFC Bank Limited
Address: Bodakdev Branch,Ahmedabad
Ph. No.: +91 84900 32462
E-mail: arun.thakkar@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Arunkumar Thakkar

State Bank of India
Address: SME Law Garden Branch, Zodiac Avenue ,
Opp Commissioner's Bunglow, Low Garden,
Ahmedabad -380006
Ph. No.: 079-26420278
E-mail: sbi.60438@sbi.co.in/ rmsme2.60438@sbico.in
Website: www.bank.sbi
Contact Person: Anand Kumar

Bankers to the Issue, Refund Banker and Sponsor Bank

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or at such other website as may be prescribed by SEBI and updated from time to time.

A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than UPI Bidders using the UPI Mechanism), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks eligible as Issuer banks for UPI Mechanism and eligible mobile applications

In accordance with SEBI ICDR Master Circular UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and Individual Investors) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Issue using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at http://www.nseindia.com as updated from time to time.

Collecting Depository Participants

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19 for NSDL CDPs and at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18 CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (http://www.sebi.gov.in) and updated from time to time.

Registrar and Share Transfer Agents

The list of the Registrar Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at http://www.nseindia.com as updated from time to time and on website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10 as updated from time to time.

IPO Grading

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

Credit Rating

As the Issue is of Equity Shares, credit rating is not required.

Green Shoe Option

No green shoe option is applicable for the Issue.

Brokers to the Issue

All members of the recognized stock exchange would be eligible to act as Brokers to the Issue.

Debenture trustees

As the Issue is of Equity Shares, the appointment of debenture trustees is not required.

Monitoring Agency

As the Net Proceeds of the Issue will be less than ₹5,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

Appraising Agency

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

Experts to the Issue

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

1. Our Company has received a written consent dated September 26, 2025 from our Statutory Auditor, namely, S. N. Shah & Associates, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their names as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 20, 2025 on our Restated Financial Statements; (ii) their report dated September 26, 2025 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus; and (iii) the certificates issued by them in relation to this Issue, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

2. Our Company has received written consent dated September 20, 2025 from S. K. Patel, an Independent Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an Independent Chartered Engineer to our Company, and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

3. Our Company has received a written consent dated September 26, 2025, from Dhyanam Vyas & Associates, the Practicing Company Secretary, having the membership number 13259, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Statement of responsibilities of the Book Running Lead Manager

Vivro Financial Services Private Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

Filing Of Issue Document

The Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed with the EMERGE Platform of NSE (the "**NSE Emerge**") in terms of Regulation 246(2) of SEBI ICDR Regulations.

This Draft Red Herring Prospectus will not be filed with SEBI, nor SEBI will issue any observation on the Issue document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Draft Red Herring Prospectus will be available on website of the Company at https://shantiinorganics.com; Book Running Lead Manager at www.vivro.net and stock exchange at www.nseindia.com.

The Draft Red Herring Prospectus of the Company filed with the Stock Exchange will be made available for twenty-one (21) days to the public for providing comments on the Draft Red Herring Prospectus, by publishing the public announcement in in all edition of [●] (a widely circulated English national daily newspaper) and all edition of [●] (a widely circulated Hindi national daily newspaper) and all edition of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located) along with QR code.

A copy of the Red Herring Prospectus/ Prospectus, along with the material contracts and documents will also be filed with the RoC- Ahmedabad Office situated at ROC Bhavan, Opp Rupal Park Society, behind Ankur Bus Stop, Naranpura, Ahmedabad- 380013, under section 26 and 32 of the Companies Act 2013 and through the electronic portal at https://www.mca.gov.in/ .

Changes in Auditors during the last three years

There have been no changes in the auditors of our Company during the last three financial years preceding the date of this Draft Red Herring Prospectus.

Type of Issue

The present Issue is 100% Book Building Issue.

Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager (BRLM) in accordance with the Book Building Process and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in Gujarati edition of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located), at least two (2) working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the BRLM in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Vivro Financial Services Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;

- The Registrar to the Issue in this case being KFin Technologies Limited;
- The Escrow Collection Banks/ Bankers to the Issue; and
- The Designated Intermediaries and Sponsor Bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

This Issue is being made through the Book Building Process, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one third of such portion will be reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10 lakhs; and (b) two-third of such portion will be reserved for applicants with application size of more than ₹ 10 lakhs provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, other than Anchor Investors are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Individual Bidders who applies for minimum application size can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Individual Investor Portion where allotment to each Individual Investor shall not be less than the minimum bid lot, subject to availability of Equity Shares in their category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Undersubscription, if any, in any category, would be allowed to be met with spill - over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of ICDR Master Circular and the SEBI ICDR Regulations, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to ICDR Master Circular, Individual Investors who applies for minimum application size in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled "***Issue Procedure***" beginning on page 325 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue. For further details on the method and procedure for Bidding, please see section entitled "***Issue Procedure***" on page 325 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process:

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20/- to ₹ 24/- per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22/- in the above example. The Company in consultation with the BRLM, may finalize the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22/-. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled "***Issue Procedure***" on page 325 of this Draft Red Herring Prospectus);

- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.

- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.

- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid/Issue Program:

Event	Indicative Dates
Anchor Investor Portion Offer Opens/Close	[●] (1)
Bid/Issue Opening Date	[●] (1)
Bid/ Issue Closing Date	[●] (2) (3)
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

1. *Our Company in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one (1) Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.*
2. *Our Company in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one (1) day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*
3. *UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three (3) Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid/Issue Period (except the Bid/Issue Closing Date)	
Submission and revision of Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Issue Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Individual Investors, other than QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/ Cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories#	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 4.00 p.m. IST on Bid/Issue Closing Date
Upward revision of Bids by Individual Investors who apply for Minimum Application Size	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Issue Closing Date

** UPI mandate end time was at 5:00 p.m. on the Bid/ Issue Closing Date.*
 # QIBs and Non-Institutional Bidders could neither revise their bids downwards nor cancel/withdraw their Bids.

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

(i) 4:00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual Investors who apply for Minimum Application Size

The time for applying for Individual Investors who apply for Minimum Application Size on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 1.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

UNDERWRITING AGREEMENT

Our Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% underwritten by the underwriter, [●]. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Details of the Underwriter	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
[●]	[●]	[●]	[●]

**Includes [●] Equity shares of ₹[●] each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In the opinion of our Board of Directors, the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The abovementioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with Stock Exchanges.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THE ISSUE

Our Company and the BRLM have entered into an agreement dated [●] with the following Market Maker to fulfil the obligations of Market Making:

Name	[●]
Address	[●]
Telephone	[●]
E-mail	[●]
Contact Person	[●]
SEBI Registration Number	[●]
Market Maker Registration No.	[●]

[●], registered with EMERGE Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI ICDR Regulations as amended from time to time.

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

In terms of Regulation 261(1) of SEBI ICDR Regulations, the market making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by NSE Emerge and SEBI regarding this matter from time to time.

In terms of Regulation 261(2) of SEBI ICDR Regulations, the Market Maker or Issuer, in consultation with the Book Running Lead Manager may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of NSE Emerge.

In terms of regulation 261(3) of SEBI ICDR Regulations, following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.

2. The prices quoted by Market Maker shall be in compliance with the market maker spread requirements and other particulars as specified or as per the requirements of EMERGE Platform of NSE (NSE Emerge) and SEBI from time to time.

3. The investors with holdings less than the minimum size shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

5. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on NSE Emerge (in this case currently the minimum trading lot size is [●] Equity Shares; however, the same may be changed by NSE from time to time)

6. After a period of 3 (three) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.

7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

8. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

10. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.

11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All

controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

12. The Market Maker shall have the right to terminate said arrangement by giving 1 (one) months' notice or on mutually acceptable terms to the Lead Manager(s), who shall then be responsible to appoint a replacement Market Maker and execute a fresh arrangement.

13. In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI ICDR Regulations. Further, the Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 10.00 a.m. to 5.00 p.m. on working days.

14. **Risk containment measures and monitoring for Market Makers:** NSE Emerge will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

15. **Punitive Action in case of default by Market Maker:** NSE Emerge will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (Issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

16. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

17. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
    (i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
    (ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

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

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

19. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during the market making process have been made applicable, based on the Issue size and as follows:

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

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / NSE from time to time.

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

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers as where the pre-Issue and price-band advertisements have appeared, and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (One) working Day from the day of receipt of such instruction.

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

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

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CAPITAL STRUCTURE

The share capital of the Company as on date of this Draft Red Herring Prospectus is set forth below:

(₹ in lakhs, expect share data)

	Particulars	Aggregate nominal value	Aggregate value at Issue Price*
A	**AUTHORISED SHARE CAPITAL**		
	1,70,00,000 Equity Shares of face value of ₹10 each	1,700.00	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	1,15,56,200 Equity Shares of face value of ₹10 each	1,155.62	-
C	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS^**		
	Issue of up to 50,00,000 Equity Shares of face value of ₹10 each at an Issue Price of ₹[●] per Equity Share	[●]	[●]
	Of which#		
	Reservation for Market Maker: [●] Equity Shares of face value of ₹ 10 each at an Issue Price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net Issue to Public: [●] Equity Shares of face value of ₹ 10 each at an Issue Price of ₹ [●] per Equity Share to the Public	[●]	[●]
	Net Public Issue consists of:		
	Allocation of Qualified Institutional Buyers Not more than [●] Equity Shares of face value of ₹ 10 each at an Issue Price of ₹ [●] per Equity Share will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	Allocation to Non-Institutional Investors: At least [●] Equity Shares of face value of ₹10 each at an Issue Price of ₹ [●] per Equity Share will be available for allocation to Non-Institutional Investors	[●]	[●]
	Allocation to Individual Investors who applies for minimum application size: At least [●] Equity Shares of face value of ₹10 each at an Issue Price of ₹ [●] per Equity Share will be available for allocation to Individual Investors who applies for minimum application size	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP EQUITY CAPITAL AFTER THE ISSUE****		
	Up to [●] Equity Shares of face value of ₹10 each	[●]**	[●]
E	**SECURITIES PREMIUM**		
	Before the Issue (as on the date of this Draft Red Herring Prospectus)	-	1,104.16
	After the Issue	-	[●]

**To be updated upon finalization of the Issue Price.*

^ The Issue has been authorised by our Board of Directors at their meeting held on September 15, 2025, and our Shareholders pursuant to the resolutions passed at their meeting held on September 16, 2025.

*** Subject to finalization of Basis of Allotment.*

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

Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹10 each only. All the issued Equity Shares are fully paid-up. Our Company does not have any outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

Notes to Capital Structure

1. Change in Authorised Share Capital of our Company:

The initial authorized capital of our Company was ₹1,00,000/- (Rupees One Lakh only) consisting of 10,000 (Ten Thousand) Equity Shares of ₹10 (Rupees Ten only) each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of General Meeting	Particulars of change in Authorized Share Capital
June 1, 2010	Increase of the authorized share capital of our Company from ₹1,00,000/- (Rupees One Lakh only) consisting of 10,000 (Ten Thousand) Equity Shares of ₹10 (Rupees Ten only) each to ₹75,00,000/- (Rupees Seventy-Five Lakhs only) consisting of 7,50,000 (Seven Lakhs Fifty Thousands) Equity Shares of ₹10 (Rupees Ten only) each.
June 17, 2025	Increase of the authorized share capital of our Company from ₹7,50,000/- (Rupees Seventy-Five Lakhs only) consisting of 7,50,000 (Seven Lakhs Fifty Thousand) Equity Shares of ₹10 (Rupees Ten only) each to ₹17,00,00,000/- (Rupees Seventeen crores only) consisting of 1,70,00,000 (One Crore Seventy Lakhs) Equity Shares of ₹10 (Rupees Ten only) each.

2. History of Equity Share capital of our Company:

(a) Our existing paid-up Equity Share Capital has been subscribed and allotted in the manner set forth below:

Sr. No.	Date of Allotment	Nature of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Paid-Up Share Capital
1.	On Incorporation	Subscription-on to MOA[(1)]	10,000	10	10.00	Cash	10,000	1,00,000
2.	February 28, 2011	Acquisition of business by issue of shares[(2)]	5,76,000	10	50.00	Other than Cash	5,86,000	58,60,000
3.	March 24, 2015	Preferential Issue[(3)]	50,000	10	10.00	Cash	6,36,000	63,60,000
4.	August 22, 2025	Bonus Issue[(4)]	95,40,000	10	NA	NA	1,01,76,000	10,17,60,000
5.	September 17, 2025	Preferential Issue [(5)]	13,80,200	10	90.00	Cash	1,15,56,200	11,55,62,000

Notes:

1. *Initial Subscribers to the Memorandum of Association of our Company - 10,000 Equity Shares of face value of ₹10 each issued at par to the following persons:*

Sr. No	*Name*	*Number of Equity Shares*
1.	*Manojkumar Jayantilal Patel*	*7,500*
2.	*Avnish Manojkumar Patel*	*2,500*
	Total	***10,000***

2. *The Board of Directors in its meeting held on February 28, 2011, allotted 5,76,000 Equity Shares pursuant to the acquisition of the business of the partnership firm M/s. Shanti Industries from its partners, as per the Takeover*

Agreement executed on April 1, 2010. The acquisition pertains to the business of manufacturing inorganic chemicals, carried out by M/s. Shanti Industries at its operational units—Unit No. I located at 2015, Phase III, GIDC, Vatva, Ahmedabad, and Unit No. II located at Block No. 598/A, Village Piludra, Taluka Jambusar, District Bharuch, Gujarat. The business was acquired as a going concern on an 'as is where is' basis, with effect from April 01, 2010:

Sr. No	*Name*	*Number of Equity Shares*
1.	*Manojkumar Jayantilal Patel*	*5,23,000*
2.	*Avnish Manojkumar Patel*	*53,000*
	Total	***5,76,000***

3. *Allotment of 50,000 Equity Shares of face value of ₹10/- each by way of Preferential Issue to the following persons:*

Sr. No.	*Name*	*Number of Equity Shares*
1.	*Avnish Manojkumar Patel*	*50,000*
	Total	***50,000***

4. *Allotment of 95,40,000 Equity Shares of face value of ₹10/- each by way of Bonus Issue in the ratio of 15:1:*

Sr. No.	*Name*	*Number of Equity Shares*
1.	*Manojkumar Jayantilal Patel*	*65,26,350*
2.	*Avnish Manojkumar Patel*	*15,82,500*
3.	*Sarojben Manojbhai Patel*	*4,77,000*
4.	*Suhani Avanishkumar Patel*	*4,77,000*
5.	*Rameshbhai Bhimjibhai Patel*	*4,77,000*
6.	*Akash Arvindbhai Patel*	*75*
7.	*Rutvij V Desai*	*75*
	Total	***95,40,000***

5. *Allotment of 13,80,200 Equity Shares of face value of ₹10/- each by way of Preferential Issue to the following persons:*

Sr. No.	*Name*	*Number of Equity Shares*
1.	*Reina R Jaisinghani*	*6,37,200*
2.	*Seema Dilip Vora*	*1,66,800*
3.	*Invicta Continuum Fund I*	*1,66,800*
4.	*Amrut Bharat Opportunities Fund - Series I*	*1,40,400*
5.	*Piyush Kirti Purohit*	*1,16,000*
6.	*Shah Enterprises (Karta – Mayur Gulab Shah)*	*54,000*
7.	*Bhupendra Jagatsinh Rathod*	*39,600*
8.	*Rashmi Shivnarayan Sharma*	*38,400*
9.	*Krisha Vishal Talreja*	*10,000*
10.	*Milan P Shah (HUF)*	*5,000*
11.	*Jalpa Dhanpal Gandhi*	*4,000*
12.	*Jill Dhawal Poladia*	*2,000*
	Total	***13,80,200***

The securities issued by the Company from inception till the date of this Draft Red Herring Prospectus have been issued in compliance with the Companies Act 1956 and the Companies Act, 2013, more particularly, Section 81 for the private placement under the Companies Act, 1956 and Section 62(1)(c) and Section 42 for the private placement and Section 63 for Bonus issue under the Companies Act, 2013.

3. Convertible Warrants

Our Company does not have any outstanding convertible warrants as on the date of filing this Draft Red Herring Prospectus.

4. Preference Share Capital

As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

Our Company has one class of share capital, i.e., Equity Shares of face value of ₹10 each only. All Equity shares issued are fully paid up.

5. **Issue of shares for consideration other than cash or by way of bonus issue or out of revaluation of reserves**

Except as mentioned below, our Company has not issued any Equity Shares for consideration other than cash or by way of bonus issue or out of revaluation of reserves at any time since incorporation

Date of allotment	Nature of allotment	Issue price per equity shares (₹)	Number of equity shares allotted	Face value (₹)	Nature of consideration	Benefits accrued to our Company, if any
February 28, 2011	Acquisition of business by issue of shares (1)	50	5,76,000	10	Takeover of business of M/s. Shanti Industries	Acquisition of the business of manufacturing inorganic chemicals, carried out by M/s. Shanti Industries
August 22, 2025	Bonus Issue (2)	-	95,40,000	10	-	Capitalisation of reserves

1. *The Board of Directors in its meeting held on February 28, 2011, allotted 5,76,000 Equity Shares pursuant to the acquisition of the business of the partnership firm M/s. Shanti Industries from its partners, as per the Takeover Agreement executed on April 1, 2010. The acquisition pertains to the business of manufacturing inorganic chemicals, carried out by M/s. Shanti Industries at its operational units—Unit No. I located at 2015, Phase III, GIDC, Vatva, Ahmedabad, and Unit No. II located at Block No. 598/A, Village Piludra, Taluka Jambusar, District Bharuch, Gujarat. The business was acquired as a going concern on an 'as is where is' basis, with effect from April 01, 2010*:

Sr. No	*Name*	*Number of Equity Shares*
1.	*Manojkumar Jayantilal Patel*	*5,23,000*
2.	*Avnish Manojkumar Patel*	*53,000*
	Total	***5,76,000***

2. *Allotment of 95,40,000 Equity Shares of face value of ₹10/- each by way of Bonus Issue in the ratio of 15:1.*

Sr. No	*Name*	*Number of Equity Shares*
1.	*Manojkumar Jayantilal Patel*	*65,26,350*
2.	*Avnish Manojkumar Patel*	*15,82,500*
3.	*Sarojben Manojbhai Patel*	*4,77,000*
4.	*Suhani Avanishkumar Patel*	*4,77,000*
5.	*Rameshbhai Bhimjibhai Patel*	*4,77,000*
6.	*Akash Arvindbhai Patel*	*75*
7.	*Rutvij V Desai*	*75*
	Total	***95,40,000***

6. **Issue of Equity Shares pursuant to schemes of arrangement**

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-392 of the Companies Act, 1956 or Section 230 to 232 of the Companies Act, 2013

7. **Issue or transfer of Equity Shares under employee stock option schemes**

The Company does not have any employee stock option schemes under which any equity shares of the Company are granted. Accordingly, no Equity Shares have been issued or transferred by our Company pursuant to the exercise of any employee stock options.

8. **Issue of shares at a price lower than the Issue Price in the last year**

The Issue Price shall be determined by our Company in consultation with the BRLM after the BID/Issue Closing Date. Our Company has issued Equity Shares during a period of 1 (one) year preceding the date of this Draft Red Herring Prospectus which may be lower than the Issue Price.

9. Sub- Division/consolidation of Equity Shares in the last one year

Our Company has not undertaken any sub-division or consolidation of its equity shares in the one year preceding the date of this Draft Red Herring Prospectus.

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10. Shareholding Pattern of our Company

The table below presents the equity shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants, ESOP Etc.) (X)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or Non Disposal Undertaking or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights: Class: Equity Shares	Class: Others	Total	Total as a % of (A+B+C)				Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
(A)	Promoters and Promoter Group	4	96,67,040	-	-	96,67,040	83.65	96,67,040	-	96,67,040	83.65	-	96,67,040	83.65	-	-	-	-	96,67,040
(B)	Public	15	18,89,160	-	-	18,89,160	16.35	18,89,160	-	18,89,160	16.35	-	18,89,160	16.35	-	-	-	-	18,89,160
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**19**	**1,15,56,200**	**-**	**-**	**1,15,56,200**	**100.00**	**1,15,56,200**	**-**	**1,15,56,200**	**100.00**	**-**	**1,15,56,200**	**100.00**	**-**	**-**	**-**	**-**	**1,15,56,200**

Notes

- *As on date of this Draft Red Herring Prospectus 1 Equity Share holds 1 vote.*
- *We have only one class of Equity Shares of face value of ₹ 10/- each.*
- *We have entered into tripartite agreement* dated May 20, 2025, and July 04, 2025, *with NSDL and CDSL respectively.*
- *Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of NSE before commencement of trading of such Equity Shares*.

11. **Details of shareholding of our Company**

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 19 (Nineteen) Shareholders.

Set forth below are the details of the build – up of our Promoters' shareholding in our Company since incorporation:

Manojkumar Jayantilal Patel

Date of Allotment / Acquisition	Number of Equity Shares Allotted / Transferred	Face value per Equity Share (₹)	Issue / Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of Allotment / Transfer	% of Pre-Issue capital	% of Post-Issue capital
On Incorporation	7,500	10	10	Cash	Subscription to the MOA	0.06%	[●]
February 28, 2011	5,23,000	10	50	Other than cash	Acquisition of business by issue of shares	4.53%	[●]
December 2, 2024	(31,800)	10	283	Cash	Transfer to Rameshbhai Bhimjibhai Patel	(0.28%)	[●]
December 2, 2024	(5)	10	283	Cash	Transfer to Akash Arvindbhai Patel	Negligible	[●]
December 2, 2024	(5)	10	283	Cash	Transfer to Rutvij V Desai	Negligible	[●]
January 23, 2025	(31,800)	10	-	-	Gift to Suhani Avanishkumar Patel	(0.28%)	[●]
January 23, 2025	(31,800)	10	-	-	Gift to Sarojben Manojbhai Patel	(0.28%)	[●]
August 22, 2025	65,26,350	10	-	NA	Bonus Issue	56.47%	[●]
Total	**69,61,440**	**-**	-	**-**	**-**	**60.24%**	**[●]**

Avnish Manojkumar Patel

Date of Allotment / Acquisition	Number of Equity Shares Allotted / Transferred	Face value per Equity Share (₹)	Issue / Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of Allotment / Transfer	% of Pre-Issue capital	% of Post-Issue capital
On	2,500	10	10	Cash	Subscription	0.02%	[●]

Date of Allotment / Acquisition	Number of Equity Shares Allotted / Transferred	Face value per Equity Share (₹)	Issue / Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of Allotment / Transfer	% of Pre-Issue capital	% of Post-Issue capital
Incorporation					to the MOA		
February 28, 2011	53,000	10	50	Other than cash	Acquisition of business by issue of shares	0.46%	**[●]**
March 24, 2015	50,000	10	10	Cash	Private Placement	0.43%	**[●]**
August 22, 2025	15,82,500	10	-	NA	Bonus Issue	13.69%	[●]
Total	**16,88,000**	**-**	-	**-**	**-**	**14.61%**	**[●]**

12. List of Shareholders of the Company holding 1% or more of the paid-up Equity Share Capital of the Company

(a) As on the date of filing of this Draft Red Herring Prospectus

Sr. No.	Name of Shareholder	Equity Shares Held (Face Value of ₹10 each)	% of Equity Share Capital
1.	Manojkumar Jayantilal Patel	69,61,440	60.24
2.	Avnish Manojkumar Patel	16,88,000	14.61
3.	Reina R Jaisinghani	6,37,200	5.51
4.	Sarojben Manojbhai Patel	5,08,800	4.40
5.	Suhani Avanishkumar Patel	5,08,800	4.40
6.	Rameshbhai Bhimjibhai Patel	5,08,800	4.40
7.	Seema Dilip Vora	1,66,800	1.44
8.	Invicta Continuum Fund I	1,66,800	1.44
9.	Amrut Bharat Opportunities Fund - Series I	1,40,400	1.21
10.	Piyush Kirti Purohit	1,16,000	1.00
	Total	**1,14,03,040**	**98.67**

(b) 10 days prior to date of filing of this Draft Red Herring Prospectus

Sr. No	Name of Shareholder	Equity Shares Held (Face Value of ₹10 each)	% of Equity Share Capital
1.	Manojkumar Jayantilal Patel	69,61,440	68.41
2.	Avnish Manojkumar Patel	16,88,000	16.59
3.	Sarojben Manojbhai Patel	5,08,800	5.00
4.	Suhani Avanishkumar Patel	5,08,800	5.00
5.	Rameshbhai Bhimjibhai Patel	5,08,800	5.00
	Total	**1,01,75,840**	**100.00**

(c) One year prior to date of filing of this Draft Red Herring Prospectus

Sr. No.	Name of Shareholder	Equity Shares Held (Face Value of ₹10 each)	% of Equity Share Capital
1.	Manojkumar Jayantilal Patel	5,30,500	83.41%
2.	Avnish Manojkumar Patel	1,05,500	16.59%

Sr. No.	Name of Shareholder	Equity Shares Held (Face Value of ₹10 each)	% of Equity Share Capital
	Total	**6,36,000**	**100.00%**

(d) Two years prior to date of filing of this Draft Red Herring Prospectus

Sr. No.	Name of Shareholder	Equity Shares Held (Face Value of ₹10 each)	% of Equity Share Capital
1.	Manojkumar Jayantilal Patel	5,30,500	83.41%
2.	Avnish Manojkumar Patel	1,05,500	16.59%
	Total	**6,36,000**	**100.00%**

13. **The aggregate shareholding of the Promoters and Promoter Group**:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)	Percentage of the Post-Issue Equity Share capital (%)
Promoters				
1.	Manojkumar Jayantilal Patel	69,61,440	60.24	[●]
2.	Avnish Manojkumar Patel	16,88,000	14.61	[●]
Promoters Group				
1.	Suhani Avanishkumar Patel	5,08,800	4.40	[●]
2.	Sarojben Manojbhai Patel	5,08,800	4.40	[●]
	Total	**96,67,040**	**83.65**	[●]

14. **Except as provided below no Equity Shares were acquired/ purchased/ sold by the Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus**:

Sr. No.	Date of Allotment/Transfer	Category of Allottees	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)	Purchase/Sold
Promoters Group					
A. Suhani Avanishkumar Patel					
1	August 22, 2025	Promoter Group	4,77,000	4.13%	Bonus Allotment
B. Sarojben Manojbhai Patel					
1	August 22, 2025	Promoter Group	4,77,000	4.13%	Bonus Allotment

15. The members of the Promoters' Group, our Directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Draft Red Herring Prospectus.

16. Details of Promoters' Contribution locked for 3 (three) years

Pursuant to the Regulation 236 and 238 of the SEBI ICDR Regulations, an aggregate of 20.00% of the Post-Issue Equity Share Capital held by our Promoters shall be considered as promoters' contribution **("Promoters' Contribution")** and locked-in for a period of 3 (three) years from the date of Allotment of the Equity Shares. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 86,49,440 Equity Shares of face value of ₹10/- each constituting 74.85% of the pre-issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoters, Manojkumar Jayantilal Patel and Avnish Manojkumar Patel, have given written consent to include 86,49,440 Equity Shares of face value of ₹10/- each held by them and subscribed by them as part of Promoters Contribution constituting [●]% of the post Issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

Name of Promoters	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Issue / Acquisition price per Equity Share (₹)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the Post- Issue paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	**[●]**				**[●]**	**[●]**	**[●]**	

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

Details of Promoters' Contribution Locked-in for one year and two years

Pursuant to Regulation 238(b) of the SEBI ICDR Regulations, read with the additional eligibility criteria for obtaining in-principle approval for listing on the EMERGE Platform of NSE, as well as notification released pertaining to the amendment of SEBI ICDR Regulations vide dated March 3, 2025, the following lock-in requirements apply:

In addition to the Minimum Promoters' Contribution, which is locked in for 3 (three) years as mentioned above, the Equity Shares held by our Promoters and Promoters' holding in excess of Minimum Promoters' Contribution shall be locked as follows:

(i) 50% (fifty percent) of promoter's holding in excess of minimum promoter's contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and

(ii) remaining 50% (fifty percent) of promoter's holding in excess of minimum promoter's contribution shall be locked in for a period of one year from the date of allotment in the initial public offer

Details of pre-issue Equity Shares held by persons other than the Promoters locked-in for One Year

The Equity Shares held by shareholders other than Promoters shall be locked-in for a period of 1 (one) year from the date of allotment in the Issue, the same may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the SEBI Takeover Regulations.

17. All the Equity Shares held by our Promoters and Promoter Group are in dematerialized form.

18. **Compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoter's contribution of 20% as shown above which is subject to lock-in for three years, we confirm the following:**

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares Forming part of the Promoters Contribution
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	Eligible
237(1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution.	Eligible
237(1)(b)	Specified securities acquired by the promoters' and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, or any non-individual public shareholder holding at least five per cent. of the post-issue capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s) during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.	Eligible
237(1)(c)	Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management.	Eligible
237(1)(d)	Specified securities pledged with any creditor	Eligible

19. Inscription or recording of non-transferability

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

20. Pledge of Locked in Equity Shares

In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as Minimum Promoter's Contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary(ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.

In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

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

21. Transferability of Locked in Equity Shares

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

The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI ICDR Regulations may be transferred to any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

The Equity Shares held by persons other than Promoters and locked in as per Regulation 239 of the SEBI ICDR Regulations may be transferred to any other person (including Promoters' Group) holding the Equity Shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock in period stipulated has expired.

22. Lock-in of Equity Shares Allotted to Anchor Investors

50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investors Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.

23. Lock-in of Equity Shares Allotted to Anchor Investors

The Company does not have any employee stock option schemes under which any equity shares of the Company are granted. Accordingly, no Equity Shares have been issued or transferred by our Company pursuant to the exercise of any employee stock options.

Other Confirmations

24. The IPO comprises only equity shares. Accordingly, no optionally convertible debt instruments are being offered to the public. Hence, the requirement for the promoter to undertake full conversion of such instruments does not arise.

25. Our Company, our Directors and the Book Running Lead Manager have not entered into any buy-back arrangements for the purchase of Equity Shares being issued through this Draft Red Herring Prospectus from any person.

26. We have 19 (nineteen) shareholders as on the date of filing of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, the entire Issued, Subscribed and Paid-up Equity Share Capital of our Company is fully paid up. Since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be allotted fully paid-up Equity Shares.

27. The Book Running Lead Manager and their associates do not hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus. The BRLM and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may, in the future, engage in investment banking transactions with our Company for which they may receive customary compensation.

28. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.

29. Our Company has not raised any bridge loan against the proceeds of the Issue.

30. As on the date of filing of the Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.

31. As per RBI regulations, OCBs are not allowed to participate in this Issue.

32. As on date of the Draft Red Herring Prospectus, other than the Equity Shares, there is no other class of securities issued by our Company.

33. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

34. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters/ Promoter Group are subject to any pledge.

35. As on the date of filing this Draft Red Herring Prospectus document, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

36. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.

37. There are no Equity Shares against which depository receipts have been issued.

38. There are no safety net arrangements for this public Issue.

39. Our Promoters and Promoter Group will not participate in this Issue.

40. This Issue is being made through Book Building Process.

41. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-Issue paid-up Equity Shares Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, from time to time.

42. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

43. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing this Draft Red Herring Prospectus and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of the transactions.

44. Except as stated below, none of our other Directors or Key Managerial Personnel or Senior Managerial Personnel holds Equity Shares in our Company:

Sr. No.	Name of Individual	Designation	Number of Equity Shares	% of Pre-Issue paid up Share Capital
1	Manojkumar Jayantilal Patel	Chairman and Managing Director	69,61,440	60.24%
2.	Avnish Manojkumar Patel	Joint Managing Director	16,88,000	14.61%
3.	Suhani Avanishkumar Patel	Non-Executive Director	5,08,800	4.40%

Note: Manojkumar Jayantilal Patel and Avnish Manojkumar Patel are the Promoters of our Company.

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SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue consists of fresh issue of up to 50,00,000 equity shares of our Company at an Issue Price of ₹ [●] per equity share, aggregating up to ₹ [●] lakhs. For further information, please see *"**The Issue**"* and ***"Summary of the Issue Document"*** on pages 70 and 23, respectively. We intend to utilize the proceeds of the issue (the "**Gross Proceeds**") after deducting the Issue related expenses ("**Net Proceeds**") to meet the following objects as approved by the Board of Directors of the Company:

1. Part funding the capital expenditure towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite situated at Bavla, Ahmedabad, Gujarat; (*"**Proposed Project**"*)

2. General Corporate Purposes

   (*collectively, referred to herein as the "**Objects**"*)

In addition to the aforementioned Objects, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which the funds are being raised by our Company through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Issue Proceeds

The details of the Issue Proceeds are set forth in the following table:

(₹ in lakhs)

Particulars	Estimated Amount
Gross proceeds to be raised through the Issue*	Up to [●]
Less: Issue related expenses**	[●]
Net Proceeds	**[●]**

**Assuming full subscription in the Issue and subject to finalization of the basis of Allotment. To be finalised upon determination of the Issue Price and updated in the Prospectus prior to the filing with the RoC.*
***The Issue expense shall vary depending upon the final Issue size and the allotment of Equity Shares.*

Requirement of Funds and Utilization of Net Proceeds

We intend to utilize the Net Proceeds of the Issue of ₹ [●] lakhs to finance the objects as set forth below:

(*₹ in lakhs*)

Sr. No.	Particulars	Estimated Amount
1.	Part funding the capital expenditure towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite situated at Bavla, Ahmedabad, Gujarat;	4,300.00
2.	General Corporate Purposes*	[●]
	Net Proceeds#	**[●]**

**The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Issue or ₹1,000.00 lakhs; whichever is lower.*
#To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

Details of Means of Finance for the Proposed Project

We propose to fund the Proposed Project in the manner as set forth below:

(₹ in lakhs)

Sr. No.	Means of Finance	Amount
1.	Net proceeds from this Issue*	4,300.00
2.	Secured term loans from Banks**	3,400.00
3.	Private Placement of Equity shares of Face Value of ₹ 10 each	1,242.18
4.	Internal accruals	1,828.70
	Total cost of Project	**10,770.88**

**Assuming full subscription in the Issue and subject to finalization of the basis of allotment.*

***We have been sanctioned, vide sanction letter dated November 29, 2024, a secured term loan of ₹3,400.00 lakhs from HDFC Bank Limited*

The fund requirement for capital expenditure of ₹10,770.88 lakhs shall be met partially from Net Proceeds (up to ₹4,300.00 lakhs) and the balance requirement has been funded through our Company's internal accruals, secured term loans from HDFC Bank Limited and private placement of Equity Shares of face value of ₹ 10 each. In view of the above, we confirm that for our Company, the firm arrangements of finance under paragraph 9(C)(1) of Part A of Schedule VI and Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue and existing identifiable internal accruals, is available with our Company, as total project cost is ₹10,770.88 lakhs, out of which the Company has availed secured term loans of ₹3,400.00 lakhs as on November 29, 2024 and the fund deployed through identified internal accruals i.e., ₹461.64 lakhs as on August 31, 2025. Accordingly, our Company is in compliance with paragraph 9(C)(1) of Part A of Schedule VI and Regulation 230(1)(e) of the SEBI ICDR Regulations, which requires firm arrangements of finance, through verifiable means, for 75% of the stated means of finance, excluding the amount to be raised through the proposed issue and identifiable internal accruals as follows:

(In ₹ lakhs)

Particulars	Amount
Aggregate funds required for the Objects of the Issue (A)	10,770.88
Amount proposed to be financed from Net Proceeds (B)	4,300.00
Funds deployed till August 31, 2025 through internal accruals (C)*	461.64
Funds required excluding the Net Proceeds and Identified Internal Accruals (A) - (B) - (C)	6,009.23
Arrangements regarding 75% of the funds required excluding the Issue proceeds and identified internal accruals	**4,506.93**
Funded by Secured Term Loans	3,400.00
Funded by Private Placement	1,242.18

**As certified by S. N. Shah & Associates, Chartered Accountants, our Statutory Auditors, by way of their certificate dated September 26, 2025, the amount already deployed as on August 31, 2025 was funded from internal accruals by our Company.*

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "***Risk Factors***" beginning on page 31.

Proposed Schedule of Implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(in ₹ lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount already deployed as on August 31, 2025	Amount which will be financed from the Net Proceeds	Estimated Utilisation of the Net Proceeds in Fiscal 2026	Estimated Utilisation of the Net Proceeds in Fiscal 2027
1.	Part funding the capital expenditure towards setting up a new facility for manufacturing of sodium meta bisulphite,	10,770.88	461.64	4,300.00	3,000.00	1,300.00

Sr. No.	Particulars	Total Estimated Cost	Amount already deployed as on August 31, 2025	Amount which will be financed from the Net Proceeds	Estimated Utilisation of the Net Proceeds in Fiscal 2026	Estimated Utilisation of the Net Proceeds in Fiscal 2027
	sodium bisulphite powder and ammonium bisulphite situated at Bavla, Ahmedabad, Gujarat					
2.	General Corporate Purposes*	[●]	[●]	[●]	[●]	[●]
	Total	[●]	[●]	[●]	[●]	[●]

**To be finalised upon determination of Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Issue or ₹1,000.00 lakhs; whichever is lower.*

The above fund requirements, the deployment of funds and the intended use of the Net Proceeds as described above are based on our current business plan, management estimates, prevailing market conditions, purchase and work orders issued to suppliers & contractors and quotations received by the Company and other commercial and technical factors including interest rates, exchange rate fluctuations and other charges. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution. Our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board and will not be subject to monitoring by any independent agency. In view of the competitive environment of the industry in which we operate, we may have to revise our business plan from time to time and consequently, our funding requirements may also change. We may have to revise our funding requirements and deployment from time to time on account of various factors such as economic and business conditions, increased competition, negotiation with vendors and other external factors which may not be within our control. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. Further, in case, the Net Proceeds are not completely utilized in a scheduled Fiscal Year due to any reason, the same would be utilized (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes which shall not exceed 15% of the Gross Proceeds or ₹ 1,000.00 lakhs, whichever is lower, in accordance with the SEBI ICDR Regulations. For further details, please see *"**Risk Factors - Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a financial institution or a bank or any other independent agency and deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring agency. Further, we have not entered into definitive arrangements with some of the vendors to utilize certain portions of the Net Proceeds of the Issue. We have relied on the quotations received from third parties for estimation of the cost for our capital expenditure requirements and have not been independently appraised by a bank or a financial institution.**"* on page 53 of this Draft Red Herring Prospectus.

In case of any increase in the actual utilization of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds, such additional funds will be met through means available to us, including by way of incremental debt and/or internal accruals.

Details of the Objects of the Issue

The details of the Objects of the Issue are set forth below:

1. **Part funding the capital expenditure towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite situated at Bavla, Ahmedabad, Gujarat**

   As on date of this Draft Red Herring Prospectus, our Company has two manufacturing facilities located at (i) plot no. 2015, phase III, GIDC, Vatva, Ahmedabad – 382445, Gujarat, India, admeasuring the plot area of ~1,140 square meters, with a current installed capacity of 16,200 metric tonnes per annum (MTPA) ("**Vatva Unit**") ; and (ii) plot no. 5/A & 5/B Sankalp industrial estate, Village: Chiyada, Ta.: Bavla, Ahmedabad, admeasuring the plot area of ~8,601.10 sq.mt., with a current installed capacity of

18,000 MTPA ("**Bavla Unit**"). Our Vatva unit is engaged in manufacturing of sodium meta bisulphite, sodium bisulphite solution/powder and ammonium bisulphite and Bavla unit is engaged in the manufacturing of sodium sulphite anhydrous.

As of March 31, 2025, the installed and utilized capacity of our manufacturing facilities, as certified by S. K. Patel, an Independent Chartered Engineer, vide his certificate dated September 20, 2025, is as follows:

Products	Installed Capacity (MT)	Fiscal 2025 Actual Production (MT)	Capacity Utilization (%)
Manufacturing Unit - I			
Sodium Meta Bisulphite	1,600	1,354	84.63%
Sodium Bisulphite Solution/Powder	8,200	8,139	99.26%
Ammonium Bisulphite	9,000	8,936	99.29%
Total	**18,800**	**18,429**	**98.03%**
Manufacturing Unit – II (Phase I)			
Sodium Sulphite Anhydrous	18,000	610.00	3.39%*

As part of our strategy to expand our manufacturing capacity to support growth initiatives and to meet growing market demands of our products, our Company intends to set up a new facility at Plot No. 6 and 7, Sankalp Industrial Estate, Chiyada, Bavla on adjacent land already acquired admeasuring the plot area of ~17,212.07 sq.mt., with an installed capacity of 31,200 MTPA to manufacture sodium meta bisulphite, sodium bisulphite powder/solution and ammonium bisulphite. The Proposed Project will cater to growing domestic and export demand and enable us to manufacture higher-grade products with enhanced quality and efficiency. For further details, see *"**Our Business – Strategies – Expansion of manufacturing capacity to support growth initiatives**"* on page 171 of this Draft Red Herring Prospectus.

The Company intends to use the Net Proceeds from the Issue towards part funding of capital expenditure for setting up a new facility at Bavla, Ahmedabad which includes civil & structural work, purchase and installation of plants & machineries and electricals fittings. This plant and machineries includes a sulphur burner system, ammonium bisulphite system and Sodium metabisulphite (SMBS) system engineering and equipment and other equipments. These plant and machineries will enable us to manufacture higher-grade quality products and enhance production capacity. Further, automation and streamlined operations through this plant and machineries will reduce manpower requirements and optimize our operational costs. By installation of these plant and machineries, we continue to strengthen our presence in India and international market.

Our Company currently caters to diverse range of established industries such as oil drilling, pharmaceuticals, food and beverages, pulp & paper, chemicals, and water treatment. Further, we intend to focus on leveraging opportunities in new end-use industries such as seafood processing, gold mining, specialty chemicals, leather and power plant where sulphur-based chemicals are used.

Land

For this new facility at Bavla, Ahmedabad, our Company has already acquired the land of plot no. 6 and 7, Sankalp industrial estate, Chiyada, Bavla admeasuring the plot area of ~8,596.28 sq.mt. and ~8,615.79 sq.mt., respectively. Our Company has executed purchase agreements with Geeta Sanjivkumar Kad and Vireshkumar Munilal Gupta for plot no. 6 and 7 on July 11, 2023 and November 16, 2024, respectively. Our Company has paid total consideration of ₹150.00 lakhs and ₹86.16 lakhs for plot no. 6 and 7, respectively, which have been funded from internal accruals. We confirm that no portion of the Net Proceeds shall be utilised towards purchase of land for the Proposed Project.

The non agriculture use permission for industrial use has been granted by the Jilla Vikas Adhikari, Ahmedabad.

Details of Estimated Costs

The total estimated cost of capital expenditure for setting up a new facility is ₹10,770.88 lakhs. The detailed break-down of estimated cost is set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount*
I.	Civil and structural work	1,967.06
II.	Plant and machinery	8,559.37
III.	Electricals and fittings	244.45
	Total	**10,770.88**

**Including GST and other applicable taxes*

I. Civil and structural work:

Our Company proposes to incur an aggregate cost of ₹1,967.06 lakhs towards civil and structural work as set forth below:

Sr. No.	Particulars	Name of the Supplier	Purchase Order/Quotation Date	Amount (in ₹ lakhs)*	Validity
A	**Construction**				
1.	SB & ABS System	United ventures	September 16, 2024	371.70	Note 1
2.	Sulphur & ammonia storage			796.50	
3.	Office building			295.00	
4.	Roads & walls			206.50	
5.	Warehouse with prepaid shade			145.14	
	Sub-Total (A)			**1,814.84**	
B	**Warehouse Shed**				
1.	3000 M² area peb made structure with pre coated sheet and accessories	OM Engineering	August 10, 2025	152.22	90 days
	Sub-Total (B)			**152.22**	
	Total (A+B)			**1,967.06**	

**Including GST*

Note 1: The Company has made an advance payment of ₹8.62 lakhs on October 23, 2024

II. Plant and Machinery:

Our Company proposes to incur an aggregate cost of ₹8,559.37 lakhs towards purchase of plant and machinery. We do not intend to purchase any second-hand equipment. The details of the new plant and machinery proposed to be installed are set forth below:

Sr. No.	Description	Name of the Supplier	Quotation no./Purchase order (PO) no. & Date	Quantity (in nos)	Total Amount (in ₹ lakhs)*	Validity
1.	**Sulphur Burner System and ABS System:**					
	Modular engineering and equipment "Made in India":	Harickson Solutions LLP	SICPL/PO/00102/25-26 April 25,2025	-	2,784.87	Note 1
	Combustion air dehumidification systems			2		
	Dehumidification chillers			2		
	Sulphur storage tank			1		
	Diffusion filters			2		
	Atomizing air heater			1		
	Sweep air heater			1		

Sr. No.	Description	Name of the Supplier	Quotation no./Purchase order (PO) no. & Date	Quantity (in nos)	Total Amount (in ₹ lakhs)*	Validity
	PLCs (hardware & software) and HMI			1		
	Sulphur burner (shell & refractory)			1		
	Waste heat boiler			1		
	Economizer			1		
	Deaerator tank			1		
	Blowdown separator			1		
	Diffusion filter housing			1		
	Instruments and control valves			1		
	Manual valves					
	Desuperheater			1		
	Process pumps			1		
	Air fuel skid			1		
	So2 cooling tower skid			1		
	Boiler access platform			1		
	ABS pumps and heat exchanger skid			1		
	Abs strong tower			1		
	Engineering and equipment "Imported to India"	A.H. Lundberg Systems & Haricksons (Canada)	SICPL/PO/00101/25-26 April 25,2025	-	2,235.11	Note 2
	Combustion air compressors			3		
	Atomizing and instrument air Compressors			1		
	Auxiliary fuel burner			1		
	Sulphur injection pumps					
	Sulphur firing nozzle			1		
	So2 cooling tower			1		
	Diffusion filters			3		
	So2 cooling tower heatexchangers			2		
	Weak acid storage tank			1		
	Strong acid storage tank			1		
	Acid dilution cooler			1		
	Tower heatexchangers			1		
	Flame scanner			1		
	I/R pyrometer			1		

Sr. No.	Description	Name of the Supplier	Quotation no./Purchase order (PO) no. & Date	Quantity (in nos)	Total Amount (in ₹ lakhs)*	Validity
	Sulphur burner chamber thermocouple			2		
	Sulphur burner chamber temperature tramsmitter (TE402A)			1		
	Temperature switch TSL 402B			1		
	Jacketed valves			1		
2.	**Sodium metabisulphite (SMBS) system engineering:**	Harickson Solutions LLP	Proposal_SIC-24-250812-03 September 05,2025	-	737.50	30 days
	General Engineering: Project standards, general arrangement drawing, general arrangement equipment 3D model, piping arrangement drawings, general arrangement piping 3D model, civil foundation drawings, civil structure/building drawings					
	Process Engineering: Heat and mass balance sheet, process flow diagram (PFD), P&ID with control points, utilities conditions, technical procedures (safety, operation, analysis), test run plan, catalyst loading plan & tower internals installation plan, start-up plan / accident handling plan, MSDS for raw materials, intermediates & products, process control narrative					
	Mechanical Engineering: Equipment list, non-standard equipment outline drawing w/ civil loading info, module general arrangement drawing, equipment datasheet (standard equipment), insulation specifications, construction plan, anti-corrosion & paint specifications, tank drawings (including field erected tanks)					
	Piping Engineering: piping list, piping tie-in list, hand valve list, piping support list, piping MTO, piping 3D model, piping layout drawing, piping detail drawing, piping isometrics (3” and above), piping tie-in drawings, piping support location					

Sr. No.	Description	Name of the Supplier	Quotation no./Purchase order (PO) no. & Date	Quantity (in nos)	Total Amount (in ₹ lakhs)*	Validity
	and details, piping stress calculations (3” and above)					
	Instrumentation & Electrical: Instrumentation list, control logic document, electrical equipment conditions sheet, total electrical load summary					
3.	**Sodium metabisulphite (SMBS) system equipment:**	Harickson Solutions LLP	Proposal_SIC-24-250812-04b September 22,2025	-	2,165.30	30 days
	Buffer tank			1		
	Slurry preparation tank			1		
	Centrifugal pumps for slurry			2		
	Synthesis reactor			4		
	Synthesis feed pump			8		
	Slurry tank			1		
	Washing solution preparing tank			1		
	Solution preparation tank			2		
	Mother liquor tank			2		
	Tail gas tower			1		
	Tail gas pump			4		
	Drying tail gas tower			1		
	Drying tail gas pump			4		
	Crystalliser unit			1		
	Surface condenser			1		
	Instrument			1		
4.	5000 LPH Manual RO Plant + DM plant	Avni Enterprises	WT/23/0001 August 03,2025	1	11.68	60 days
5.	Sodium Bisulphite Solution Storage Tank (200 KL Capacity)	Chemical Process Equipment Pvt Ltd	CPE2223-G-09-105 August 01,2025	6	266.21	60 days
6.	Anhydrous Ammonia unloading system & storage tank and Ammonia Dilution System	Mysore Ammonia	August 30,2025	2	324.50	120 days
7.	1250 KVA, 11KV/0.433 kV distribution transformer with OLTC + RTCC + AVR, fittings and accessories as per IS 1180 Energy efficiency level-I (Earlier EE level II)	Transformers & Rectifiers (India) Ltd	MKTG/TARIL/SS22097R 5/SS/2025-26 August4, 2025	2	24.49	90 days

Sr. No.	Description	Name of the Supplier	Quotation no./Purchase order (PO) no. & Date	Quantity (in nos)	Total Amount (in ₹ lakhs)*	Validity
8.	Sulphur Meltors Pits & Filters	PSK Corofrac linings Pvt Ltd	PSKC/CIPL/25-26/103 August 03,2025	1	9.71	90 days
	Total				**8,559.37**	

*****_Including GST_

Note 1: The Company has made an advance payment of ₹61.50 lakhs, ₹30.86 lakhs and ₹59.07 lakhs on March 4, 2024, May 9, 2024, and December 14, 2024, respectively.

Note 2: The Company has made an advance payment of ₹92.85 lakhs, ₹200.44 lakhs and ₹8.30 lakhs on April 19, 2024, May 22, 2024, and October 1, 2024, respectively.

III. Electricals and fittings

Our Company proposes to incur an aggregate cost of ₹244.45 lakhs towards electricals works as set forth below:

Sr. No.	Particulars	Name of the Supplier	Quotation no. & Date	Quantity (in nos)	Total Amount (in ₹ lakhs)	Validity
A	**Electrical MCC, PCC, HT Panels**					
1	Supply of Main LT PCC Panel as per attached BOM Annexure	Ele+mech engineering solution	EMES/2526/53 August 03,2025	1	41.43	90 days
2	Supply of 300 KVAR APFC Panel as per attached BOM Annexure			1	18.03	
3	Supply of MCC Panel-1 with iMCC controller as per attached BOM Annexure			1	23.77	
4	Supply of MCC Panel-2 with iMCC controller as per attached BOM Annexure			1	37.77	
5	Supply of MCC Panel-3 with iMCC controller as per attached BOM Annexure			1	5.47	
6	Supply of MLDB Panel as per attached BOM Annexure			1	1.49	
7	Supply of UPS DB Panel as per attached BOM annexure			1	0.46	
8	Supply of PLC Panel & SCADA Software as per attached BOM annexure			1	6.55	
9	2000 Amp AL conventional busduct with powder coated fabrication and busbar supports (Supply only)			3	0.95	
10	2000 Amp copper flexible jumper for transformer end			1	0.38	
11	Supply of 11KV Indoor Type (1 I/C + 2 O/G) VCB Panel with AL busbar as per above technical offer.			1	25.25	
12	Supply of 11KV RMU panel as per above technical offer.			1	4.25	
	Sub Total (A)				**165.80**	
B	**Electrical erection work cables, trays etc.**					
13	Supply and installation of 11 KV two pole structure	Teton Projects Pvt Ltd	PCL-2204-E-CA-00-002-00 August 11,2025	-	1.83	120 days
14	Unloading and installation of HT & L.T Panel				2.32	
15	Supply and unloading, testing and laying of LT Cables				12.28	
16	Termination of HT Cable				0.52	
17	Termination of LT Cable				4.39	
18	Supply and installation of maintenance free earthing pit				4.03	
19	Supply & fixing of earthing grid by copper/hot deep glavnized (80-100				6.53	

Sr. No.	Particulars	Name of the Supplier	Quotation no. & Date	Quantity (in nos)	Total Amount (in ₹ lakhs)	Validity
	Micron)					
20	Point wiring				1.70	
21	Distribution boards				1.16	
22	Supply and fixing of fittings & fixtures				10.08	
23	Providing and fixing sub-station accessories.				1.06	
24	Liasoning work				0.59	
25	Supply & installation of cable tray				11.45	
26	M.S Material-Supports for tray, PDB, MCC, pushbutton station, capacitor banks etc.				5.50	
27	Excavation & back filling of tranches				2.36	
28	Supply & installation of power plug metal encloser-IP65 type				1.74	
29	Supply and installation of lightening protection system				1.53	
30	Supply & installation of street light pole				9.59	
	Sub-total (B)				**78.65**	
	Total (A+B)				**244.45**	

******Including GST*

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with some of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide the service at the same costs. For further details, please see ***"Risk Factors - Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a financial institution or a bank or any other independent agency and deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring agency. Further, we have not entered into definitive arrangements with some of the vendors to utilize certain portions of the Net Proceeds of the Issue. We have relied on the quotations received from third parties for estimation of the cost for our capital expenditure requirements and have not been independently appraised by a bank or a financial institution.***" on page 53 of this Draft Red Herring Prospectus. There may be revision in the final amounts payable towards these quotations pursuant to any other taxes or levies payable on such items including, change of suppliers and manufacturers and/or increase due to change in the exchange rates. If there is any increase in the costs of equipment, the additional costs shall be paid by our Company from its internal accruals and general corporate purposes. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment according to the business requirements of such facilities and based on the estimates of our management. The actual mode of deployment has not been finalised as on the date of this Draft Red Herring Prospectus.

No second-hand or used machinery is proposed to be purchased out of Net Proceeds. Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed civil & structural works, acquisition of plant and machinery, utilities or in the entities from whom we have obtained quotations in relation to such activities.

Implementation Schedule

The implementation schedule for proposed project is set forth below:

Activities	Actual/Estimated	
	Commencement (Month, Year)	Completion (Month, Year)
Acquisition of land:		
- Plot No. 6, Sankalp Industrial Estate, Chiyada, Bavla, Ahmedabad	July 11,2023	July 11,2023
- Plot No. 7, Sankalp Industrial Estate, Chiyada, Bavla, Ahmedabad	November 16, 2024	November 16, 2024
Building and civil works	August 2025	April 2026
Purchase and commissioning of plant and machinery and electricals	January 2026	May 2026
Trial production	June 2026	July 2026
Commencement of commercial production	August 2026	August 2026

Infrastructure facilities and Utilities

Power

In relation to the enhancement of our capacity, our Company will require ~1,600 to ~1,700 KVA power which is proposed to be sourced through a power supply agreement with Uttar Gujarat Vij Co. Ltd.

Water

The proposed new facility in Ahmedabad will consume approximately 82 KLD of water during operations.

Technical Knowhow

Since our Company will undertake the same line of business activity, no other special technical "know how" is required.

Government Approvals

In relation to the Proposed Project, our Company has obtained/under process of obtaining necessary approvals, which are routine in nature, from certain governmental or local authorities. Our Company undertakes to obtain all necessary approvals from the relevant authorities, as applicable, at the relevant stages. For further details, see the chapter titled "***Government and Other Statutory Approvals***" on page 291 of this Draft Red Herring Prospectus.

2. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds, aggregating to ₹ [●] lakhs towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such utilization not exceeding 15% of the gross proceeds of the Issue or ₹ 1,000.00 lakhs; whichever is lower in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilize Net Proceeds may include, but are not restricted to, brand building and other marketing expenses, salaries and wages, rent, administration expenses, electricity bills of manufacturing plants, godown and offices, upgradation of information technology, infrastructure, insurance related expenses, payment of taxes and duties, repair, maintenance, renovation and upgradation of our offices or branches, strategic initiatives, funding growth opportunities such as acquiring assets include furniture, fixtures and vehicles, leasehold improvements and intangibles, and similar other expenses incurred in the ordinary course of our business or towards any exigencies.

Our management, in response to the competitive and dynamic nature of our industry and business, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilisation of funds towards any of the purposes will be determined by the Board or a duly appointed committee, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

Estimated Issue related expenses

The total expense of this Issue is estimated to be ₹ [●] lakhs. The break-up of the Issue expenses is as follows:

Particulars	Amount* (₹ in lakhs)	% of Estimated Issue related expenses	% of Estimated Issue size
Fees payable to BRLM and commission (including selling commission, brokerage and underwriting commission) ^	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Issue and bidding/uploading charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Others			

Particulars		Amount* (₹ in lakhs)	% of Estimated Issue related expenses	% of Estimated Issue size
(i).	Listing fees, SEBI filing fees, NSE processing fees and other regulatory expenses;	[●]	[●]	[●]
(ii).	Printing and stationery expenses;	[●]	[●]	[●]
(iii).	Advertising and marketing expenses;	[●]	[●]	[●]
(iv).	Fees payable to legal counsel;	[●]	[●]	[●]
(v).	Miscellaneous (including brokerage and selling commission and bidding charges of members of the syndicate, marketing and selling expenses, fees payable to auditors, market maker, consultants, market research firms and other professional agencies, stamp duty charges and other miscellaneous expenses)	[●]	[●]	[●]
Total estimated Issue expenses*		[●]	[●]	[●]

**Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price*
^The details of the fees and commissions payable to Designated Intermediaries will be updated at the time of filing of Prospectus with RoC.

Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Draft Red Herring Prospectus, which is proposed to be repaid from the Net Proceeds.

Interim Use of Net Proceeds

Pending utilization for the purposes described above, our Company shall temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934, as may be approved by our Board of Directors. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets or virtual digital currency.

Monitoring of utilization of funds

Since the Issue is for an amount less than ₹5,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. Our Audit Committee will monitor the utilization of the proceeds of the Issue. We will disclose details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

Pursuant to the SEBI LODR Regulations, our Company will disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company will prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI LODR Regulations, our Company will furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above.

Variation in Objects

In compliance with Section 27 of the Companies Act, 2013, our Company will not vary the Objects of the Issue unless our Company is authorized to do so by way of a special resolution of its Shareholders and such variation will be in accordance with applicable laws, including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act, 2013 and applicable rules. The notice shall simultaneously be published in the newspapers, one in English and one in Gujarati, being the regional language of Gujarat, where our Registered Office is situated, in accordance with the Companies Act, 2013 and applicable rules. Our Promoters or controlling shareholders must provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Appraising entity

None of the Objects of this Issue, for which the Net Proceeds will be utilized, have been appraised.

Strategic and Financial Partners to the Objects of the Issue

There are no strategic or financial partners to the Objects of the Issue.

Interests of Promoters, Promoter Group and Directors, as applicable to the objects of the Issue

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three (3) years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it, or in any transaction by our Company with respect to the acquisition of land, construction of buildings or supply of machinery.

Other Confirmations

Except disclosed above, there is no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoter or Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration to our Group Companies, our Directors, or Key Managerial Personnel.

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BASIS FOR ISSUE PRICE

The Price Band and Issue Price will be determined by our Company in consultation with the Book running Lead Manager on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the Floor Price and [●] times the Cap Price, and Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Investors should read the following basis with the sections titled "***Risk Factors***", "***Restated Financial Information***" and the chapter titled "***Our Business***" on page 31, 224 and 167, respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Issue Price are:

1. Geographical diversification through exports to international market
2. Long standing relationship with diversified customers across multiple industries
3. Strategically located production facilities with access to abundant resources of raw materials and long-term relationships with suppliers
4. Certifications and compliance with quality and food safety standards
5. Experienced Promoters and Senior Management with Extensive Domain Knowledge
6. Consistent financial performance

For more details on qualitative factors, refer to chapter *"**Our Business**"* on page 167 of this Draft Red Herring Prospectus.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Information. For more details on financial information, investors please refer the chapter titled "***Restated Financial Information***" on page 224 of this Draft Red Herring Prospectus. Investors should evaluate our Company by taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Basic and Diluted Earnings per Equity Share ("EPS"), adjusted for changes in capital:

Financial period	Basic & Diluted EPS (in ₹)^	Weight
Fiscal 2025	8.12	3
Fiscal 2024	5.03	2
Fiscal 2023	4.52	1
Weighted Average	**6.49**	-

^The EPS computed above are derived after giving the effect of bonus shares issued in the ratio of 15:1 (i.e.,15 fully paid-up equity shares for 1 Equity Share held by shareholders as on August 22,2025)

Notes:

1) *Earnings per share are in accordance with Accounting Standard 20 - Earnings per Share, as amended*
2) *Basic Earnings per Equity Share (₹) = Profit for the year, as restated, divided by Weighted average number of equity shares outstanding during the period/year*
3) *Diluted Earnings per Equity Share (₹) = Profit for the year, as restated divided by Weighted average number of diluted equity shares outstanding during the period/year*
4) *Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*
5) *The figures disclosed above are based on the Restated Financial Statements.*

2. Price Earning (P/E) Ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2025	The details shall be provided post the fixing of price band by	

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on diluted EPS for Fiscal 2025	our Company at the time of filing of price band advertisement.	

3. **Industry Peer Group P/E Ratio**

There are no listed companies whose product portfolio, business operations and risk profile are similar to that of our Company or are of a comparable to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

4. **Return on Net Worth ("RoNW"):**

Financial period	RoNW (%)	Weight
Fiscal 2025	38.00%	3
Fiscal 2024	34.00%	2
Fiscal 2023	44.26%	1
Weighted Average	**37.71%**	**-**

Notes:

1) *Weighted average = Aggregate of year-wise weighted Return on Adjusted Net Worth divided by the aggregate of weights i.e. (Return on Adjusted Net Worth x Weight) for each year/Total of weights.*
2) *Return on Net Worth (%) = Restated profit for the year divided by average net worth, where average net worth is calculated by dividing sum of closing net worth of the current fiscal year and closing net worth of the previous fiscal year by 2. Net Worth of FY 22 is taken from audited financial statements.*
3) *Net worth = Equity share capital plus reserves and surplus*

5. **Net Asset Value per Equity Share(1):**

Particulars	NAV (₹)(2)
As at March 31, 2025	25.42
After the Issue#	
- At Floor Price	[●]
- At Cap Price	[●]
Issue Price	[●]

 # to be included upon determination of floor price, Cap Price and Issue Price

***Note**:*

1) *Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of the period /year as per Restated Financial Statements.*
2) *The NAV computed above are derived after giving the effect of bonus shares issued in the ratio of 15:1 (i.e.,15 fully paid-up equity shares for 1 Equity Share held by shareholders as on August 22,2025)*
3) *The 'Net worth' defined above is in accordance with 2(1)(hh) of the SEBI ICDR Regulations, i.e. "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

6. **Key Financial and Operational Performance Indicators**

The table below sets forth the details of the key financial and operational performance indicators ("**KPIs**") that our Company considers have a bearing for arriving at the basis for Issue Price. These KPIs have been used historically by our Company to understand and analyse business performance, which in result, help us in analysing the growth of various vertical segments. The Bidders can refer to the below-mentioned KPIs to make an assessment of our Company's performance in various business verticals and make an informed decision.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 26, 2025 and the Audit Committee has confirmed that the KPIs pertaining to our Company that have been disclosed to investors at any point of time during the three years period prior to the date of this Draft Red Herring Prospectus have been disclosed in this section and have been subject to verification and certification by S. N. Shah & Associates, Chartered Accountants, bearing firm registration number

109782W, pursuant to certificate dated September 26, 2025, which has been included as part of the "*Material Contracts and Documents for Inspection*".

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations, 2018.

For details of our key operating, financial and other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "***Our Business***" on page 167 and "***Management's Discussion And Analysis Of Financial Position And Results Of Operations***" on page 269.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price:

Sr. No.	Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
1	Revenue from Operations (₹ in lakhs)	5,710.55	4,486.73	4,574.21
2	Total income (₹ in lakhs)	5,845.96	4,506.11	4,650.19
3	Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (₹ in lakhs) [(a)]	1,211.43	872.60	696.74
4	EBITDA Margins (%)[(b)]	21.21%	19.45%	15.23%
5	Profit after Tax (PAT) (₹ in lakhs)	825.90	511.62	460.21
6	PAT Margins (%)[(c)]	14.13%	11.35%	9.90%
7	Cash Profit after Tax (₹ in lakhs) [(d)]	905.36	575.09	516.76
8	Current Ratio[(e)] (In times)	0.78	1.10	1.31
9	Net Worth[(f)]	2,586.33	1,760.43	1,248.81
10	Debt-Equity Ratio[(g)] (In times)	0.98	1.38	0.45
11	Return on Equity (%)[(h)]	38.00%	34.00%	44.26%
12	Return on Capital Employed (%)[(i)]	27.20%	27.59%	49.34%

Notes:

(1) EBITDA has been calculated as a sum of profit before tax, finance costs and depreciation and amortization less other income.

(2) EBITDA Margins is calculated as EBITDA divided by revenue from operations.

(3) PAT Margins (%) is calculated as profit after tax carried to balance sheet divided by Total Income.

(4) Cash profit after tax is calculated as a sum of profit after tax to balance sheet and depreciation and amortisation as per Restated Financial Statements.

(5) Current Ratio is calculated as Total Current Assets divided by Total Current Liabilities.

(6) Networth is calculated as a sum of equity share capital and reserves and surplus as per the restated financial statements.

(7) Debt to Equity Ratio is calculated as total debt divided by net-worth as per restated financial statements. Total debt is calculated as a sum of long-term borrowings and short-term borrowings (including current maturity of long-term borrowings).

(8) Return on equity is calculated as net profit after tax, as restated divided by average net worth. Where average net worth is calculated by dividing sum of closing net worth of the current fiscal year and closing net worth of the previous fiscal year by two. For calculating average net worth for fiscal year 2023, closing net worth of fiscal year 2023 as per restated financial statements and closing net worth of fiscal year 2022 as per audited financial statements has been considered.

(9) Return on capital employed is calculated as earnings before interest and tax divided by average capital employed. Average capital employed is calculated by dividing sum of closing capital employed of the current fiscal year and closing capital employed of the previous fiscal year by 2. For calculating average capital employed for fiscal year 2023, closing capital employed of fiscal year 2023 as per restated financial statements and closing capital employed of fiscal year 2022 as per audited financial statements has been considered.,

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on September 26, 2025.

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

The KPIs disclosed below have been used historically by the Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals, and other relevant and material KPIs of the business of the Company that have a bearing for arriving at the Basis for Issue Price have been disclosed below. The KPIs set forth above have been approved by the Audit Committee pursuant to its resolution dated September 26, 2025.

The list of the KPIs along with brief explanation of the relevance of the KPIs for the business operations of the Company are set forth below:

Sr No.	KPIs	Explanation
1.	Revenue from Operations	Revenue from operation provided information regarding growth of our business operations over the period
2.	Total Income	Total income provides information regarding income earned by the Company during the period and provides key insight about the financial performance of the Company over the period of time
3.	Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	EBITDA provides information regarding operational profitability and the financial performance of the business.
4.	EBITDA Margins (%)	EBITDA margin provides the financial benchmarking against peers as well as to compare against the historical performance of our business.
5.	Profit after Tax (PAT)	PAT provides information regarding the overall Profitability of our business.
6.	PAT Margins (%)	PAT margin is an indicator of the overall profitability of our business and provides the financial benchmarking against peer as well as to compare against the historical performance of our business.
7.	Cash Profit after Tax	Cash Profit after Tax is an indicator which denotes profit generated from our business operations during the period before adjusting the non-cash items
8.	Current Ratio	Current ratio is an indicator of short-term solvency i.e., company's ability to pay short-term obligations or those due within one year.
9.	Net Worth	Net Worth is an indicator of total net worth after deducting the aggregate value of the accumulated losses, each as applicable for the company on a restated basis.
10.	Debt-Equity Ratio	Debt Equity Ratio is an indicator of overall leverage of our Company
11.	Return on Equity (%)	RoE provides how efficiently the Company generates profits from average shareholders' funds.
12.	Return on Capital Employed (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in our business.

8. **Comparison of accounting ratios with Industry Peers**

There are no listed companies whose business operations are similar to that of our Company or are of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

9. **Comparison of KPIs with listed industry peers**

There are no listed companies whose business operations are similar to that of our Company or are of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

10. Comparison of Key Performance Indicators over time shall be explained based on additions or dispositions to our business

Our Company has not made any additions or dispositions to its business during the fiscals 2025, 2024, and 2023. For further details see "***History and Certain Corporate Matters***" on page 199.

11. Weighted Average Cost of Acquisition, Floor Price and Cap Price

(a) Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under Employee Stock Option Plan and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

The details of the Equity Shares or convertible securities, excluding issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Primary Issuance**") are as follows:

Date of allotment	No. of shares transacted	Face Value (in ₹)	Issue price per share	Nature of allotment	Nature of consideration	Total consideration (in ₹ lakhs)
September 17, 2025	13,80,200	10	90	Private Placement	Cash	1,242.18
Total	**13,80,200**	**-**	**-**	**-**	**-**	**1,242.18**
Weighted Average Cost of Acquisition [Total Consideration/Total Number of Shares Transacted]						**90.00**

Except as stated above, it is confirmed that there are no primary/new issue of shares, equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated on the pre-issue capital on the date of allotment) in the 18 months prior to the date of this Draft Red Herring Prospectus.

(b) Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving the Promoters, members of the Promoter Group, the Selling Shareholder or other Shareholders of the Company with rights to nominate directors during the 18 months preceding the date of filing of the DRHP/ RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s, and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

There has been no secondary sale/ acquisitions of Equity Shares or any convertible securities ("Security(ies)"), where the Promoters, members of the Promoter Group, Selling Shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre- Issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) Price per share based on the last five primary or secondary transactions

Since there are transactions to report to under (a) and (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of the Company, are a party to the transaction) not older than 3 years prior to the date of the Draft Red Herring Prospectus irrespective of the size of transactions is not required to disclosed.

(d) Weighted average cost of acquisition, Floor Price and Cap Price:

Type of transaction	WACA (in ₹)	Floor Price (₹ [●])*	Cap Price (₹ [●])*
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	90.00	[●]	[●]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoter / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	N.A.	[●]	[●]
Since there are transactions to report in (A) or (B) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where promoter/promoter group entities or selling shareholder or shareholder(s) having right to nominate director(s) in the Board of the Company, are a party to the transaction) not older than 3 years prior to the date of Draft Red Herring Prospectus irrespective of the size of transactions is not required to disclosed			
Last 5 primary transactions	N.A.	N.A.	N.A.
Last 5 secondary transactions	N.A.	N.A.	N.A.

** To be updated at Prospectus stage after finalization of price band.*

12. Justification for Basis of Issue price

1. The following provides an explanation for the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Draft Red Herring Prospectus compared to our Company's KPIs and financial ratios for the Fiscal 2025, 2024 and 2023.

[●]

(To be included on finalization of Price Band)

2. The following provides an explanation to the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoter, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any

[●]

(To be included on finalization of Price Band)

The Price Band of ₹ [●] – [●] has been determined by our Company, in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with "***Risk Factors***", "***Our Business***" and "***Restated Financial Information***" on pages 31, 167 and 224, respectively of this Draft Red Herring Prospectus, to have a more informed view.

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STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Shanti Inorganics Limited
809, Aaron Spectra,
Rajpath Club Road,
Bodakdev, Ahmedabad,
Gujarat, India, 380 054,
(the "**Company**")

Dear Sirs/Madams,

Sub: Statement of possible special tax benefit (the "Statement") available to Shanti Inorgo Chem (Guj) Limited (the "Company"), and its shareholders prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended (the "SEBI ICDR Regulations) in connection with the proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares") of the Company.

We, S. N. Shah & Associates, Chartered Accountants (Firm Registration Number: 109782W), statutory auditors of the Company, hereby confirm that the enclosed Annexure A, prepared by the Company and initiated by us for identification purpose ("Statement") for the Issue, provides the possible special tax benefits available to the Company, and to its shareholders under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, and Income tax Rules, 1962, as amended (hereinafter referred to as "Direct Tax Laws"), and indirect tax laws i.e., Central Goods and Service Act, 2017, Integrated Goods and Service Act, 2017, respective state Goods and Service Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975, Foreign trade (Development and Regulation) Act 1992 read with Foreign Trade Policy, as amended, read with the rules, circulars and notifications issued in connection thereto) (hereinafter referred to as "Indirect Tax Laws"), presently in force in India, available to the Company, and its shareholders. Several of these benefits are dependent on the Company, or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company, and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the Annexure A. Any benefits under the taxation laws other than those specified in Annexure A are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in the Annexure A have not been examined and covered by this statement.

The benefits discussed in the enclosed Statement are not exhaustive. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

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

1. the Company or its shareholders will continue to obtain these benefits in the future; or
2. the conditions prescribed for availing of the benefits, where applicable have been/would be met with.
3. the revenue authorities/courts will concur with the views expressed herein.

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

We have conducted our review in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("ICAI") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.

We hereby consent to be named an “expert” under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

We have carried out our work on the basis of Restated Consolidated Financial Statements and other documents, public domain and information made available to us by the Company, which has formed substantial basis for this Statement.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We hereby consent to our name and the aforementioned details being included in the Issue Documents and/or consent to the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the Issue and in accordance with applicable law.

This certificate may be relied on by the BRLM, their affiliates and legal counsel in relation to the Issue and to assist the BRLM in conducting and documenting their investigation of the affairs of the Company in connection with the Issue. We hereby consent to this certificate being disclosed by the BRLM, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations to the BRLM and the Company until the equity shares allotted in the Issue commence trading on the relevant stock exchanges. In the absence of any such communication from us, the Company, the BRLM and the legal advisor appointed with respect to Issue can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Issue Documents.

Yours faithfully,
For, S. N. Shah & Associates
Chartered Accountants
ICAI Firm Registration No 109782W

Sd/-
Priyam Shah
Membership No. 144892
UDIN: 25144892BMHWSC8998
Date: September 26, 2025
Place: Ahmedabad

ANNEXURE A
Statement of Tax Benefits

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term '*special tax benefits*' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in this Annexure. Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been reviewed and covered by this statement.

I. Special Direct tax benefits available to the Company

There are no special tax benefits available to the company under Direct Tax laws

II. Special Indirect tax benefits available to the Company

There are no special tax benefits available to the company under Indirect Tax laws

III. Special tax benefits available to shareholders

There are no special tax benefits available to the shareholders

Notes:

i. The above Statement of Tax benefits set out the special tax benefits available to the Company, and its shareholders under the tax laws mentioned above.
ii. The above Statement covers only above-mentioned tax laws benefits and does not cover any general tax benefits under any other law.
iii. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
iv. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
v. This statement does not discuss any tax consequences under any law for the time being in force, as applicable of any country outside India. The shareholders / investors are advised to consult their own professional advisors regarding possible tax consequences that apply to them in any country other than India.

For and on behalf of
Shanti Inorganics Limited

Sd/-
Avnish Manojkumar Patel
Joint Managing Director
Date: September 26, 2025
Place: Ahmedabad

SECTION V – ABOUT THE ISSUER COMPANY

INDUSTRY OVERVIEW

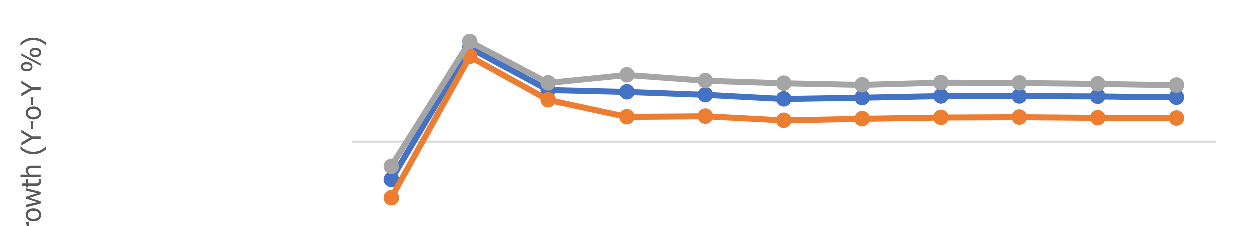
*Unless otherwise indicated, the information in this section is obtained or extracted from the report dated September 19, 2025, titled "Industry Research Report on Inorganic Chemicals Industry" prepared and issued by CARE Advisory Research and Training Limited ("**Care Report**"). The Report has been exclusively paid for by us for the purposes of this Issue and is available on the website of the Company at https://shantiinorganics.com. It is hereby clarified that the information in this section is only an extract of the Care Report and does not comprise the entire Care Report. All information in the Care Report that is considered material by us for the purposes of this Issue has been included in this section, and none of this information has been further modified by us in any manner, except for the limited purpose of presentation or ensuring continuity. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For further details, kindly refer chapter "**Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risk**" on page 51 of this Draft Red Herring Prospectus.*

Economic Outlook

Global Economy

Global growth, which reached 3.5% in CY23, stabilized at 3.3% for CY24 and projected to decrease at 3.0% for CY25. Global trade is expected to be disrupted by new US tariffs and countermeasures from trading partners, leading to historically high tariff rates and negatively impacting economic growth projections. The global landscape is expected to change as countries rethink their priorities and policies in response to these new developments. Central banks priority will be to adjust policies, while smart fiscal planning and reforms are key to handling debt and reducing global inequalities.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



	CY20	CY21	CY22	CY23	CY24	CY25P	CY26P	CY27P	CY28P	CY29P	CY30P
World	-2.7%	6.6%	3.6%	3.5%	3.3%	3.0%	3.1%	3.2%	3.2%	3.2%	3.1%
Advanced Economies	-4.0%	6.0%	2.9%	1.7%	1.8%	1.5%	1.6%	1.7%	1.7%	1.7%	1.7%
Emerging Market and Developing Economies	-1.7%	7.0%	4.1%	4.7%	4.3%	4.1%	4.0%	4.2%	4.1%	4.1%	4.0%

Source: IMF – World Economic Outlook, July 2025; Notes: P-Projection, E-Estimated

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)										
	CY20	CY21	CY22	CY23	CY24	CY25 P	CY26 P	CY27 P	CY28 P	CY29 P	CY30 P
India	-5.8	9.7	7.6	9.2	6.5	6.4	6.4	6.5	6.5	6.5	6.5
China	2.3	8.6	3.1	5.4	5.0	4.8	4.2	4.2	4.1	3.7	3.4
Indonesia	-2.1	3.7	5.3	5.0	5.0	4.8	4.8	4.9	5.0	5.1	5.1
Saudi Arabia	-3.6	5.1	7.5	-0.8	1.3	3.6	3.9	3.6	3.2	3.2	3.3
Brazil	-3.3	4.8	3.0	3.2	3.4	2.3	2.1	2.2	2.3	2.4	2.5
Euro Area	-6.0	6.3	3.5	0.4	0.9	1.0	1.2	1.3	1.3	1.2	1.1
United States	-2.2	6.1	2.5	2.9	2.8	1.9	2.0	2.0	2.1	2.1	2.1
Middle East	-2.2	4.4	5.5	2.2	2.4	3.4	3.5	4.0	3.7	3.7	3.7
Latin America	-6.9	7.4	4.2	2.4	2.4	2.2	2.4	2.7	2.7	2.7	2.6

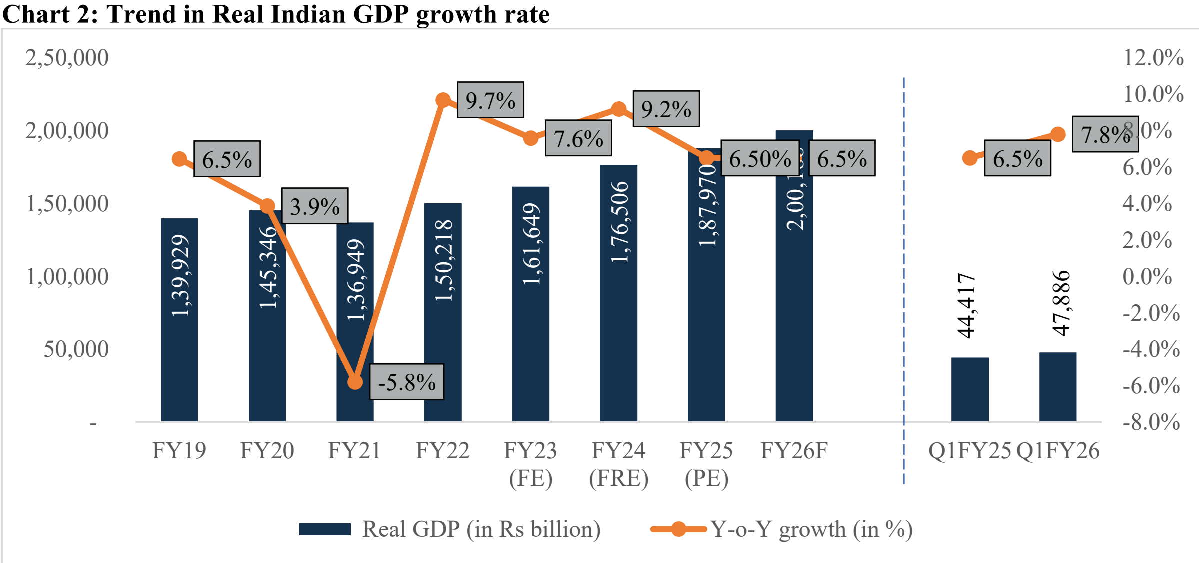
Source: IMF- World Economic Outlook Database (July 2025)
Note: P- Projections E-Estimated; India's fiscal year (FY) aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23.

Indian Economic Outlook

GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

Chart 2: Trend in Real Indian GDP growth rate



Source: MOSPI, Reserve Bank of India.
Note: FE – Final Estimates, FRE- First Revised Estimates, PE – Provisional Estimates, F - Forecasted

India's real GDP grew by 9.2% in FY24 (Rs. 176,505 billion) which is the highest in the previous 12 years (excluding FY22 being 9.7% on account of end of pandemic) and is estimated to grow by 6.5% in FY25 (Rs. 187,951 billion), driven by double digit growth particularly in the Manufacturing sector, Construction sector and Financial, Real Estate & Professional Services. This growth is also led by private consumption increasing by 7.6% and government spending increasing by 3.8% Y-o-Y. In Q1FY26, real GDP grew by 7.8% y-o-y as compared to 6.5% y-o-y in the previous year's quarter.

GDP Growth Outlook (August 2025)

FY26 GDP Outlook: The RBI projects real GDP growth at 6.5% for 2025–26, driven by strong private consumption, steady investment, and resilient rural and urban demand. A favourable monsoon, robust services sector, and improving corporate balance sheets support this outlook.

However, risks from prolonged geopolitical tensions, global trade disruptions, and weather-related uncertainties remain. Taking these into account, the RBI has reaffirmed its growth projections.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY26P (complete year)	Q1FY26P	Q2FY26P	Q3FY26P	Q4FY26P	Q1FY27P
6.5%	6.5%	6.7%	6.6%	6.3%	6.6%

Source: Reserve Bank of India; Note: P-Projected

Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption. India's recovery in FY25 was powered by a broad-based rebound across sectors. The agriculture and allied sector grew by 4.6% in FY25 (up from 2.7% in FY24), contributing 14.4% to real GVA, supported by a good monsoon, better crop output, and strong allied activities. The industrial sector grew by 5.9% in FY25, down from 9.5% in FY24 due to weaker manufacturing, with FY24 growth driven by strong manufacturing sales, construction (9.4%), utilities, and supportive policies. The services sector grew by 6.4% in FY25, down from 8.6% in FY24, supported by public administration (8.9%), financial services (7.2%), and trade and transport (5.8%), contributing Rs 94.4 trillion to the economy.

From Q1FY25 to Q1FY26, the overall GVA at basic price grew from 6.5% to 7.6%, indicating a stronger economic performance. Most sectors showed growth, with Services sector growing significantly from 6.8% to 9.3%, and Agriculture, Forestry & Fishing rebounding from 1.5% to 3.7%. However, Mining & Quarrying declined sharply from 6.6% to -3.1%, and Electricity, Gas & Water supply slowed considerably from 10.2% to 0.5%.

Table 3: Sectoral Growth (Y-o-Y % Growth) – at Constant Prices

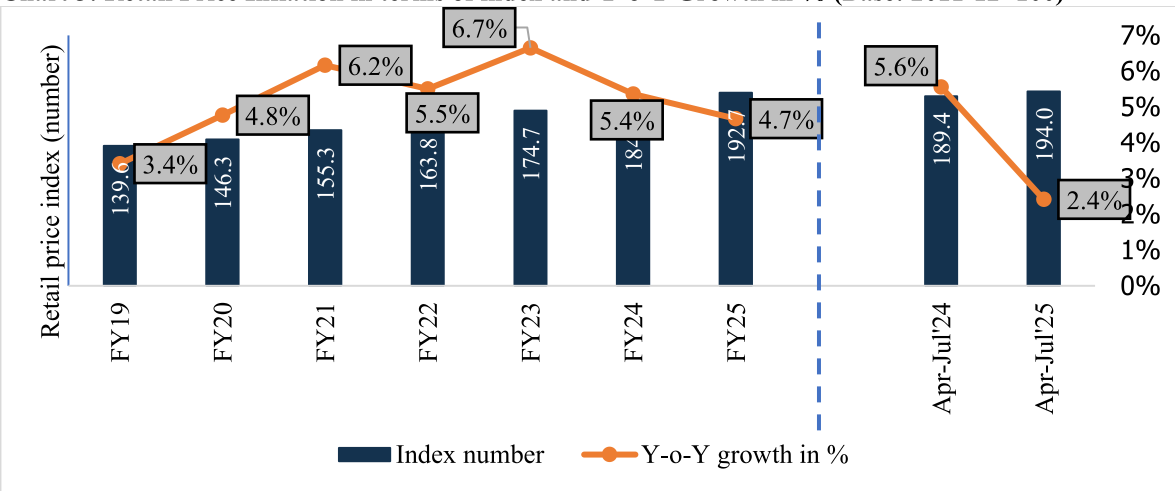
At constant Prices	FY19	FY20	FY21	FY22	FY23 (FE)	FY24 (FRE)	FY25 (PE)	Q1FY25	Q1FY26
Agriculture, Forestry & Fishing	**2.1**	**6.2**	**4.1**	**3.5**	**5.1**	**2.7**	**4.6**	**1.5**	**3.7**
Industry	**5.3**	**-1.4**	**-0.9**	**11.6**	**2.0**	**10.8**	**5.9**	**8.5**	**6.3**
Mining & Quarrying	-0.9	-3.0	-8.6	7.1	2.8	3.2	2.7	6.6	-3.1
Manufacturing	5.4	-3.0	2.9	11.1	-3.0	12.3	4.5	7.6	7.7
Electricity, Gas, Water Supply & Other Utility Services	7.9	2.3	-4.3	9.9	11.5	8.6	5.9	10.2	0.5
Construction	6.5	1.6	-5.7	14.8	10.0	10.4	9.4	10.1	7.6
Services	**7.2**	**6.4**	**-8.2**	**8.8**	**11.3**	**9.0**	**7.2**	**6.8**	**9.3**
Trade, Hotels, Transport, Communication & Broadcasting	7.2	6.0	-19.7	13.8	14.4	7.5	6.1	5.4	8.6
Financial, Real Estate & Professional Services	7.0	6.8	2.1	4.7	10.7	10.3	7.2	6.6	9.5
Public Administration, Defence and Other Services	7.5	6.6	-7.6	9.7	8.2	8.8	8.9	9.0	9.8
GVA at Basic Price	**5.8**	**3.9**	**-4.2**	**8.8**	**7.4**	**8.6**	**6.4**	**6.5**	**7.6**

Source: MOSPI; Note: SAE – Second Advance Estimates, FE – Final Estimates, PE- Provisional Estimates

Consumer Price Index

The Consumer Price Index (CPI) for the April–July 2025 recorded a combined inflation rate of 2.4%, marking the lowest quarterly retail inflation in six years. The moderation was driven by continued declines in Pulses, Transport and communication, Vegetables, Cereal, Education, Egg and Sugar and confectionery.

Chart 3: Retail Price Inflation in terms of index and Y-o-Y Growth in % (Base: 2011-12=100)



Source: MOSPI

The CPI is primarily factored in by RBI while preparing their bi-monthly monetory policy. At the bi-monthly meeting held in August 2025, RBI projected inflation at 3.1% for FY26 with inflation during Q2FY26 at 2.1% and Q3FY26 at 3.1%, Q4FY26 at 4.4% and Q1FY26 at 4.9%.

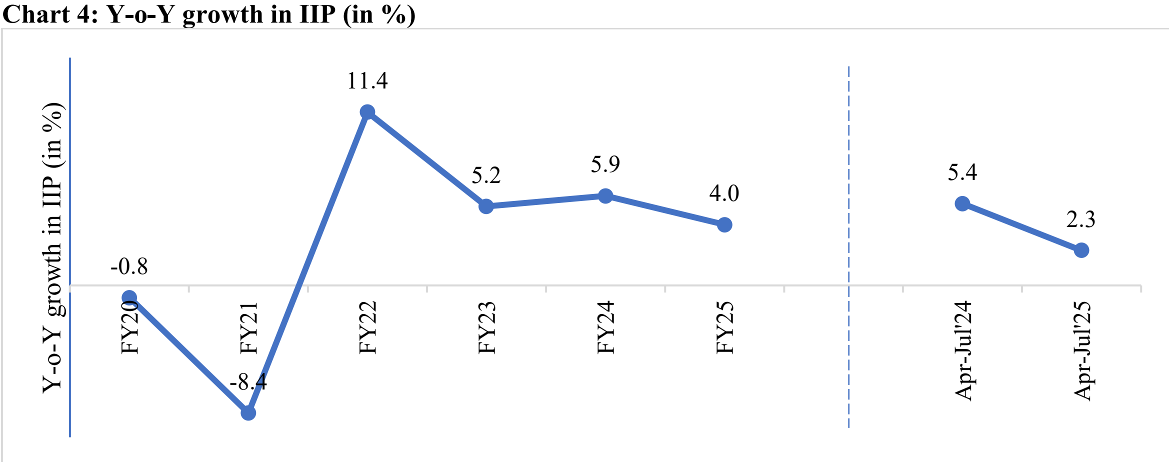
Considering the current inflation situation, RBI has maintained the repo rate to 5.5% in the August 2025 meeting of the Monetary Policy Committee.

Industrial Growth

The Quick Estimates of the Index of Industrial Production (IIP) for July 2025 show a growth of 3.5%, compared to 4.9% in June 2025. The year-on-year moderation reflects weakness across major segments, primarily due to contractions in electricity, mining, and consumer non-durables. In July 2025, industrial growth was supported by Manufacturing (5.4%), while Electricity declined by 1.2% and Mining contracted to -7.2%. Within manufacturing, notable growth was recorded in basic metals, machinery and equipment, and non-metallic mineral products. Specifically, these segments helped offset broader weakness.

Use-based indices reflected mixed trends, with strong growth in Infrastructure Goods (11.9%), but declines in Consumer Durables and Non-Durables indicating subdued consumption and Capital goods. Manufacturing output grew by 5.4%, contributing significantly to overall industrial growth. This was primarily driven by strong performance in segments such as pharmaceuticals, motor vehicles, beverages, and electrical equipment.

Chart 4: Y-o-Y growth in IIP (in %)



Source: MOSPI

Concluding Remarks

Global economic growth faces headwinds from geopolitical tensions, volatile commodity prices, high interest rates, inflation, financial market volatility, climate change, and rising public debt. However, India's economy remains relatively strong, with an IMF forecast of 6.5% GDP growth in CY24 (FY25 according to the fiscal year), compared to the global projection of 3.3%. Key drivers include strong domestic demand, government capital expenditure and moderating inflation.

India's position as a manufacturing hub is being reinforced through a combination of government-led initiatives, a skilled labor force, and a vibrant startup ecosystem. Continued economic reforms and technology adoption are improving operational efficiencies and strengthening India's global manufacturing relevance.

Key macro indicators such as the Purchasing Managers' Index (PMI), E-way bills, bank credit, toll collections, and GST collections all showed improvement in FY24, signalling robust economic activity. The growth outlook for FY25–26 remains strong, backed by momentum in agriculture, industrial expansion, and rising services exports. Government investments in infrastructure highlighted by a capital outlay of ₹11.21 lakh crore in FY26 along with improving private capex, rising capital goods imports, and new project announcements are set to further boost economic activity. Additionally, government-driven logistical reforms such as the Gati Shakti National Master Plan and multimodal infrastructure initiatives are helping reduce turnaround times and logistics costs, thereby enhancing manufacturing productivity. Normalizing employment trends, improved rural demand, and supportive monsoon conditions are further expected to sustain private consumption and bolster the ongoing investment cycle.

The impact of recent U.S. tariffs on India's export trade is expected to be limited at an aggregate level; however, the chemicals sector, excluding pharmaceuticals, faces moderate exposure. While pharmaceuticals remain largely unaffected, the chemicals sector will need to reorient towards value-added chemistries and non-U.S. markets to mitigate the risks of tariff-led disruptions. India's relatively moderate tariff structure enhances its attractiveness as a global trade partner, and ongoing trade negotiations with the U.S., along with efforts to diversify export markets including those in the EU and ASEAN are expected to mitigate potential adverse impacts from global headwinds. As India strengthens its manufacturing base across sectors such as textiles, pharmaceuticals, electronics, and auto components, it continues to emerge as a more competitive option compared to peers like China, Taiwan, Bangladesh, and Vietnam. This positions India as a credible alternative in global supply chains, particularly in sectors where it holds a cost or skill-based advantage.

Recent Free Trade Agreements (FTAs), such as those signed with the UAE and Australia, are already benefitting textile and chemical manufacturers by improving market access and reducing input costs. India's expanding production capacity, underpinned by a skilled workforce and targeted policy support, further strengthens its appeal as a long-term investment destination for global companies.

Thus, while U.S. tariffs may have a limited impact on India's exports, ongoing trade negotiations and India's competitive manufacturing advantage position it well for continued growth in global trade.

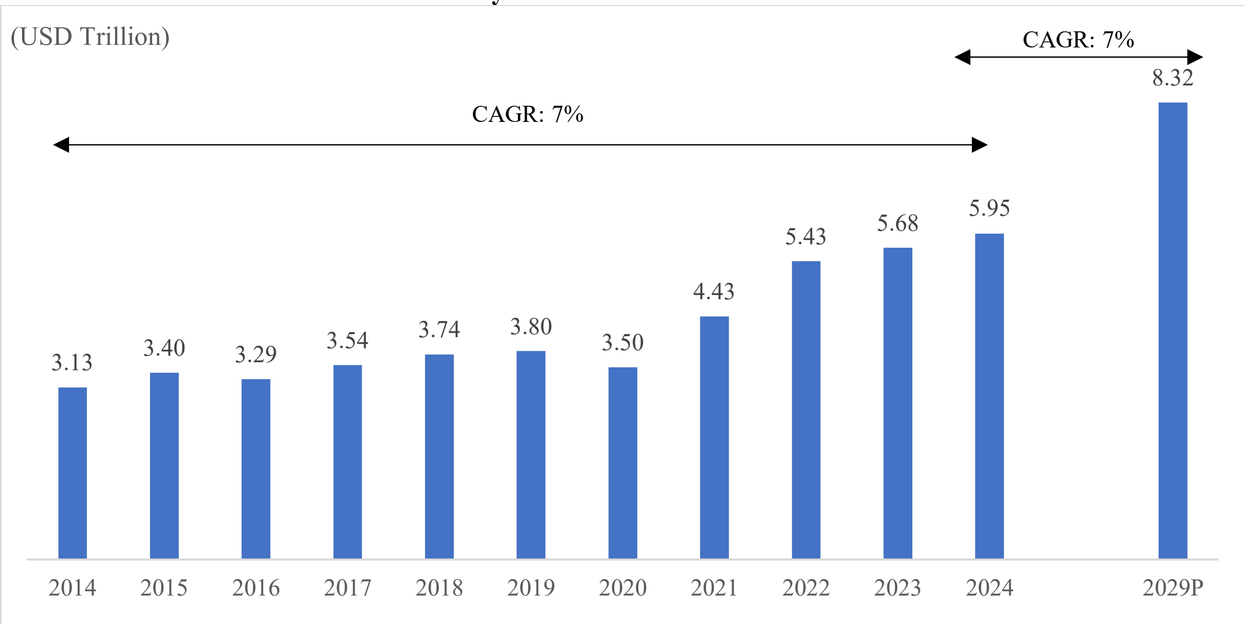
Global Chemical Industry

Industry Overview

Overview and market size

The global chemicals industry was valued at approximately $5.7 trillion in 2023, contributing around 7% to global GDP. The industry is estimated to have been valued at $5.9 trillion in 2024. It includes a wide range of products such as basic chemicals, specialty chemicals, and agrochemicals, supporting sectors like manufacturing, agriculture, pharmaceuticals, and consumer goods. The industry has grown at a CAGR of 7% from 2014 to 2024 and is projected to grow at 7%, reaching nearly $8.3 trillion by 2029. Asia-Pacific accounts for over 45% of global production, with China being the largest producer and consumer. Other key countries in the chemical sector include the United States, Germany, Japan, South Korea, and India, which play significant roles in innovation, production, and consumption within the global market.

Chart 5: Global Overall Chemicals Industry Market Size

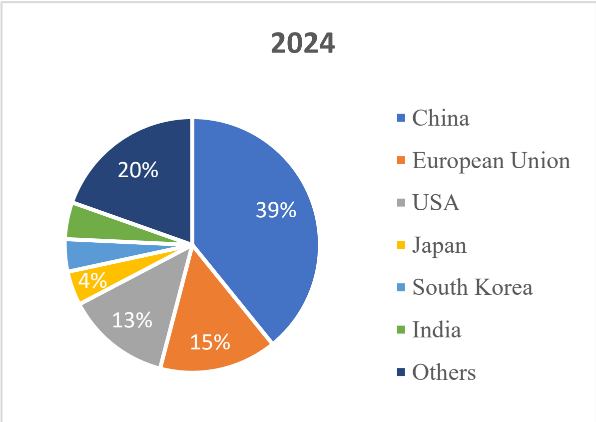


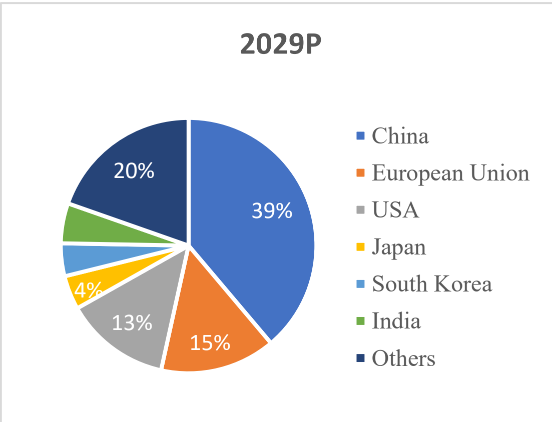
Source: CEFIC, CareEdge Research & Analysis; P: Projected

Global Chemicals Market by Geography

China is expected to maintain its dominant position in the global chemicals industry through 2029, though with a marginal dip from 39.2% to 38.8%, indicating gradual diversification in global sourcing. The European Union and the U.S. show relative stability, but with limited growth, suggesting mature markets with slower expansion rates. In contrast, India's share is projected to rise from 4.7% to 5.1%, signalling its growing competitiveness and capacity buildup, possibly driven by policy support and a shift in global supply chains. South Korea also shows slight improvement, reinforcing its position in high-value specialty chemicals.

Chart 6: Global Chemicals Market by Geography





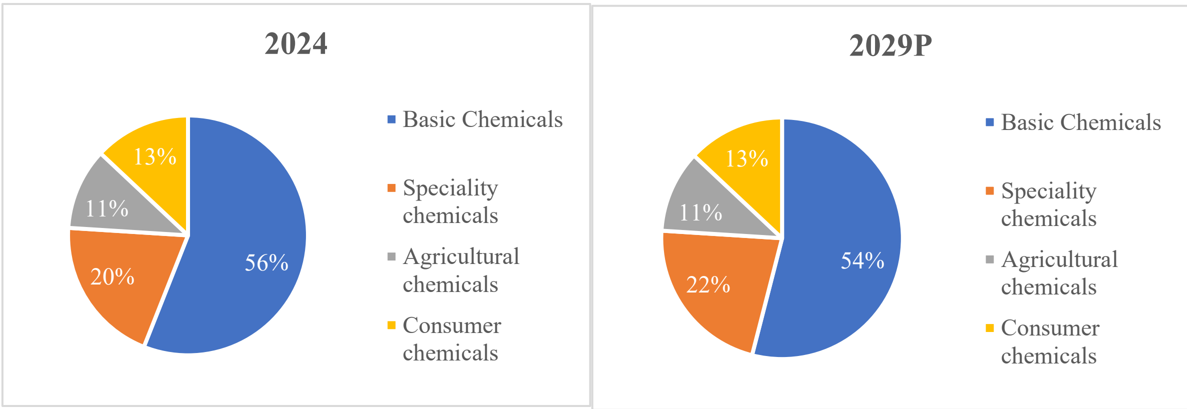
Source: CareEdge Research

Market Segmentation of Chemical Industry

The chemical industry is broadly segmented into the following key categories:

Basic Chemicals	Specialty Chemicals	Agriculture Chemicals	Consumer Chemicals
• Petrochemicals • **Inorganic Chemicals** • Polymers	• Coatings & Paints • Adhesives & Sealants • Catalyst • Eletronic Chemicals • Water Treatment Chemicals • Construction Chemicals	• Fertilizers • Crop Protection • Bio-based Agri Solutions	• Soap & Detergents • Home and Personal Care • Food Additives & Flavours

Chart 7: Market Segmentation of Chemicals Industry



Source: CareEdge Research & Analysis; (% denote market share)

1. **Basic Chemicals:** Basic chemicals form the foundation of the global chemical industry, representing the largest market share. In 2024, they are estimated to account for around 56% of the market, with a projected moderation to 53–55% by 2029 as higher-value segments expand at a faster pace. This category covers bulk petrochemicals (such as ethylene and propylene), intermediates, and a broad range of inorganic chemicals including sulphuric acid, soda ash, caustic soda, chlorine, and other sulphur-based compounds. These serve as critical feedstocks for downstream applications across fertilizers, water treatment, pulp & paper, textiles, and metallurgy. While basic chemicals are volume-driven and cyclical in nature, the inorganic segment remains particularly vital given its extensive use in industrial processes. Furthermore, energy transition policies and the expansion of cost-competitive capacities continue to reinforce the role of basic chemicals in the industrial ecosystem.

2. **Specialty Chemicals:** Known for their tailored and application-specific functionalities, specialty chemicals are estimated to represent 20% of the market in 2024, with growth expected to reach 21–23% by 2029. These chemicals include categories such as coatings, adhesives, construction chemicals, surfactants, textile auxiliaries, and active ingredients. The segment is witnessing rising demand due to the shift toward higher performance, environmentally compliant, and customized solutions, particularly from end-user industries like pharma, personal care, automotive, and electronics. Innovation, IP-driven formulations, and customer stickiness make this the most profitable and fastest-growing segment in India's chemical industry.

3. **Agricultural Chemicals:** This segment includes fertilizers, crop protection chemicals (insecticides, herbicides, fungicides), micronutrients, and plant growth regulators, and is estimated at 11% of the market in 2024, with a projected range of 10–12% by 2029. The minor decline in share reflects a gradual pivot toward integrated pest management, organic farming, and sustainable agriculture. Nevertheless, India remains a net exporter of agrochemicals, and domestic demand is underpinned by increasing cropping intensity, rising foodgrain demand, and policy support. Some sulphur-based compounds—like elemental sulphur, sulphur dust, and sulphur micronutrients—are key inputs in fungicides and soil

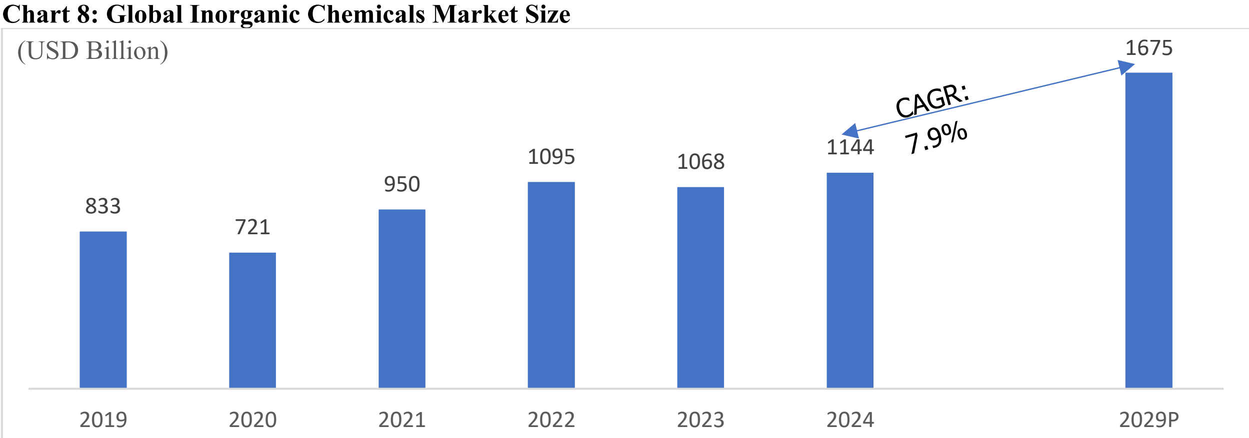
enrichment formulations, especially for oilseeds and pulses.

4. **Consumer Chemicals:** These include products such as detergents, cosmetics, personal hygiene products, oral care items, and household cleaning agents, contributing an estimated 13% of the market in 2024, expected to grow modestly to 12–14% by 2029. Growth is driven by urbanization, rising disposable incomes, changing consumption patterns, and increasing awareness around hygiene and personal care. This segment is evolving with the emergence of natural, bio-based, and dermatologically safe ingredients, pushing chemical manufacturers to develop mild surfactants, fragrance compounds, and specialty preservatives tailored for health-conscious consumers.

Global Inorganic Chemicals Market Size

The global inorganic chemicals market has witnessed moderate growth, growing from USD 833 billion in 2019 to an estimated USD 1,144 billion in 2024, with a CAGR of 6.6%. Going forward, the market is expected to grow at an accelerated CAGR of 7.9% to reach USD 1,675 billion by 2029. This growth is likely to be supported by sustained demand momentum across diverse end-use sectors such as construction, water treatment, agriculture, and energy. Furthermore, increasing industrial output in emerging markets, along with growing applications in electronics and green technologies, is expected to drive market expansion.

Chart 8: Global Inorganic Chemicals Market Size



Source: Custom Market Insights (CMI), CareEdge Research & Analysis, P: Projected

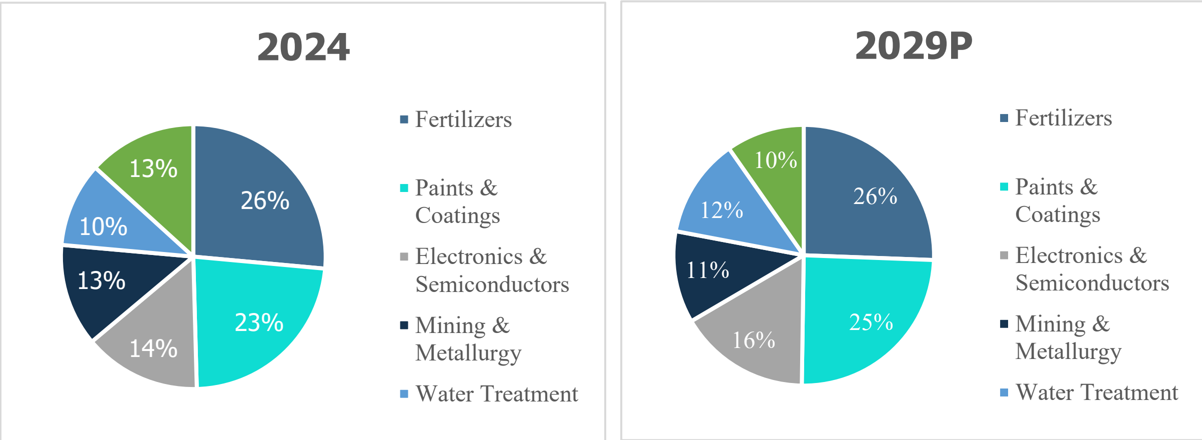
Global Segmental End-Use of Inorganic Chemicals

The global end-use distribution of inorganic chemicals is expected to remain relatively stable between 2024 and 2029, with subtle shifts across key industrial segments. Fertilizers continue to dominate demand, maintaining a consistent 26% share until 2029. This underscores the sustained reliance on inorganic compounds such as nitrogen-based salts and phosphates in global agricultural practices, especially across developing economies.

The paints and coatings segment are expected to see a modest rise in share from 23% in 2024 to 25% by 2029 driven by ongoing expansion in infrastructure, automotive manufacturing, and protective coatings. Meanwhile, electronics and semiconductors are also poised for growth, with their share increasing from 14% to 16%, supported by rising semiconductor fabrication and investments in clean energy technologies that require specialty inorganic materials.

In contrast, mining and metallurgy and others show a slight decline in share, reflecting slower relative growth in traditional heavy industries. Water treatment, however, is expected to grow modestly, increasing its share from 10% to 12%, as global focus intensifies on sustainability and industrial water reuse.

Chart 9: Segmental end-usage of Inorganic Chemicals



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

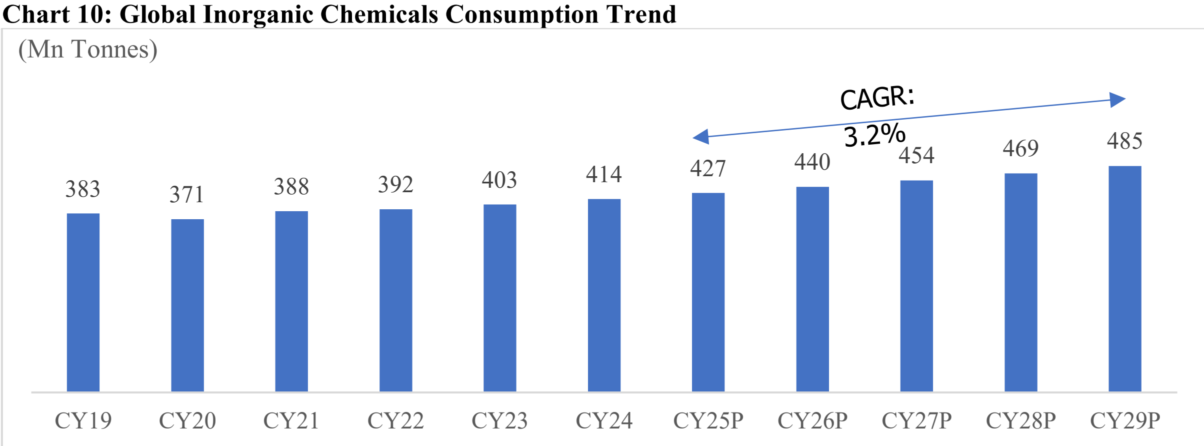
Global Inorganic Chemicals Consumption Trend

Global consumption of inorganic chemicals is expected to grow at a CAGR of 3.2% from 427 million tonnes in CY25 to 485 million tonnes in CY29, reflecting steady industrial demand across key end-use sectors. After a marginal dip in CY20 due to COVID-19–induced disruptions, the segment rebounded in CY21 and has since exhibited a consistent upward trajectory.

This growth is primarily underpinned by expanding demand in fertilizers, water treatment, construction, textiles, and mining, where sulphuric acid, chlorine, soda ash, and other inorganic compounds serve as critical inputs. The forecasted acceleration beyond CY24 suggests rising investments in infrastructure, clean energy transitions (e.g., solar PV glass and batteries), and stricter environmental regulations, which in turn boost usage of treatment chemicals and advanced inorganics.

Moreover, growth in emerging economies—especially across Asia-Pacific—is expected to drive incremental consumption, supported by strong manufacturing and industrial output. Despite being a mature segment, inorganic chemicals continue to play an indispensable role in global industrial value chains, ensuring long-term volume stability.

Chart 10: Global Inorganic Chemicals Consumption Trend



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Country-wise growth of Inorganic Chemicals

The global inorganic chemicals industry is witnessing a shift in growth patterns, with emerging economies increasingly driving demand and capacity expansion.

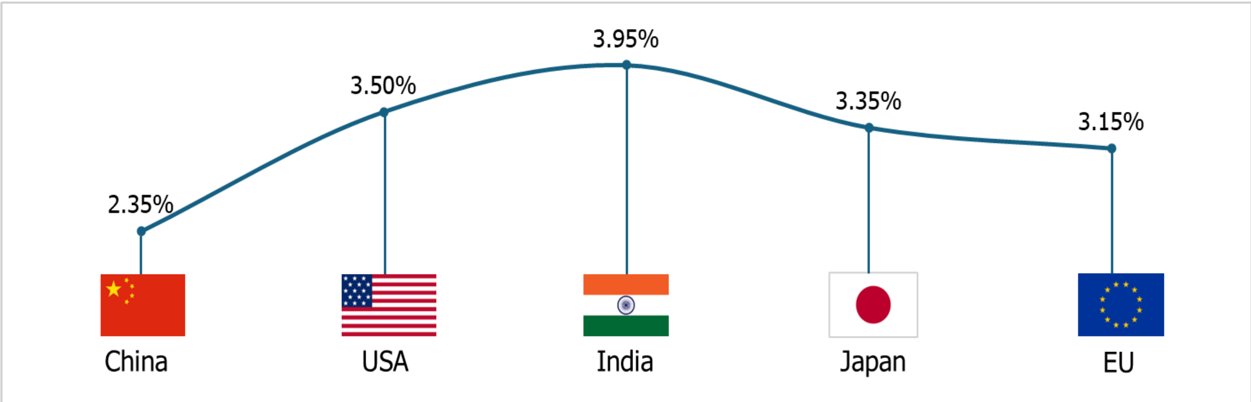
India is projected to record the highest growth rate globally at a CAGR of 3.95% in the inorganic chemicals space. This robust momentum is driven by broad-based end-use expansion across fertilizers, construction materials, textiles, water treatment, and food-grade preservatives. A notable support also comes from the increased domestic production of sulphur-based chemicals, such as sulphuric acid, sodium bisulphite, and sulphites, which are integral to India's fertilizer and agrochemical manufacturing. Government-backed initiatives like PLI schemes and import substitution mandates are catalysing backward integration and scaling of capacities, positioning India as a rising hub in the global inorganic value chain.

The United States, growing at 3.50% CAGR, maintains a steady trajectory, supported by sustained demand from industrial segments like pulp & paper, automotive components, and environmental treatment. Investment in modernizing infrastructure—particularly wastewater treatment and green building has created stable demand for chemicals like chlorine, alum, and caustic soda. Additionally, reshoring trends in chemical production post-pandemic are reinforcing domestic manufacturing resilience.

Japan (3.35% CAGR) and the European Union (3.15% CAGR) exhibit moderate but high-quality growth, underpinned by stringent environmental compliance and a shift toward sustainable and high-purity inorganic compounds. Growth is tied to sectors like electronics, specialty glass, and clean energy, where performance-grade chemicals such as ultra-pure sulphuric acid and high-purity hydrogen peroxide are critical. Both regions are investing in circular economy initiatives and carbon-neutral manufacturing, influencing product and process innovation.

In contrast, China, while retaining its position as the largest global producer, is expected to grow at a slower pace of 2.35% CAGR. The country is undergoing structural realignment, with a strategic pivot from bulk commodity chemicals toward value-added and specialty inorganic variants. Stringent environmental regulations and plant rationalization efforts have subdued volume expansion. Sulphur-based chemicals, once a high-volume export stream, are now increasingly targeted for domestic value addition in electronics, semiconductors, and lithium-ion batteries.

Chart 11: Country-wise growth of Inorganic Chemicals Industry



Source: Custom Market Insights (CMI), CareEdge Research & Analysis

These trends indicate a gradual rebalancing of global growth in the inorganic chemicals space, with countries like India emerging as new centres of production and consumption, reflecting broader changes in industrial priorities and regional competitiveness.

Key Sulphur-based Chemicals in the Inorganic Chemicals Industry

Sodium Bisulphite ($NaHSO_3$)

Product Overview

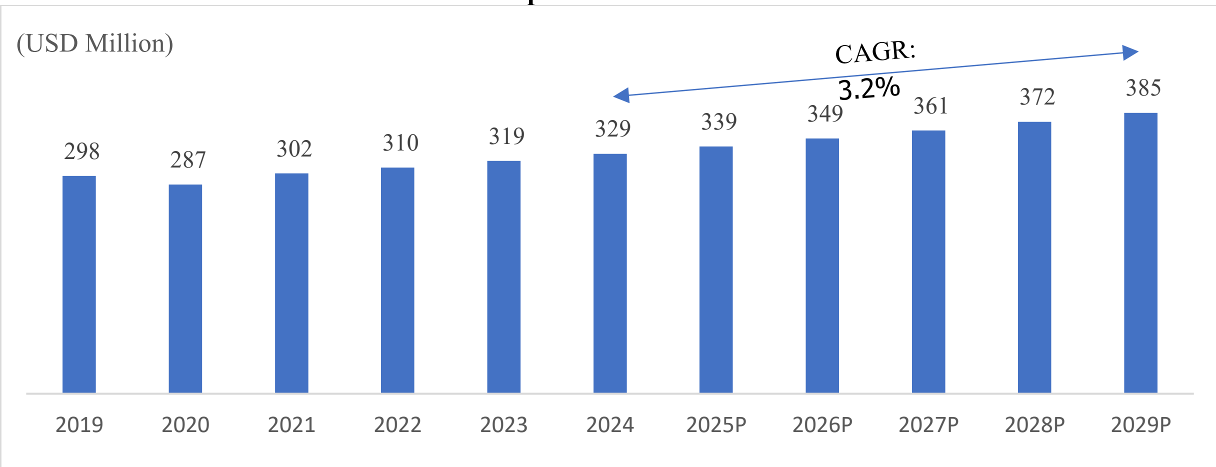
Sodium bisulphite is an inorganic salt commonly used as a reducing agent and preservative in various industrial and food applications. It is typically manufactured by bubbling sulphur dioxide (SO_2) through a sodium carbonate or sodium hydroxide solution.

Globally, the product finds significant demand in water treatment, textile processing, and paper & pulp industries, driven by its effectiveness in oxygen scavenging and bleaching. Its use in food preservation and pharmaceuticals is more prominent in regions with advanced regulatory compliance systems, such as North America and Europe.

Global Market Size

The global market for Sodium Bisulphite has grown due to increasing demand for effective water treatment chemicals and its use as a preservative in food processing from USD 298 million in 2019 to USD ~329 million in 2024. Going further, the market is expected to grow at a CAGR of 3.2% to reach USD 385 million by 2029 backed by growing industrial wastewater treatment facilities and stricter environmental discharge norms globally.

Chart 12: Global Market Size of Sodium Bisulphite

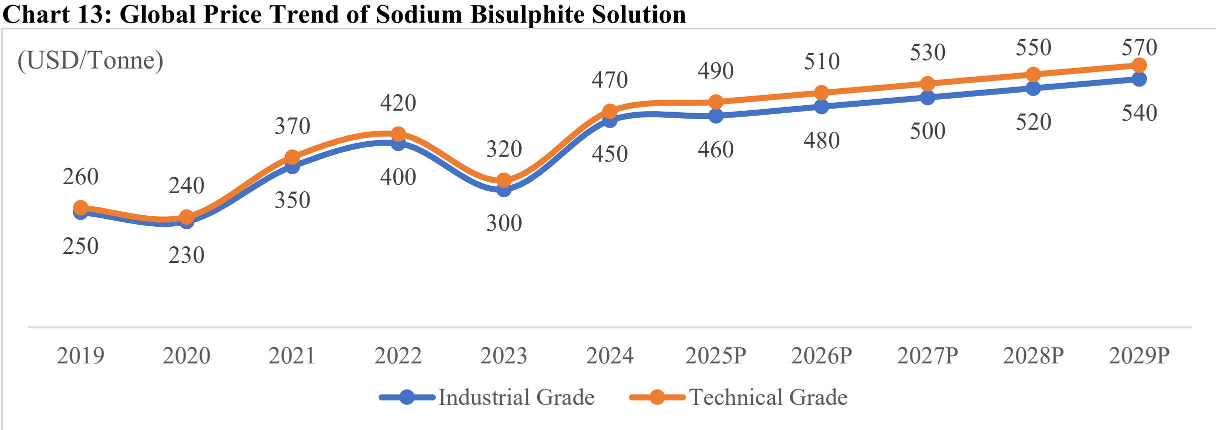


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Global Price Assessment

Globally, sodium bisulphite prices have shown a steady upward trend, supported by consistent demand across water treatment, pulp & paper, and textile industries. Minimal volatility in sulphur-based raw materials has helped maintain this gradual price growth.

Chart 13: Global Price Trend of Sodium Bisulphite Solution



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Sodium Metabisulphite ($Na_2S_2O_5$)

Product Overview

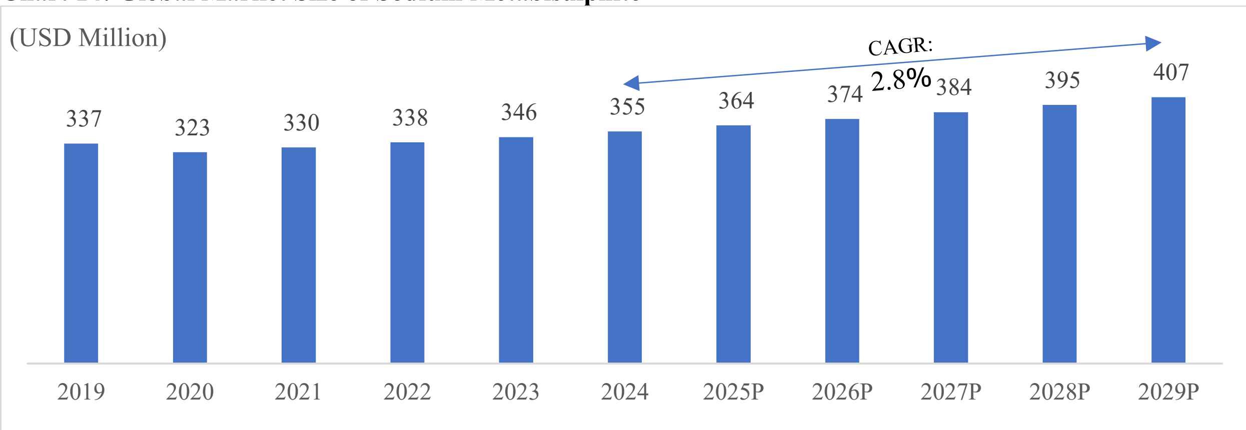
Sodium metabisulphite is a widely used sulphite salt with strong antioxidant, disinfectant, and bleaching properties. It is produced through the reaction of sulfur dioxide with sodium carbonate or sodium hydroxide.

Globally, it is extensively used in food processing (as a preservative), photography, textile bleaching, mining (as a flotation agent), and water treatment. Growth in packaged foods, water recycling technologies, and chemical processing especially in emerging economies is fuelling its global demand.

Global Market Size

The global growth for Sodium Metabisulphite has been driven by its wide application in food preservation, water purification, and mining processes to reach USD 355 million in 2024. Continued expansion in packaged food consumption, along with growth in gold and mineral processing is expected to drive further demand to grow at a CAGR of 2.8% to reach USD 407 million by 2029.

Chart 14: Global Market Size of Sodium Metabisulphite

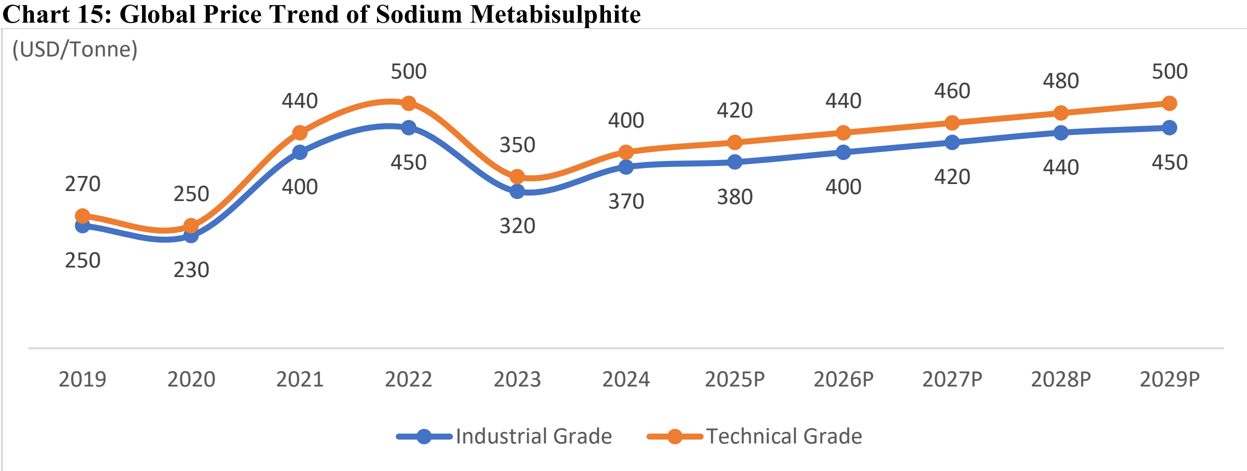


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Global Price Assessment

On a global scale, sodium metabisulphite prices have increased marginally over time, driven by stable consumption in food preservation, pharmaceuticals, and industrial applications. Supply chain normalization post-COVID has also contributed to steady price growth.

Chart 15: Global Price Trend of Sodium Metabisulphite



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Sodium Sulphite (Na_2SO_3)

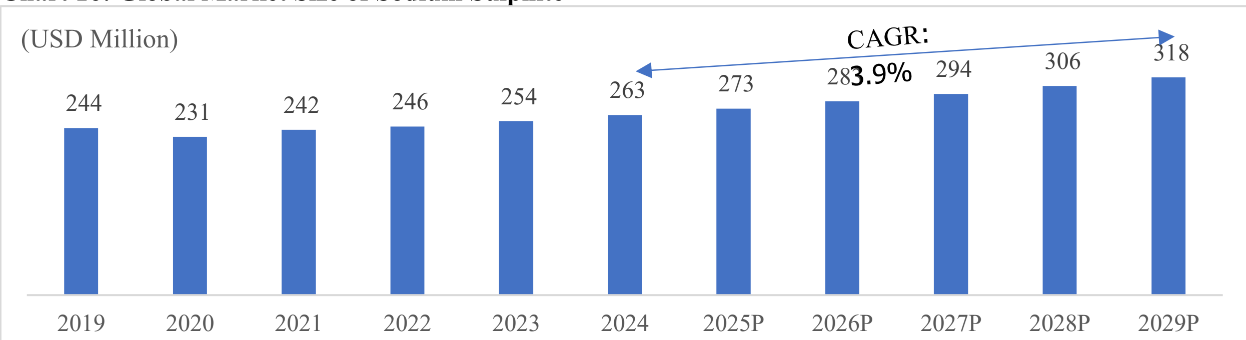
Product Overview

Sodium sulphite is a white, water-soluble solid that functions primarily as a preservative, antioxidant, and bleaching agent. Produced industrially by reacting sodium hydroxide with sulfur dioxide, it plays a vital role in pulp and paper manufacturing, photography, chemical synthesis, and textile processing. Global demand for sodium sulphite is closely tied to environmental and industrial water treatment needs, particularly in Asia-Pacific, where infrastructure development and regulatory frameworks are evolving rapidly.

Global Market Size

The global demand has grown owing to usage in pulp & paper, textile, and photographic industries, particularly in developing economies to reach at USD 263 million in 2024. Going further, the market expansion is expected to grow at a CAGR of 3.9% to reach USD 318 million by 2029 backed by the growth in the packaging and paperboard sectors along with eco-friendly bleaching solutions likely to gain traction.

Chart 16: Global Market Size of Sodium Sulphite

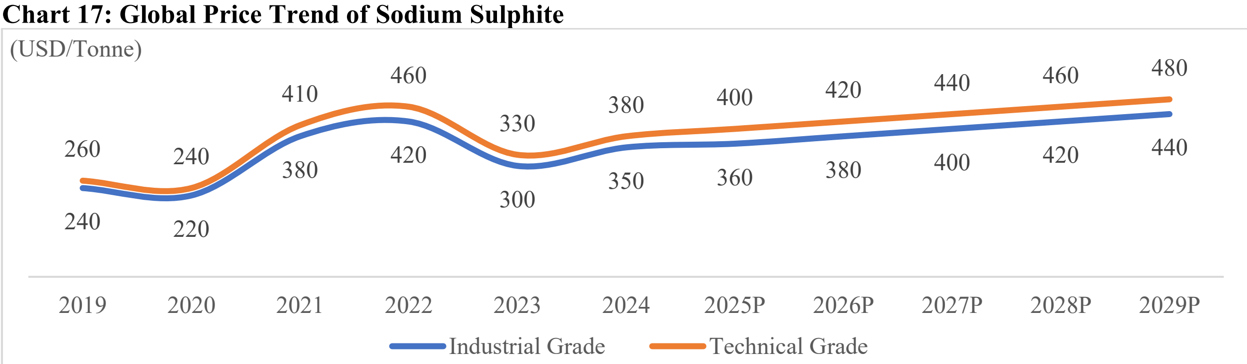


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Global Price Assessment

Global sodium sulphite prices continue to rise slowly due to sustained demand from the paper, water treatment, and photographic sectors. Balanced supply-demand conditions and moderate energy costs are keeping the upward momentum intact.

Chart 17: Global Price Trend of Sodium Sulphite



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Ammonium Bisulphite (NH_4HSO_3)

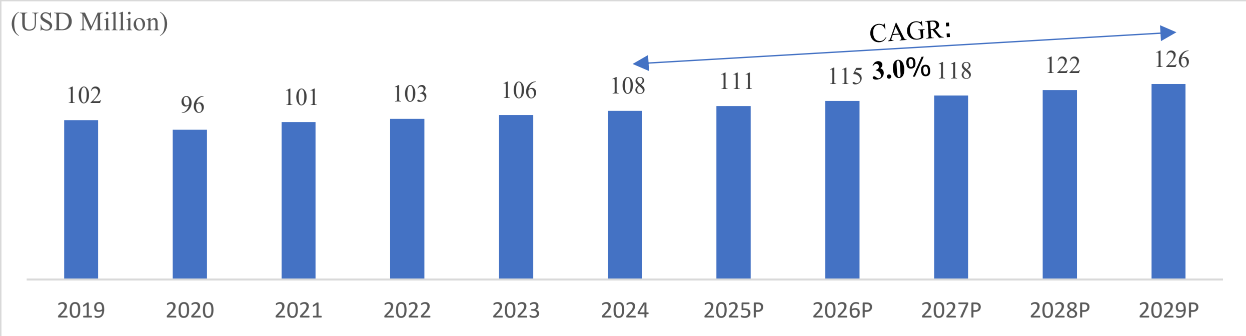
Product Overview

Ammonium bisulphite is a clear, yellowish liquid used primarily as an oxygen scavenger and reducing agent in industrial processes. It is formed by absorbing sulfur dioxide into an aqueous solution of ammonia. The product is critical in oilfield applications (especially in drilling fluids), boiler water treatment, and the photographic and pulp & paper industries. Its global demand is strongly linked to the upstream oil & gas industry, particularly in regions with enhanced oil recovery and offshore drilling operations like North America and the Middle East.

Global Market Size

The market has expanded owing to increased usage in oil & gas fields for oxygen scavenging and corrosion control to reach USD 108 million in 2024. With rising upstream oil exploration and the need for efficient boiler water treatment, demand is likely to grow further at a CAGR of 3.0% to reach USD 126 million by 2029.

Chart 18: Global Market Size of Ammonium Bisulphite

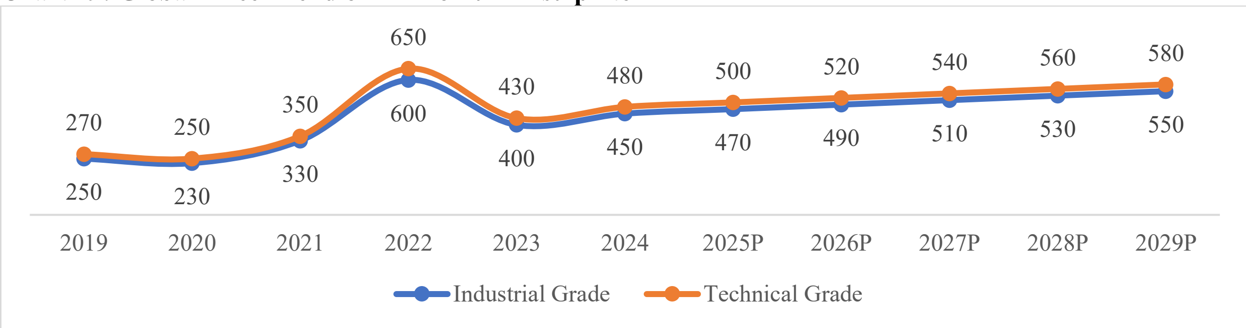


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Global Price Assessment

Globally, ammonium bisulphite prices are on a gradual upward trajectory, with steady demand from oil & gas drilling, gas treatment, and wastewater management. Limited production capacity in key regions and specialized end-use reliance is contributing to firming price levels.

Chart 19: Global Price Trend of Ammonium Bisulphite



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Key growth drivers for the Chemical Industry

The growth drivers for the Chemical Industry are as follows:

Rising Demand from End-Use Industries

- As per the International Council of Chemical Associations (ICCA), the global chemical industry enables 95% of all manufactured goods, reflecting its widespread application across end-use sectors such as agriculture, pharmaceuticals, construction, and automotive.
- Government initiatives like India's National Policy on Electronics and Production Linked Incentive (PLI) scheme have spurred the growth of electronic manufacturing, thereby increasing demand for semiconductors and chemicals used in PCB fabrication and chipmaking.
- The Ministry of Agriculture & Farmers Welfare continues to support fertiliser production through subsidies, contributing to steady demand for agrochemicals.

Shift of Global Supply Chains Away from China (China+1 Strategy)

- Global players are actively diversifying sourcing and manufacturing away from China, driven by supply chain disruptions, geopolitics, and ESG scrutiny.
- India has emerged as a preferred alternative, particularly in pharmaceutical intermediates, agrochemical actives (AIs), and specialty chemicals, evidenced by increasing contract manufacturing deals (CDMO/CRAMS).
- Between FY21 and FY24, FDI inflow into India's chemicals sector rose by ~25%, reflecting this strategic shift.

Technological Advancements

- According to the European Chemical Industry Council (CEFIC), digitalisation and Industry 4.0 tools, such as advanced analytics, process automation, and predictive maintenance, are being increasingly adopted to optimise production and reduce unplanned downtime.
- The Indian government, through the Department of Chemicals and Petrochemicals (DCPC), has supported innovation in bio-based and green chemical processes to encourage cleaner production pathways.
- Biotechnological methods such as enzyme catalysis are being promoted globally for their lower environmental impact and process efficiency, as noted by industry bodies like the ICCA.

Sustainability and Green Chemistry

- Growing emphasis on circular economy practices is leading chemical manufacturers to invest in waste minimisation, recycling, and the use of renewable feedstocks. This aligns with India's National Chemical Policy draft that encourages sustainable manufacturing.
- The European Green Deal and initiatives by organisations like Responsible Care promote green chemistry principles, pushing producers toward safer, environmentally friendly alternatives.
- Programs such as the Bureau of Energy Efficiency’s (BEE) PAT Scheme incentivise energy efficiency in the chemical sector.

Industrialisation in Emerging Economies

- According to CEFIC, Asia remains the largest chemical-producing region, accounting for approximately 60% of global chemical sales.
- The Government of India’s “Make in India” initiative and 100% FDI allowance in the chemical sector have boosted investments and capacity expansions across industrial zones.
- Development of Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIRs) is creating hubs for integrated chemical manufacturing and infrastructure development.

Innovation in Speciality Chemicals

- ICCA highlights that speciality chemicals continue to see strong growth due to their tailored applications in personal care, electronics, and healthcare sectors.
- Increased R&D activity supported by public-private partnerships and government incentives is facilitating the development of performance chemicals and value-added formulations.
- The DCPC under the Ministry of Chemicals & Fertilisers has recognised the specialty chemical segment as a focus area under its industrial development plans

Rising Demand for Environmentally Compliant Chemicals

- Regulatory tightening (e.g., EU REACH, India's BIS standards, and bans on specific APIs and agrochemicals in China) is driving demand for low-toxicity, biodegradable, and high-purity chemical substitutes.
- This has led to a surge in R&D-driven specialty segments like bio-based surfactants, green solvents, and water-soluble polymers.
- Indian companies with strong process engineering are gaining market share in exporting these compliant chemistries

Domestic Chemicals Industry

Industry Overview

The chemical industry is one of the most pervasive sectors in manufacturing, owing to its critical role in enabling a wide array of end-use applications. The Indian chemicals industry is highly diversified, encompassing over 80,000 commercial products, including basic chemicals, petrochemicals, agrochemicals, paints, gases, personal care chemicals, and pharmaceuticals. It is a key enabler of India's industrial and agricultural development and acts as a fundamental building block for several downstream industries such as textiles, paper, packaging, paints and coatings, soaps and detergents, and healthcare.

Within this broader ecosystem, the sulphur-based chemicals segment holds particular importance due to its wide industrial usage and essentiality in strategic sectors. Sulphur and its derivatives such as sulphuric acid, sulphur dioxide, and sulphur hexafluoride are critical inputs in fertilisers, dyes, detergents, pharmaceuticals, petroleum refining, water treatment, and metal processing. Sulphuric acid, in particular, is one of the most produced and consumed industrial chemicals globally and serves as a key indicator of a country's industrial development.

India is one of the largest consumers of sulphur-based chemicals in Asia, driven by growing fertiliser production (especially phosphatic fertilisers), increasing demand from the petroleum refining industry, and expansion of the chemical intermediate sector. Moreover, with limited domestic availability of elemental sulphur, India relies heavily on imports, primarily from the Middle East and the CIS region, making supply-chain stability a critical concern.

The strategic role of sulphur-based chemicals in supporting food security (via fertilisers), clean energy (via refining and batteries), and industrial manufacturing positions this segment as an essential contributor to India's economic and industrial growth. Ongoing investments in downstream chemical manufacturing, coupled with increasing environmental regulations, are expected to shape the demand-supply dynamics of sulphur-based products in the near to medium term.

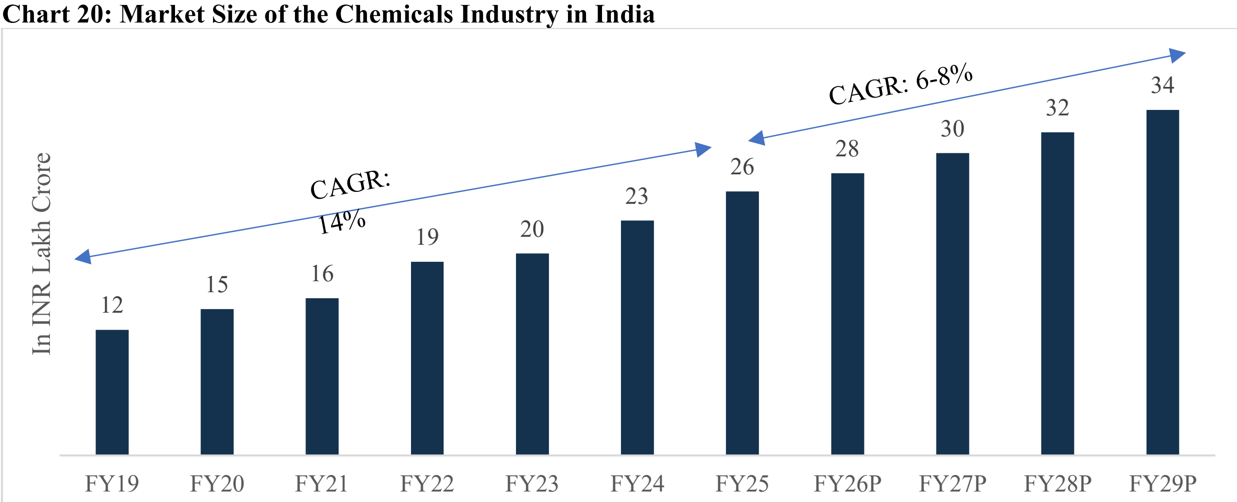
Industry Market Size and Segmentation

India's chemical industry has showcased robust growth over the years, evolving into a key pillar of the country's manufacturing landscape. The industry stood at Rs. 12 lakh crores in FY19 and expanded at a healthy CAGR of 14% to reach Rs. 26 lakh crores by FY25.

Looking ahead, the sector is projected to continue its growth trajectory, albeit at a slightly moderate pace. From FY24 to FY29, the market is expected to grow at a CAGR of 6-8%, reaching approximately Rs. 34 lakh crores by FY29. This moderation is likely reflective of global economic headwinds, commodity price volatility, and evolving regulatory frameworks, though the long-term fundamentals remain strong.

The expansion is being driven by rising domestic consumption, increasing exports, diversification of manufacturing bases, and growing demand from end-user industries such as pharmaceuticals, textiles, agrochemicals, and automotive. India's growing positioning as a preferred alternative to China in the global chemicals supply chain is further bolstering investment inflows and capacity expansion across multiple sub-segments.

Chart 20: Market Size of the Chemicals Industry in India

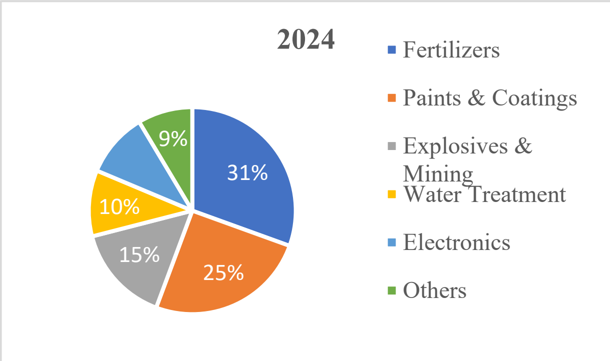


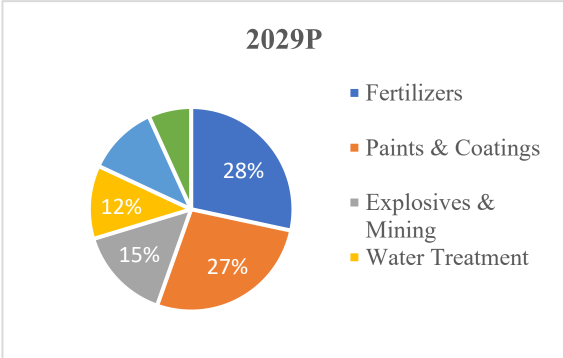
Source: CareEdge Research & Analysis; P: Projected

Domestic Segmental end-usage of Inorganic Chemicals

India's domestic inorganic chemicals market remains anchored by the fertilizer sector, though its share is expected to decline from 31% in 2024 to 28% by 2029, reflecting a shift toward industrial applications. Paints & coatings are set to grow from 25% to 27%, driven by infrastructure and manufacturing demand. Electronics and water treatment are also gaining share, supported by policy push and sustainability focus. While explosives & mining remain steady at 15%, the others category is expected to decline. Overall, the market is gradually transitioning toward higher-value and tech-driven end uses.

Chart 21: Segmental end-usage of Inorganic Chemicals





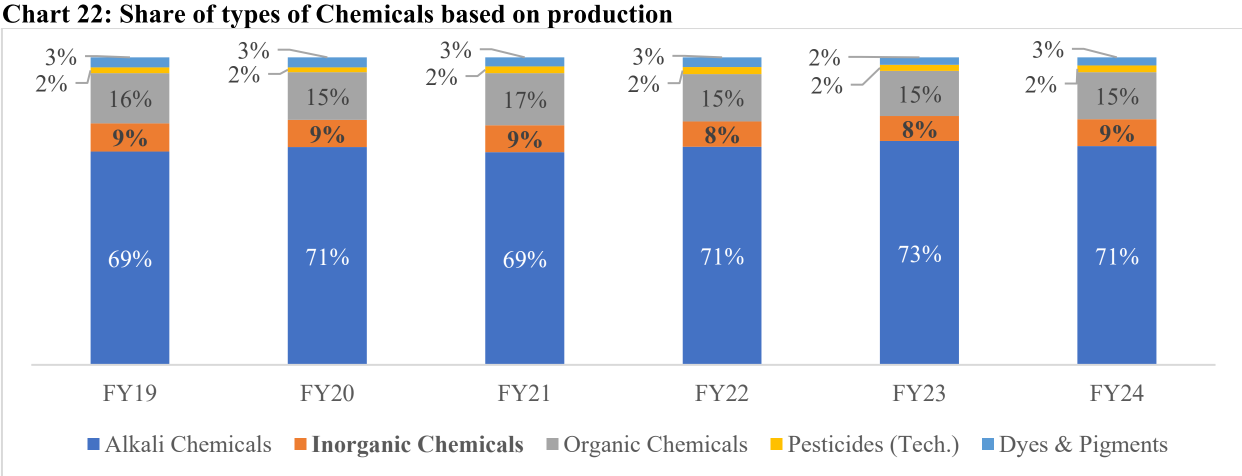
Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Share of Different Types of Chemicals Based on Production

The share of chemicals is consistently dominated by alkali chemicals, relatively remained stable at 69-71%, with a slight uptick to 73% in FY23, reflecting their critical role in India's chemical manufacturing ecosystem, particularly in sectors like textiles, paper, and detergents.

Inorganic chemicals, though significantly smaller in share, maintained a steady presence around 8-9%, showing their sustained relevance in industrial applications. Organic chemicals, the second-largest category after alkalis, showed minor fluctuations between 15-17%, indicating stable demand across pharmaceuticals and agrochemicals. Steady demand from end-use sectors has supported consistent production levels in the chemicals industry, which have remained largely stable over the past five years.

Chart 22: Share of types of Chemicals based on production



Source: Statistics at a Glance 2024, Department of Chemicals and Petrochemicals, CareEdge Research

Overview and Domestic Market Size of the Inorganic Chemicals Industry

Inorganic chemicals form a crucial segment of India's chemical industry, catering to diverse sectors such as fertilizers, textiles, water treatment, and construction. Common products include acids, alkalis, salts, and gases like chlorine and hydrogen. India has a strong base in the production of inorganic chemicals, particularly due to the availability of key raw materials and robust domestic demand.

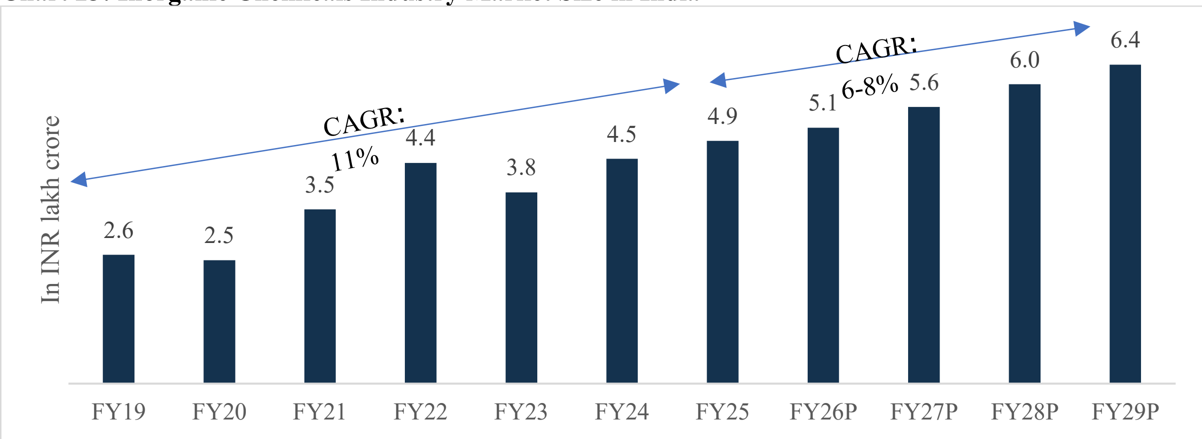
The segment is also supported by established players and government initiatives encouraging industrial growth.

Despite being a smaller contributor in volume compared to alkali or organic chemicals, inorganic chemicals remain indispensable for several core industrial processes.

India's domestic inorganic chemicals market has demonstrated a resilient recovery post-pandemic, growing from Rs. 2.6 lakh crore in FY19 to Rs. 4.9 lakh crore in FY25.This rebound has been backed by revived demand in core sectors like fertilisers, infrastructure, and water treatment, alongside policy-driven industrial momentum.

Going forward, the market is projected to reach Rs. 6.4 lakh crore by FY29, supported by expansion in electronics manufacturing, environmental compliance, and downstream capacity additions. The growth trajectory signals a structural shift from cyclical recovery to sustained industrial demand and strategic import substitution.

Chart 23: Inorganic Chemicals Industry Market Size in India



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Overview of Sulphur-Based Inorganic Chemicals

India is one of the leading consumers and producers of sulphur-based inorganic chemicals, driven primarily by its large agricultural base, expanding industrial activity, and growing demand from sectors such as fertilizers, water treatment, chemicals, pulp & paper, and textiles.

The Indian sulphur-based chemical industry includes products such as sulphuric acid, sodium bisulphite, sodium metabisulphite, sodium sulphite, and ammonium bisulphite, with sulphuric acid being the most consumed and produced.

Key Sulphur-based Chemicals in the Inorganic Chemicals Industry

Sodium Bisulphite ($NaHSO_3$)

Product Overview

In India, sodium bisulphite is primarily produced for use as a reducing agent and oxygen scavenger in water treatment, effluent treatment plants (ETPs), and the pulp & paper industry. It is also used in the leather and textile industries as a bleaching and dechlorinating agent.

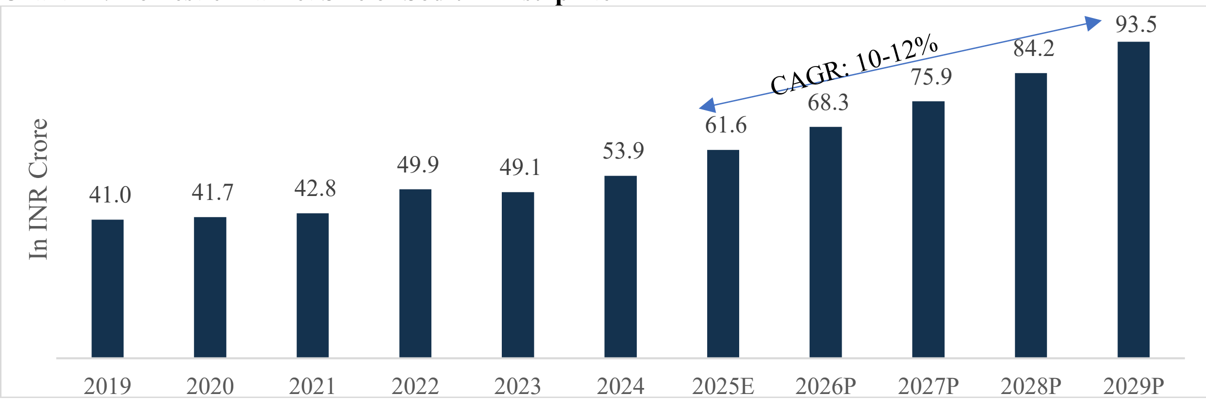
India's industrial demand for sodium bisulphite has been rising in line with environmental compliance norms, especially across states with high industrial output like Gujarat, Maharashtra, and Tamil Nadu. It is typically produced by reacting sulphur dioxide with sodium carbonate or sodium hydroxide.

Domestic Market Size

The demand for sodium bisulphite in India has grown due to stricter industrial effluent treatment norms and expanding capacity in the paper, textile, and leather industries to reach Rs. 53.9 crores in 2024. The growth of urban water treatment infrastructure and industrial clusters has created steady domestic demand.

Going forward, increasing investments in clean water and wastewater treatment under government initiatives like the Jal Jeevan Mission are expected to further support consumption with market growing at a CAGR of 10-12% to reach Rs. 93.5 crores by 2029.

Chart 24: Domestic Market Size of Sodium Bisulphite

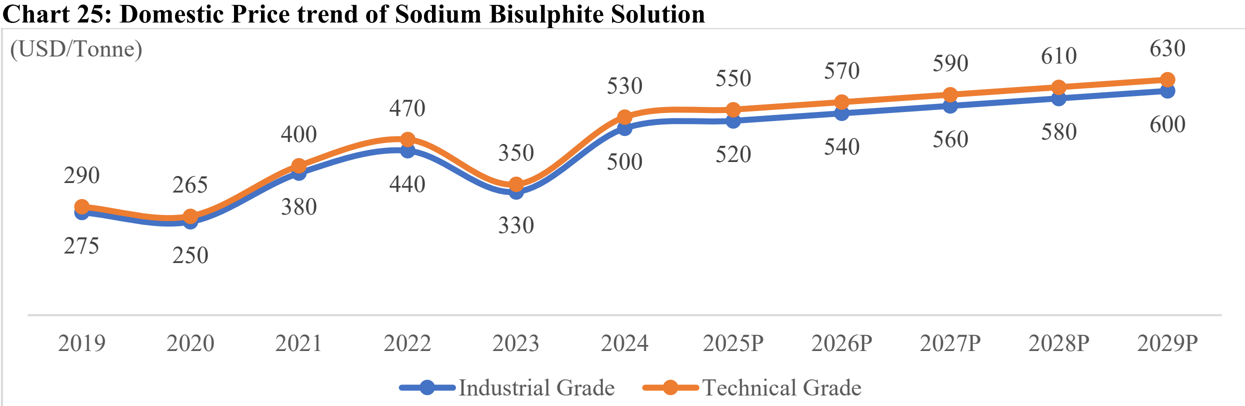


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Domestic Price Assessment

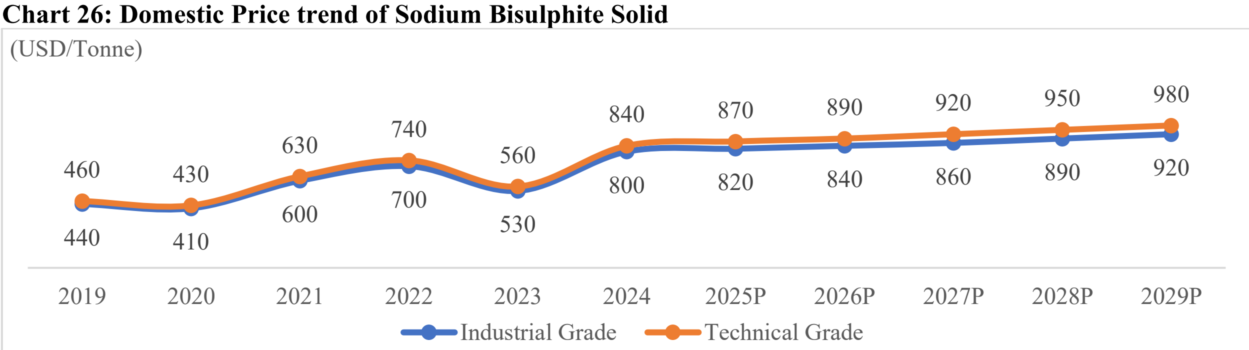
Prices of sodium bisulphite solution and solid both have witnessed rising trend post covid. However, global uncertainties led to certain decline in prices. Going forwards prices are likely to witness a steady upward trend, largely driven by consistent demand from water treatment and textile sectors. Limited fluctuations in raw material costs are expected to support this minimal yet sustained growth.

Chart 25: Domestic Price trend of Sodium Bisulphite Solution



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Chart 26: Domestic Price trend of Sodium Bisulphite Solid



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Sodium Metabisulphite ($Na_2S_2O_5$)

Product Overview

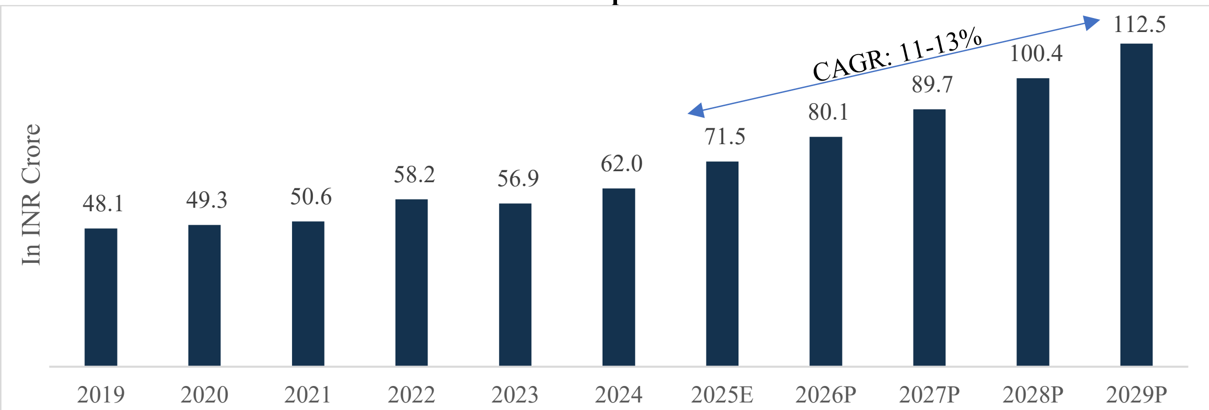
Sodium metabisulphite in India has applications across food processing, mining, photography, and chemical industries. It is widely used as a preservative and antioxidant in food and beverages, particularly in packaged foods, pickles, and fruit juices. Industrially, it is used in the textile sector for dyeing and as a bleaching agent.

India exports significant volumes of sodium metabisulphite to markets like the U.S., UAE, and Europe, which has driven investments in capacity expansion by domestic chemical manufacturers. Gujarat and Andhra Pradesh are major production hubs.

Domestic Market Size

India has seen a rise in food preservation needs due to growth in packaged and processed foods, especially in urban centers. Additionally, the use of Sodium metabisulphite in mining and textile dyeing processes has contributed to industrial demand to reach Rs. 62 crores in 2024. Going forward, growth will likely be driven by increasing exports, expansion of food-grade production capacity, and growing demand from the pharmaceutical and chemical formulation sectors to reach Rs. 112.5 crores by 2029 at a CAGR of 11-13%.

Chart 27: Domestic Market Size of Sodium Metabisulphite

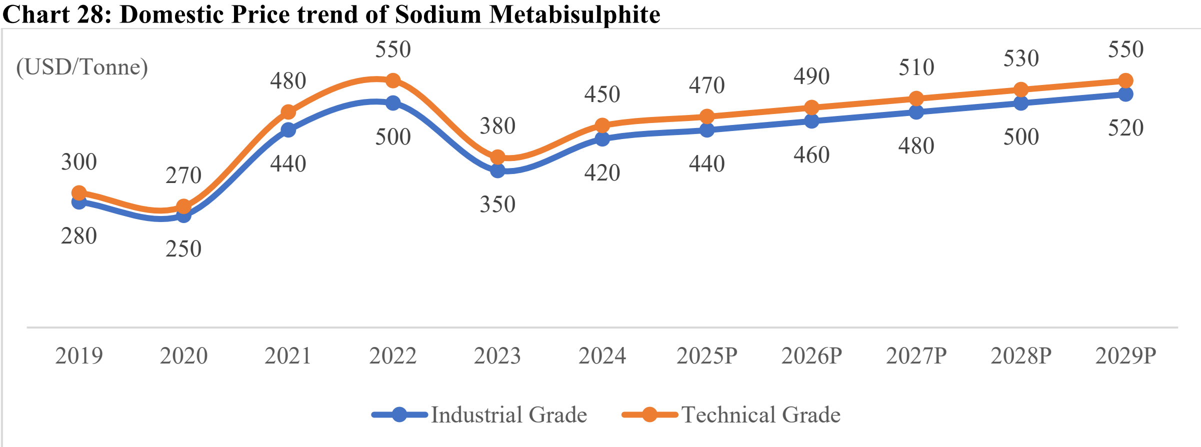


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Domestic Price Assessment

The price of sodium metabisulphite has seen marginal increases over time, backed by stable demand from food preservation and chemical processing industries. Supply-side stability has contributed to this gradual rise. The prices are expected to rise on a constant trend supported by rising demand.

Chart 28: Domestic Price trend of Sodium Metabisulphite



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Sodium Sulphite (Na_2SO_3)

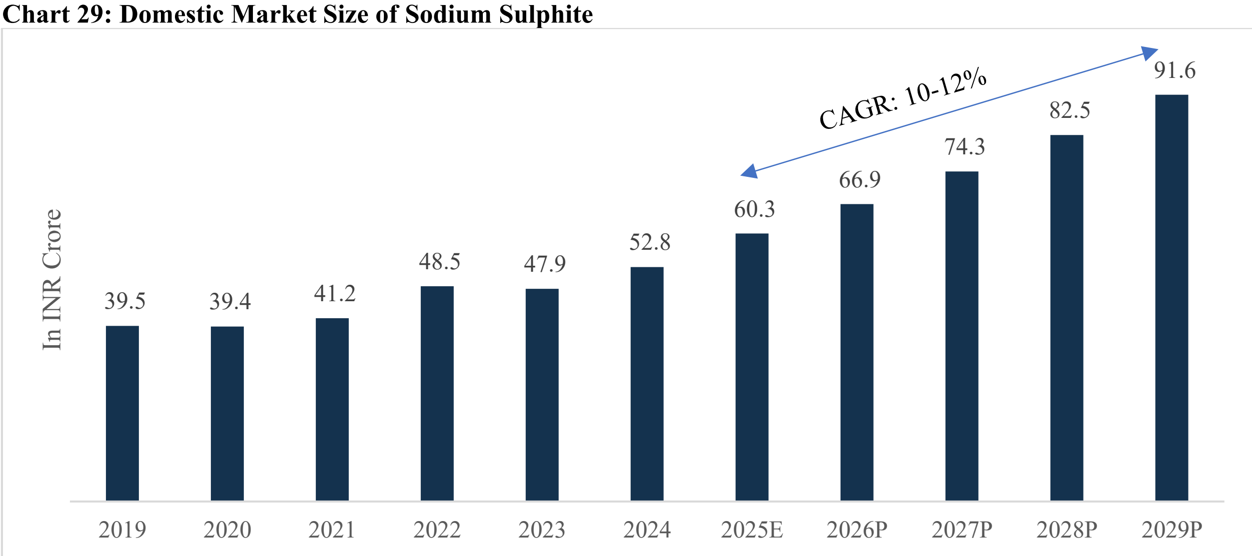
Product Overview

Sodium sulphite is used in India mainly for pulp & paper processing, photographic development, chemical synthesis, and as an oxygen scavenger in boilers. Its role in helping reduce dissolved oxygen in feedwater makes it critical in the power and industrial steam generation sectors. While sodium sulphite demand remains stable, the chemical is considered moderately hazardous, and Indian regulations mandate strict handling and transport standards. Local production is largely centered around western India, where bulk chemical industries operate.

Domestic Market Size

The growth in sodium sulphite consumption has been aligned with the expansion of India's pulp and paper industry and power generation sector, where it serves as an oxygen scavenger. This has led to consistent growth in demand reaching Rs. 52.8 crores in 2024. Going further, demand is expected to be driven by India's industrial infrastructure expansion, particularly in packaging, printing, and utility sectors to reach Rs. 91.6 crores by 2029 at a CAGR of 10-12%.

Chart 29: Domestic Market Size of Sodium Sulphite

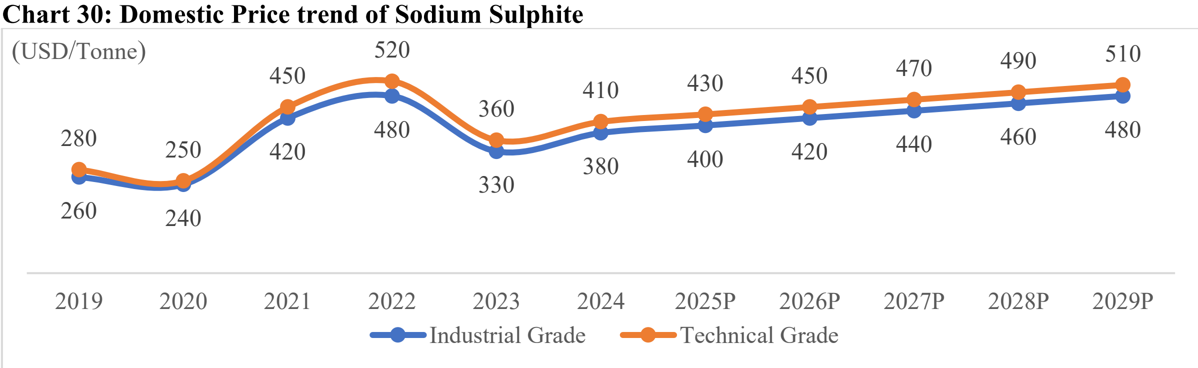


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Domestic Price Assessment

Sodium sulphite prices continue to edge upward, supported by its sustained use in pulp & paper and photographic industries. Modest input cost inflation and steady demand have led to incremental growth in pricing.

Chart 30: Domestic Price trend of Sodium Sulphite



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Ammonium Bisulphite (NH_4HSO_3)

Product Overview

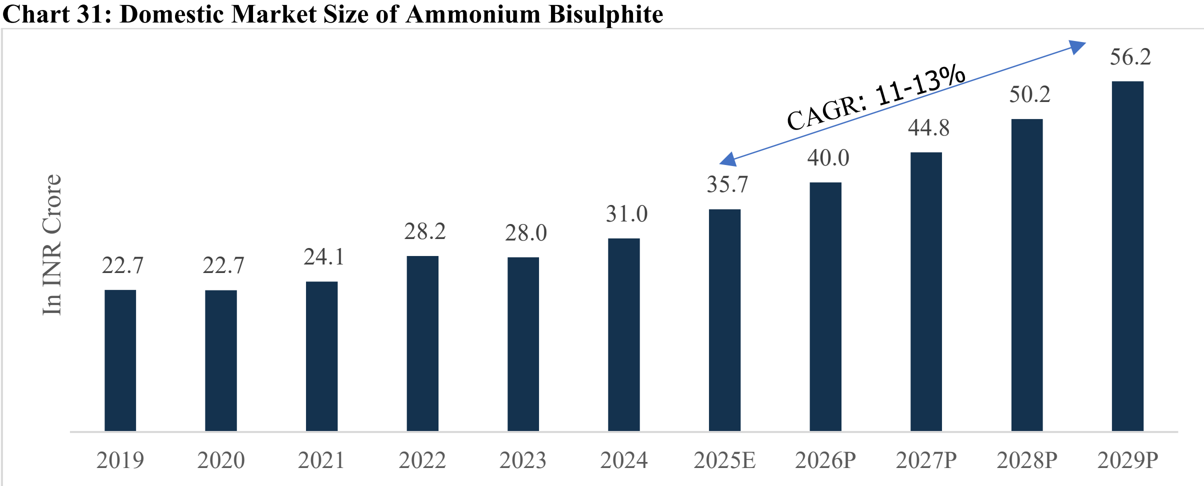
Ammonium bisulphite is used extensively in India's oil & gas, power generation, and water treatment sectors. Its principal use is as an oxygen scavenger to prevent corrosion in pipelines, boilers, and refineries.

With India pushing domestic oil & gas production and expanding thermal power generation capacity, demand for ammonium bisulphite has grown steadily. Indian manufacturers also supply the product for export markets in the Middle East and Southeast Asia.

Domestic Market Size

Ammonium bisulphite has gained traction in oil and gas production and refinery operations, where it is used as a corrosion inhibitor and oxygen scavenger. Increased domestic E&P activity and investments in power plants and industrial boilers have supported growth to reach Rs. 31 crores by 2024. With India's continued push for energy self-reliance and rising focus on maintenance of legacy thermal assets, demand is expected to remain robust and is expected to reach Rs. 56.2 crores by 2029 at a CAGR of 11-13%.

Chart 31: Domestic Market Size of Ammonium Bisulphite

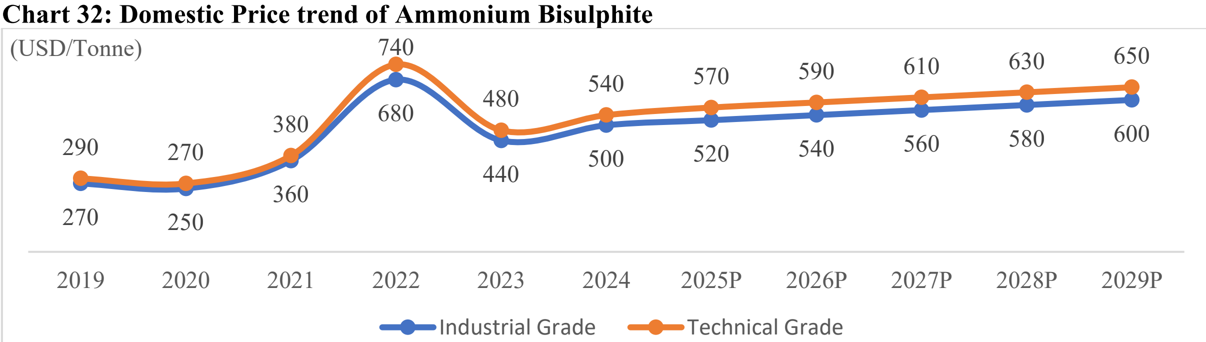


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Domestic Price Assessment

Prices of ammonium bisulphite have been rising gradually, supported by stable demand from oilfield services and wastewater treatment applications. Limited supplier base and specialized end uses continue to exert mild upward pressure on prices.

Chart 32: Domestic Price trend of Ammonium Bisulphite

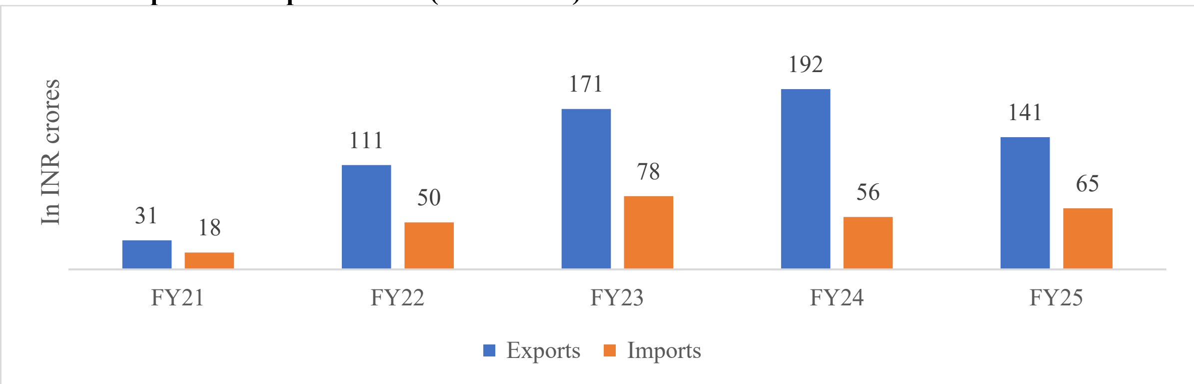


Source: Custom Market Insights (CMI), CareEdge Research & Analysis; P: Projected

Import and Export Trend by Products

Between FY21 and FY24, exports in this chemical segment witnessed robust growth, rising from Rs 31 crores in FY21 to Rs 192 crores in FY24. This surge can be attributed to increased international demand from end-use industries such as water treatment, pulp & paper, textiles, and food processing, along with improved domestic manufacturing capabilities and cost competitiveness. Exporters may also have benefited from favourable trade agreements and a shift in sourcing preferences away from traditional suppliers in certain global markets.

Chart 33: Import and Export Trends (FY21-FY25)



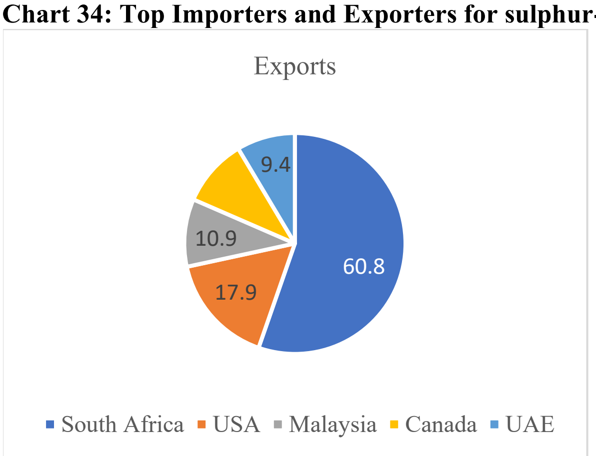
Source: Ministry of Commerce and Industry, CareEdge Research; Note: FY25 (April-Jan); The import and export trends are based on combined data for HS Codes 28321010, 28321090, and 28322090.

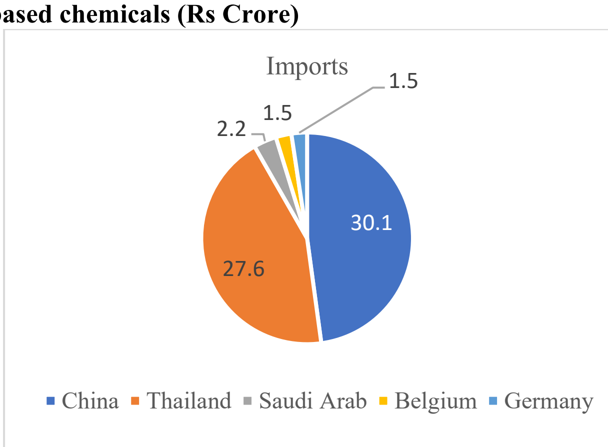
However, exports declined to Rs 1,410 million in FY25 a drop of nearly 27% over the previous year. This contraction could reflect weakening global industrial activity, inventory adjustments by overseas buyers, or the impact of more competitive pricing from alternate supplier countries. Additionally, logistical challenges, regulatory barriers, or changes in environmental compliance norms in key export destinations may have contributed to the downturn.

On the import front, values grew steadily from Rs 18 crore in FY21 to Rs 78 crore in FY23, likely driven by domestic demand for higher-grade variants or specific formulations not sufficiently available in the local market. The decline to Rs 56 crore in FY24 and the subsequent recovery to Rs 65 crore in FY25 suggest fluctuations in local production capacity, price movements in global markets, or shifts in buyer preferences between domestic and imported sources.

Overall, while exports reflect India's strong global presence in this segment, the recent dip calls for renewed focus on competitiveness and market diversification. The import trends point to a gradually stabilising domestic supply chain amid evolving demand conditions.

Chart 34: Top Importers and Exporters for sulphur-based chemicals (Rs Crore)





Source: Ministry of Commerce and Industry, CareEdge Research; Data as of FY25 (April-Jan) The import and export trends are based on combined data for HS Codes 28321010, 28321090, and 28322090

Forecast of Production of Inorganic Chemicals in India

India's inorganic chemical production witnessed a marginal decline from FY19 to FY24, largely due to demand normalisation, capacity rationalisation, and tighter environmental regulations. However, the going forward the production is expected to grow mainly driven by demand recovery across water treatment, fertilizers, and industrial manufacturing. The recovery is also supported by infrastructure expansion and policy-led import substitution, prompting higher capacity utilisation.

Chart 35: Production of Inorganic Chemicals in India

Source: Statistics at a Glance 2024, Department of Chemicals and Petrochemicals, CareEdge Research; P: Projected

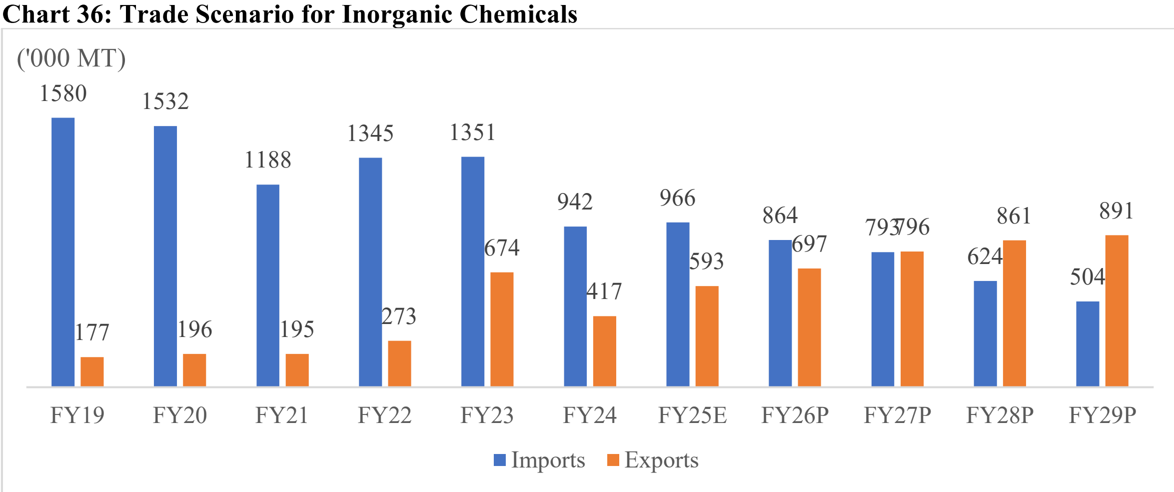
Forecast for Imports / Exports of Inorganic Chemicals of India

India's trade dynamics for inorganic chemicals are undergoing a fundamental shift. From FY19 to FY23, imports consistently outpaced exports, indicating heavy reliance on overseas suppliers for key inputs such as soda ash, caustic soda, and specialty inorganics. However, FY23 marked a clear turning point: exports surged more than 2.5x year-over-year, driven by improved domestic production capacity, cost competitiveness, and rising global demand for basic inorganics used in glass, textiles, and water treatment.

The narrowing gap between imports and exports in FY24 is further supported by backwards integration among Indian manufacturers and strategic moves to reduce import dependence under the "Atmanirbhar Bharat" initiative.

From FY25 onward, exports are likely to overtake imports by FY27. Export volumes are expected to grow at a CAGR of 15%, whereas imports are expected to decline by -17% from FY25 to FY29. The reversal in trend is backed by increased investments in capacity expansion, especially in segments like caustic soda and soda ash, and India's emergence as a viable alternative to China amid tightening global supply chains.

Chart 36: Trade Scenario for Inorganic Chemicals

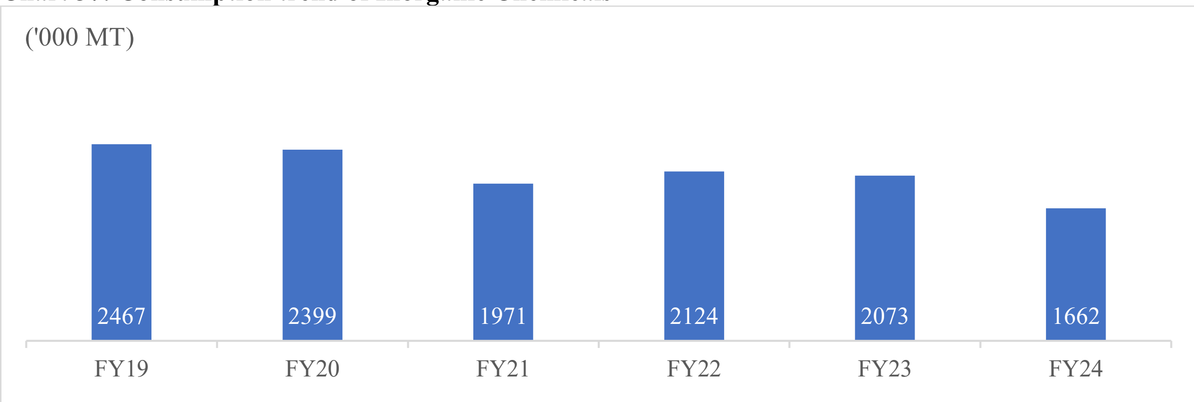


Source: Statistics at a Glance 2024, Department of Chemicals and Petrochemicals, CareEdge Research; P: Projected

Consumption Trend of Inorganic Chemicals in India

Consumption of inorganic chemicals in India has witnessed a declining trend over the past years. While the pandemic-induced slowdown partly contributed to the dip in FY21, the continued decline in subsequent years can be attributed by factors such as improved production efficiency, increased recycling, substitution by organic alternatives in some applications, and reduced dependence on certain imported intermediates might have curbed domestic offtake. Additionally, rising exports in recent years suggest that a portion of domestic production is being diverted to international markets, reshaping the demand-supply dynamics within the country.

Chart 37: Consumption trend of Inorganic Chemicals

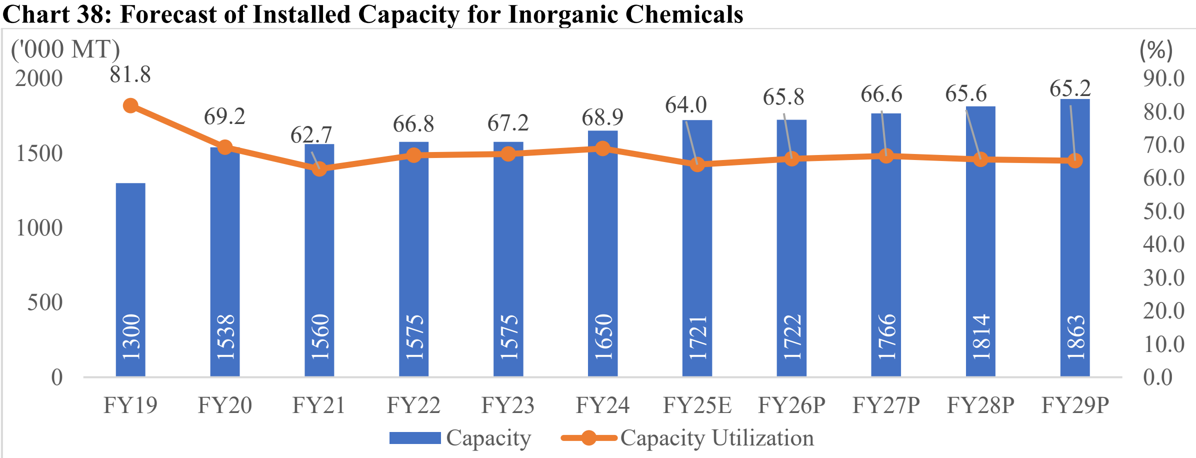


Source: Statistics at a Glance 2024, Department of Chemicals and Petrochemicals, CareEdge Research

Forecast of Installed Capacity for Inorganic Chemicals

The capacity for inorganic chemicals is expected to grow at a CAGR of 4% from FY19 to FY29, reflecting addition in domestic capabilities for the country to reduce import reliance. However, capacity utilization is expected to remain decline marginally supported by a rise in capacity additions. Manufacturers are ramping up capacity ahead of demand to hedge against supply disruptions, reduce import reliance, and cater to emerging export opportunities. With capacity additions outpacing consumption growth, utilization is expected to remain subdued in the 65-69% range.

Chart 38: Forecast of Installed Capacity for Inorganic Chemicals



Source: Statistics at a Glance 2024, Department of Chemicals and Petrochemicals, CareEdge Research

Key growth drivers for the Inorganic Chemical Industry

Growth in End-Use Industries

The demand for inorganic chemicals is directly linked to India's expanding infrastructure and manufacturing sectors. According to DPIIT, construction and allied infrastructure attracted over Rs 2.5 lakh crore in investments in FY24 under the National Infrastructure Pipeline (NIP). The growth of the cement, glass, and textiles industries is driving demand for inputs like sodium silicate, calcium carbonate, and alum. For instance, India's glass industry has seen steady expansion, supported by the government's push for smart cities and affordable housing schemes (Ministry of Housing & Urban Affairs).

Environmental Compliance & Wastewater Treatment

As per the Central Pollution Control Board (CPCB), over 70% of India's surface water is polluted, prompting stricter enforcement of effluent treatment standards. The National Mission for Clean Ganga (NMCG) and AMRUT 2.0 have significantly increased demand for chemical-based treatment solutions. Inorganic coagulants such as alum and ferric chloride are essential in water and sewage treatment, with CPCB identifying them as standard reagents in municipal and industrial effluent protocols.

Fertiliser Demand from the Agriculture Sector

According to the Fertiliser Association of India (FAI), total fertiliser sales in India reached approximately 64.7 million tonnes in FY24, with rising usage of secondary and micronutrients such as zinc sulphate and borates. The government's continued subsidy support under the Nutrient Based Subsidy (NBS) scheme and targeted initiatives like PM-PRANAM are expected to drive demand for inorganic fertiliser inputs, including phosphates and ammonium salts, especially in customised fertiliser blends.

Export Growth Backed by Global Diversification

India exported inorganic chemicals worth over USD 4.7 billion in FY24 (DGCI&S, Ministry of Commerce & Industry), with top-performing categories including aluminium compounds, chlorides, silicates, and borates. Major export markets include the UAE, Bangladesh, the USA, and Vietnam. India’s strong chemical manufacturing base, cost advantage, and improved environmental compliance have enhanced its competitiveness globally, supported by recent bilateral trade agreements such as the India-UAE CEPA.

Impact of recent US Tariffs on sulphur based chemical sector

In May 2024, the United States Trade Representative (USTR) proposed new tariffs on select chemical imports, including sulphur-based inorganic compounds such as sulphuric acid, sodium bisulphite, and sodium metabisulphite.

While these measures are largely positioned within the broader strategy of safeguarding domestic industry and reducing import dependency, the scope includes certain categories where India has emerged as a credible and growing exporter. Although the implementation of these tariffs is currently on hold pending further consultation, the announcement has already created a cautious sentiment among Indian exporters, particularly those with a sizeable exposure to U.S.-bound shipments.

India's sulphur-based inorganic chemical sector primarily concentrated in Gujarat and Maharashtra has benefited in recent years from both China+1 sourcing strategies and growing demand across U.S. end-use segments like pulp & paper, food preservation, oilfield services, and water treatment. India exports around 16% of sulphur-based chemicals which is likely to have minimal impact. However, the proposed tariff, if enforced, could compress price competitiveness, disrupt established supply contracts, and shift procurement decisions in favour of other low-duty countries. Moreover, given the commodity nature of many sulphur-based chemicals and their thin operating margins, even a modest duty impact could translate into reduced realizations or necessitate re-routing exports to markets with weaker pricing power.

While the recently announced US tariffs could trigger reciprocal measures affecting trade dynamics, both India and the US are currently engaged in negotiations aimed at maintaining a constructive bilateral trade relationship and avoiding potential disruptions.

End-User Industry Assessment

Pharmaceutical Industry

Industry Overview

The Indian pharmaceutical industry (IPI) ranks 3rd globally in terms of volume and 13th in terms of value. Its lower market share by value is largely due to the dominance of generic medicines, which make up around 70% of the industry’s revenue and are priced lower.

The pharmaceutical industry in India is a significant consumer of inorganic chemicals, which serve as reactants, catalysts, pH adjusters, and excipients in drug formulation and manufacturing. Compounds like aluminium hydroxide, magnesium stearate, sodium bicarbonate, and phosphates are widely used in antacids, tablets, and injectable formulations. Whereas sulphur-based compounds such as sodium metabisulphite and sulphur dioxide are used as reducing agents, preservatives, and intermediates in the synthesis of active pharmaceutical ingredients (APIs) and antibiotics.

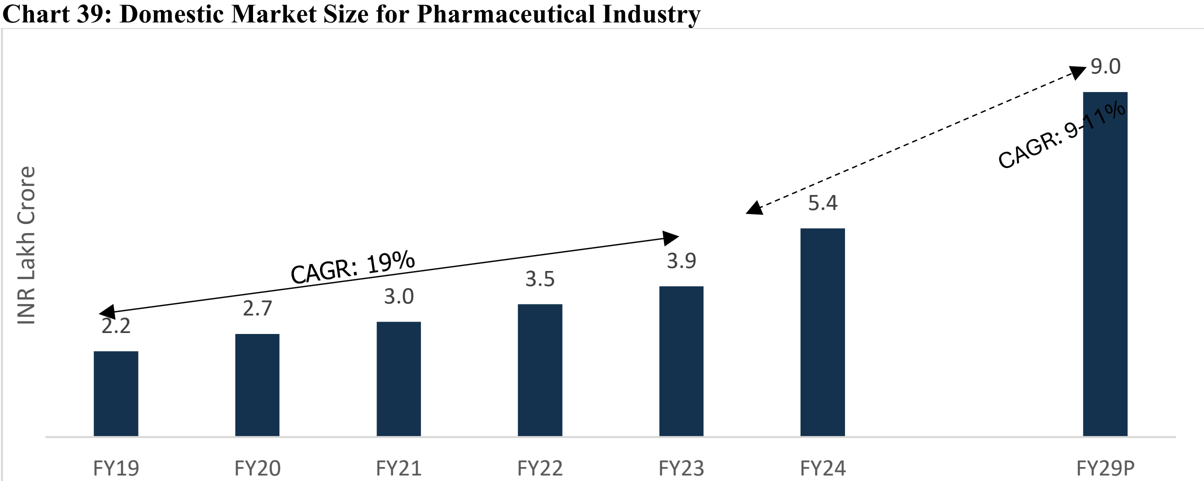
With India being a global hub for generic drugs and APIs, the demand for high-purity inorganic chemicals remains strong. Regulatory emphasis on GMP-compliant raw materials is also pushing manufacturers toward more refined and consistent chemical inputs.

Industry Market Size

The Indian pharmaceuticals market has shown a robust growth since FY19. The pharmaceuticals market grew at a CAGR of 19% from FY19 to FY24 reaching about Rs. 5.4 lakh crore. Low cost of production without compromising on quality along with highest number of USFDA approved pharmaceutical plants (outside the USA) has placed India strategically to emerge out as one of the leading producers for pharma products, which has led to robust growth.

Going forward, industry is likely to continue growing at a CAGR of 9-11% reaching about Rs. 9 lakh crores by FY29. One of the key growth drivers for the Indian pharmaceutical industry is the increasing prevalence of non-communicable diseases such as cardiovascular disease, stroke, cancer, diabetes and chronic lung diseases.

Chart 39: Domestic Market Size for Pharmaceutical Industry



Source: IBEF, Department of Pharmaceuticals, CareEdge Research; E: Estimated; P: Projected

Key growth drivers

Growth in the chronic diseases segment: The chronic disease segment is poised for sustained growth in the medium term, driven by the need for long-term treatments and recurring prescriptions. Chronic care drugs, addressing non-communicable diseases like cancer, cardiovascular ailments, diabetes, and mental disorders, see higher prescription frequency due to their prolonged treatment cycles and the interconnected pharmaceutical supply chain.

Government support via PLI schemes: The support under PLI schemes is expected to promote the production of high-value products in the country and increase the value addition in exports as well as generate employment for both skilled and unskilled personnel, estimated at 20,000 direct and 80,000 indirect jobs because of growth in the sector.

Growing Infrastructural development: India has the greatest number of FDA-regulated drug manufacturing facilities after the U.S. Around 650 plants, constituting a quarter of all USFDA-approved facilities outside the United States, highlight its significant role in pharmaceutical production.

With life expectancy improving and changing demographic profile, healthcare services a must: India's improving life expectancy and demographic shift are driving increased healthcare needs. By 2031, 13% of the population is projected to be aged 60 or older, compared to 8% in 2011. According to the UNFPA's 2023 report, over 30% of elderly women and 28% of men suffer from chronic conditions such as arthritis, hypertension, and diabetes, with one-fourth experiencing multiple morbidities.

Oil Drilling Industry

Industry Overview

India's oil drilling industry plays a critical role in meeting the country's energy demand, with increasing focus on domestic exploration and production. The oil drilling industry in India relies heavily on inorganic chemicals for exploration and production activities.

Key chemicals such as bentonite, barite, calcium chloride, and sodium silicate are used in drilling fluids and mud systems to control pressure, lubricate the drill bit, and stabilize boreholes while sulphur-based chemicals like sodium bisulphite are used for oxygen scavenging in drilling fluids and to control corrosion in oilfield water injection systems and production pipelines.

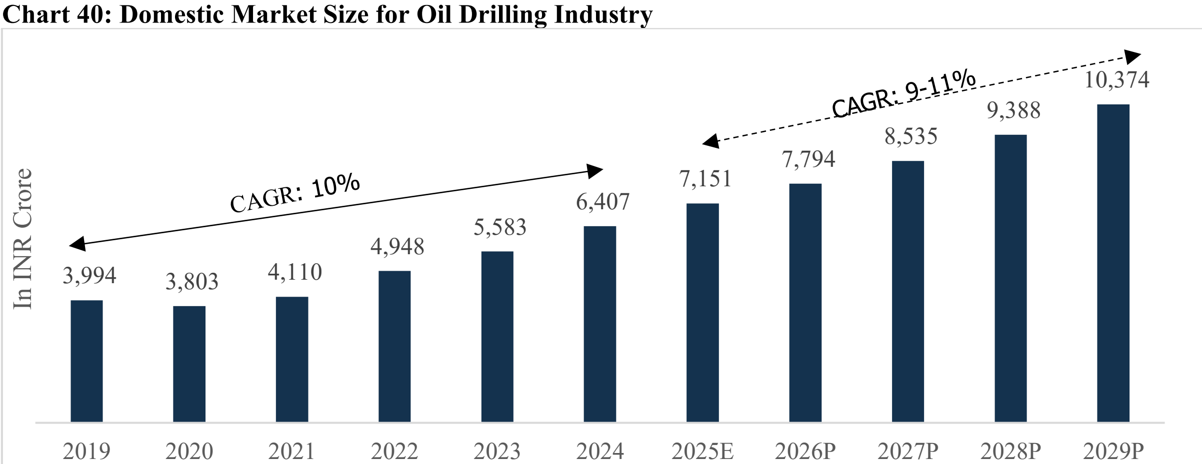
With increased focus on domestic oil and gas exploration, particularly in offshore and deepwater blocks, demand for these drilling additives is expected to grow. Additionally, India's shift toward energy security and enhanced recovery techniques is further driving the need for high-performance inorganic drilling chemicals.

Industry Market Size

The Indian oil drilling market has witnessed a moderate growth trajectory between 2019 and 2024, growing at a CAGR of 10%, driven by continued exploration efforts and rising energy demand. However, a sharper growth momentum is expected with the market likely to grow at a CAGR of 9-10% until 2029.

This growth is supported by increased upstream investments, renewed focus on deepwater exploration, and government initiatives to reduce import dependence. The rising activity will directly boost demand for critical inorganic drilling chemicals such as barite, bentonite, and calcium chloride—underscoring their strategic role in India's energy value chain.

Chart 40: Domestic Market Size for Oil Drilling Industry



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; E: Estimated, P: Projected

Key growth drivers

Growing Energy Demand: India's expanding economy and rising population are driving higher energy consumption, increasing the need for domestic crude oil production. This is translating into greater drilling activity across both onshore and offshore basins.

Policy Support and Import Substitution: The government's emphasis on reducing crude oil imports—currently over 85% of total demand—is pushing upstream investment. Schemes like HELP and Open Acreage Licensing Policy (OALP) are streamlining exploration efforts, encouraging more drilling activity.

Focus on Unconventional and Deepwater Resources: With conventional fields maturing, companies are shifting focus to deepwater, ultra-deepwater, and unconventional reserves such as shale and tight oil. These complex operations require greater use of specialized inorganic chemicals like drilling fluids, cementing agents, and completion fluids.

Increased Private and Foreign Investment: Liberalized FDI norms, attractive licensing terms, and improving ease of doing business are drawing international oil companies and private players into India's upstream sector. This is catalysing drilling activity and boosting demand for chemical-intensive exploration operations.

Food & Beverages Industry

Industry Overview

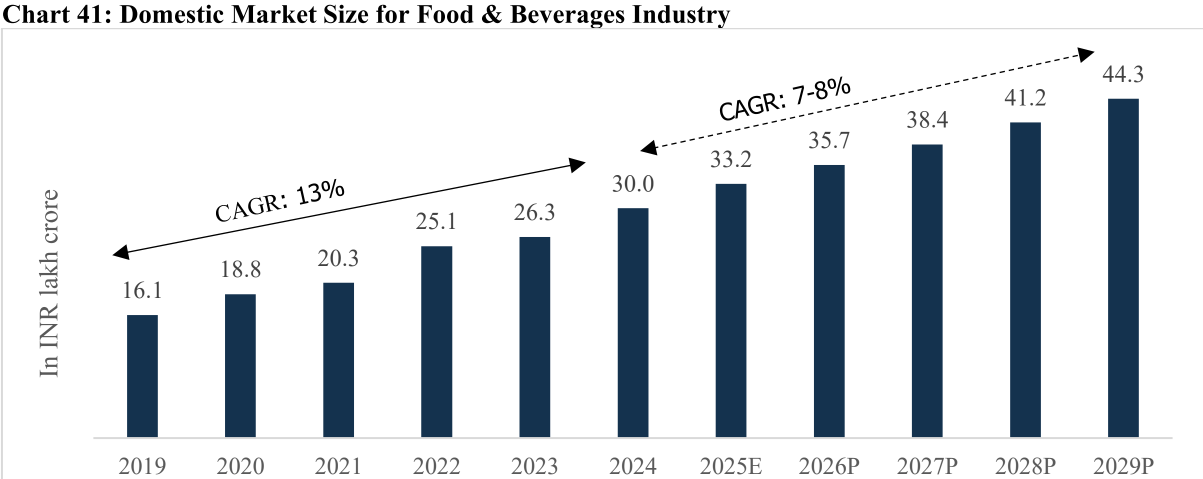
India's food & beverages industry is expanding steadily, supported by rising incomes, urbanization, and increased processed food consumption. Inorganic chemicals such as phosphates, carbonates, and acids play a crucial role in food preservation, pH regulation, leavening, and mineral fortification. Sulphur based chemicals such as sulphur dioxide and sodium metabisulphite are also used as preservatives and antimicrobial agents, particularly in dried fruits, juices, wines, and processed foods to prevent spoilage and microbial growth.

Regulatory focus on food safety and shelf-life enhancement has led to greater use of food-grade inorganic compounds. With rapid growth in packaged foods, bakery, dairy, and beverages, the demand for consistent, high-quality inorganic inputs is expected to grow in tandem.

Industry Market Size

India's Food & Beverage (F&B) industry has shown consistent and healthy growth, rising from Rs. 16.1 lakh crores in 2019 to Rs. 30 lakh crores in 2024, at a strong CAGR of 13%. This growth trajectory is set to continue, with the market projected to reach Rs. 44.3 lakh crores by 2029, driven by a steady 7-8% CAGR. The sector's expansion reflects increasing consumer demand, a growing middle class, rapid urbanization, and evolving food preferences driving long-term outlook for the industry.

Chart 41: Domestic Market Size for Food & Beverages Industry



Source: CareEdge Research & Analysis, P: Projected

Key growth drivers

Rising Disposable Incomes and Urbanization: As urban middle-class households expand, there is a clear shift in dietary habits toward packaged, ready-to-eat, and convenience foods. Higher disposable income is enabling consumers to spend more on branded and premium food products, boosting demand across categories like dairy, snacks, beverages, and processed foods.

Rapid Growth of Organized Retail and E-commerce: The proliferation of modern retail formats, supermarkets, and online grocery platforms is improving product accessibility and widening distribution reach. This structural change is enabling faster market penetration for packaged F&B products, particularly in Tier 2 and Tier 3 cities.

Shift Toward Health, Nutrition & Fortified Foods: Consumers are increasingly opting for foods with added nutritional value, such as fortified staples, functional beverages, low-sugar or gluten-free products. This is driving the use of food-grade inorganic chemicals like phosphates, citrates, and mineral salts for fortification and stability.

Government Initiatives and Food Processing Push: Policies such as the PMFME (Pradhan Mantri Formalisation of Micro Food Processing Enterprises) and incentives under the PLI scheme for food processing are encouraging capacity expansion, formalization, and innovation across the sector. This is spurring upstream demand for food additives, preservatives, and pH regulators.

Pulp and Paper Products Industry

Industry Overview

The pulp and paper industry in India is undergoing structural transformation, driven by rising domestic consumption, packaging demand, and export opportunities. Inorganic chemicals such as caustic soda, chlorine, hydrogen peroxide, and lime are integral to pulping, bleaching, and wastewater treatment processes. Sulphur compounds such as sulphur dioxide and sodium bisulphite are utilized in pulping processes to break down lignin and bleach pulp, enhancing paper whiteness and softness.

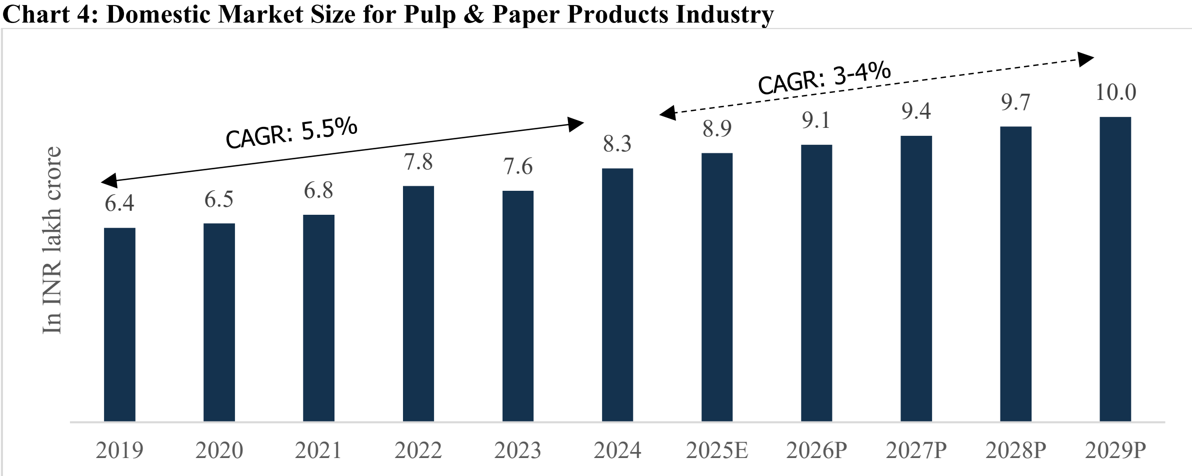
With growing emphasis on sustainability and cleaner processing, the demand for high-purity and specialty-grade chemicals is rising. Additionally, capacity additions in kraft and packaging paper are expected to sustain chemical consumption growth in the medium term.

Industry Market Size

India's pulp and paper products industry is witnessing a steady growth trajectory. The market grew at a steady CAGR of 5.5% from 2019 to 2024, reflecting structural challenges such as digitization-driven decline in printing paper and raw material constraints.

However, the outlook is turning positive, with an expected CAGR of 3-4% from 2024 to 2029, driven by rising demand for sustainable packaging, expansion in e-commerce, and increasing sanitary paper consumption. This growth is likely to support demand for inorganic chemicals such as bleaching agents, fillers, and sizing chemicals that are integral to paper manufacturing processes.

Chart 4: Domestic Market Size for Pulp & Paper Products Industry



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; E: Estimated, P: Projected

Key growth drivers

Surge in Packaging Demand: The rapid growth of e-commerce, food delivery platforms, and FMCG sectors is significantly boosting demand for kraft paper, corrugated boards, and flexible packaging. In a move toward eco-friendly packaging materials, paper-based solutions are being increasingly opted for instead of plastics, promoting robust offtake of packaging-grade paper.

Rising Per Capita Paper Consumption: India's paper consumption per capita (around 15–16 kg) remains well below the global average (~55 kg), indicating vast untapped potential. As literacy rates improve, rural consumption grows, and organized retail expands, demand across writing, printing, and tissue segments is expected to accelerate steadily.

Recovery in Education and Office Segments: The reopening of schools, colleges, and workplaces post-COVID has revived demand for printing and writing paper, which had contracted during the pandemic. This structural rebound is aiding capacity utilization and improving product mix across integrated paper mills.

Policy and Environmental Tailwinds: Regulations phasing out single-use plastics and incentives for sustainable alternatives are boosting demand for paper straws, cups, cartons, and food wraps. This transition is encouraging capacity additions in specialty and recyclable paper segments.

Steam Boilers Industry

Industry Overview

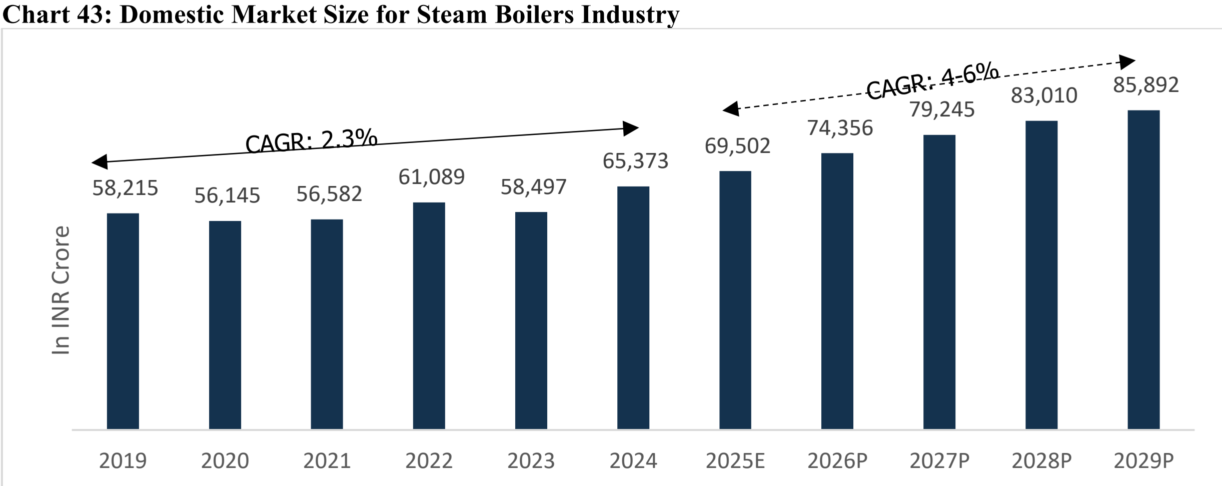
The steam boilers industry in India is closely linked to industrial growth across sectors like textiles, chemicals, power, and food processing. Inorganic chemicals such as phosphates, hydrazine, sodium sulphite, and ammonia are vital for boiler water treatment used to prevent scaling, corrosion, and foaming. Sodium bisulphite is used as an oxygen scavenger in boiler feedwater treatment to prevent oxidative corrosion and scaling inside boiler tubes and condensate systems.

As industries increasingly adopt energy-efficient and high-pressure boilers, the need for precise chemical conditioning has grown. Stricter environmental norms and focus on operational efficiency are also driving steady demand for high-performance inorganic water treatment chemicals.

Industry Market Size

The steam boilers industry in India witnessed a decline in growth at a CAGR of 2.3% between 2019 and 2024, largely due to subdued industrial activity during the pandemic years and slower capex cycles. However, the industry is poised for recovery, with growth projected at 4-6% CAGR from 2024 to 2029, backed by industrial production rebound, energy efficiency upgrades, and growing process steam requirements.

Chart 43: Domestic Market Size for Steam Boilers Industry



Source: Custom Market Insights (CMI), CareEdge Research & Analysis; E: Estimated, P: Projected

Key growth drivers

Expanding Industrial Base Across Sectors: Sectors like textiles, food processing, chemicals, and pharmaceuticals are witnessing steady growth, all of which require reliable process heat. This industrial expansion is directly driving demand for steam boilers, especially in small and medium-sized enterprises adopting automation and scale efficiency.

Focus on Energy Efficiency and Process Optimisation: With rising fuel costs and emission norms tightening, industries are replacing legacy boilers with high-efficiency, low-emission models. This transition is also increasing demand for inorganic boiler treatment, like phosphates, hydrazine, and sodium sulphite to enhance operational efficiency and longevity.

Urbanisation and Infrastructure Growth: Urban infrastructure projects—such as hospitals, commercial complexes, and residential high-rises—require centralized heating and hot water systems. This is boosting the adoption of compact and modular steam boilers, especially in Tier 1 and Tier 2 cities.

Government Push for Cleaner Technologies: Through policies like PAT (Perform, Achieve, and Trade) under the National Mission on Enhanced Energy Efficiency (NMEEE), the government is encouraging industries to adopt greener boiler technologies. This is accelerating demand for newer generation boilers along with high-purity water treatment chemicals to meet efficiency and emission targets.

Other End-Use Industries

1. Textile Industry

The textile sector remains one of the largest end-users of sulphur-based inorganic chemicals, particularly sodium hydrosulphite and sulphur dioxide, used as reducing agents in vat dyeing and desizing processes. These chemicals are integral to enabling consistent colour fixation and fibre preparation in natural and synthetic fabrics.

India's textile industry contributing ~2% to GDP and 11–12% of total exports is undergoing structural modernisation, driven by government initiatives such as the PLI Scheme and PM MITRA Parks. The textiles and apparel market is expected to reach USD 250 million by FY30. As demand shifts towards value-added segments like technical textiles and synthetic blends, the requirement for precision chemical processing intensifies, sustaining demand for sulphur-based agents that offer controllable redox behaviour and compatibility with automated dyeing systems.

2. Leather Processing Industry

Sulphur-based chemicals such as sodium sulphide and sodium hydrosulphite play a pivotal role in the beamhouse operations of leather processing, notably in dehairing, unhairing, and liming. India, being a top global exporter of leather goods, operates in a compliance-sensitive environment dictated by international norms such as REACH and ISO 14001.

The growing demand for 'green leather' has led to process optimisation, where controlled use of sulphur-based inputs enables efficient unhairing with reduced effluent load. The Indian footwear and leather market is expected to reach almost USD 47 billion by 2030. Additionally, the rise in demand for lightweight, high-quality leather from automotive and fashion sectors necessitates uniform chemical processing, reinforcing the relevance of high-purity sulphur-based intermediates.

3. Food Preservation Industry

In the food processing value chain, sulphur-based preservatives like sulphur dioxide and sodium metabisulphite are essential for microbial control and oxidation prevention in dried fruits, juices, and pickled goods. These compounds inhibit enzymatic browning and maintain product stability during storage and distribution. India's food processing industry expected to grow at robust rate doubling from USD 307 billion in 2023 to almost USD 700 billion by 2030. The growth is likely to be backed from rising packaged food demand, export incentives under the Agriculture Export Policy, and infrastructure expansion under schemes such as the Mega Food Park initiative. Sulphur-based preservatives, being cost-effective and regulatory-approved at controlled doses, remain preferred agents for meeting extended shelf-life requirements while adhering to FSSAI and Codex Alimentarius limits.

Regulatory Framework

Policy Landscape for Indian Chemicals Industry

The policy landscape for India's chemicals industry is evolving rapidly to foster self-reliance, align with global best practices, and address sustainability imperatives. The following sections outline the key regulatory and policy initiatives impacting the sector:

1. **Chemical Management and Safety Regulations**

Chemical (Management and Safety) Rules, 2024 (CMSR):

Introduced to replace the MSIHC Rules, 1989, the CMSR will:

- Mandate pre-registration and registration for substances exceeding 1 tonne per annum.
- Require submission of Safety Data Sheets (SDS), exposure scenarios, and risk assessments.
- Apply to domestic manufacturers, importers, and downstream users.
- Align India with frameworks such as EU REACH, facilitating better trade compliance.

2. **Investment Promotion – PCPIR Policy**

- The revised Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) policy supports infrastructure-led development in designated clusters:
- Key regions: Dahej (Gujarat), Paradeep (Odisha), Cuddalore (Tamil Nadu), and Visakhapatnam (Andhra Pradesh).
- Focus on integrated logistics, CETPs, effluent management, and common utilities.
- States to act as nodal authorities for infrastructure and approvals.

3. **Trade Measures and Import Substitution**

- Customs duties increased on select feedstocks and intermediates to reduce import dependency (e.g., ethylene dichloride, phenol).
- Anti-dumping duties extended on products such as soda ash, caustic soda, and aniline.
- Mandatory BIS standards implemented for several chemicals (e.g., titanium dioxide, acetic acid) to curb low-quality imports.

4. **Environmental and Safety Regulations**

Enhanced enforcement of EHS norms under:

- Environment Protection Act, 1986
- Factories Act, 1948
- Hazardous and Other Wastes Rules, 2016

Focus on:

- Zero Liquid Discharge (ZLD) systems in industrial clusters.
- Real-time monitoring of emissions and effluents.
- Adoption of green chemistry practices and waste minimization.

Policy Initiatives by the government for Chemicals Industry

1. **Proposed Production Linked Incentive (PLI) Scheme for Chemicals**

The government has considered extending the PLI scheme to the specialty chemicals sector, with a proposed financial outlay in the range of ₹6,000–₹8,000 crore. The aim of this proposed scheme is to incentivize domestic manufacturing of critical chemical intermediates such as fluorochemicals, agrochemical ingredients, and high-performance polymers. Although the Department of Chemicals and Petrochemicals (DCPC) submitted the proposal to the Ministry of Finance, the scheme has not yet been approved or notified. As such, while industry stakeholders have expressed strong support, the PLI framework for chemicals remains under evaluation and is yet to be rolled out.

2. Revised PCPIR (Petroleum, Chemicals and Petrochemicals Investment Region) Policy

The revised PCPIR policy promotes infrastructure-led growth by developing integrated chemical clusters in identified regions like Dahej (Gujarat), Paradeep (Odisha), Cuddalore (Tamil Nadu), and Visakhapatnam (Andhra Pradesh). These zones are supported with common infrastructure such as water supply, effluent treatment systems, logistics networks, and captive power. The policy also streamlines environmental and industrial clearances through single-window mechanisms, thereby improving ease of doing business. This cluster-based approach aims to enhance economies of scale, attract global players, and facilitate integrated value chain development in chemicals.

3. Chemical Management and Safety Rules (CMSR), 2024

The CMSR, notified in 2024, replaces the legacy MSIHC Rules and introduces a comprehensive framework for safe chemical management. It mandates registration and risk assessment for all substances manufactured or imported above 1 tonne per annum. The rules require detailed data submissions such as Safety Data Sheets (SDS), exposure scenarios, and hazard classifications. By aligning closely with international systems like EU REACH, the CMSR aims to improve transparency, promote safe usage of chemicals across the value chain, and facilitate smoother trade with regulatory-compliant markets.

4. Tariff Reforms and Import Substitution

To curb import dependence and promote local manufacturing, the government has rationalized customs duties on several chemical intermediates. Higher import duties have been levied on products like ethylene dichloride, phenol, and acetone to make domestic production more viable. In addition, anti-dumping duties have been imposed or extended on chemicals such as soda ash, caustic soda, and aniline to protect Indian manufacturers from low-priced imports. These measures support the competitiveness of local players and enable capacity expansion in critical segments.

5. BIS Quality Standards and Environmental Norms

To ensure quality compliance and safeguard domestic industry standards, the Bureau of Indian Standards (BIS) has made certification mandatory for a growing list of chemical products. This move helps reduce the influx of substandard imports while improving customer confidence in Indian-made chemicals. Simultaneously, environmental regulations have become stricter, with emphasis on Zero Liquid Discharge (ZLD), continuous emissions monitoring, and solid waste management in industrial clusters. These measures encourage the adoption of sustainable practices and green chemistry across the industry.

6. Skill Development and R&D Support

The government is also focusing on human capital and innovation to drive long-term competitiveness. Through collaborations with the National Skill Development Corporation (NSDC) and the Sector Skill Councils, several training programs have been launched to build capabilities in chemical handling, safety protocols, and process optimisation. Additionally, financial support is being extended for setting up R&D centres and chemical technology parks, with the aim of strengthening innovation, improving product quality, and enabling faster adoption of advanced technologies in the sector.

Threats and Challenges for Inorganic Chemicals Industry

Environmental Compliance Pressure on Industry

The inorganic chemical industry faces acute regulatory pressure due to the inherently pollutive nature of its processes. High salinity wastewater, gaseous emissions (like SO_2, Cl_2), and sludge disposal attract strict scrutiny under CPCB norms. Delays in obtaining environmental clearances frequently lead to production halts.

Global Feedstock Dependency and Supply Instability

India imports a large portion of essential inputs such as sulphur, soda ash, and potash, leaving domestic producers exposed to global price volatility. Disruptions in maritime trade, geopolitical crises, or export restrictions by major producers like China or Russia cause raw material shocks. These fluctuations are hard to absorb in a price-sensitive, low-margin environment, particularly for basic inorganics.

Rising Energy Costs and Infrastructure Bottlenecks

The chemical sector is highly energy-intensive, and fluctuations in industrial power tariffs and fuel prices (e.g., natural gas, coal) can significantly affect margins. While some large players have invested in captive power plants or renewable energy, many mid-sized firms rely on state electricity boards, where power reliability and pricing remain inconsistent. Additionally, inland logistics inefficiencies, lack of dedicated chemical transport corridors, and underdeveloped pipeline infrastructure contribute to higher freight costs and longer turnaround times, especially for exporters.

Rising Compliance Costs for Handling and Transport

Inorganic chemicals are often corrosive, reactive, or hazardous in nature, requiring specialized storage, handling, and transport. Compliance with transport safety regulations and hazardous cargo norms has become more stringent. Lack of availability of certified logistics infrastructure and corrosion-resistant tankers adds to operational risk and increases distribution costs.

Limited R&D and Innovation in Product Value Chain

Compared to specialty chemicals, the inorganic segment in India sees minimal research toward product innovation or application development. As global demand shifts toward higher-purity, custom-grade inorganic materials (e.g., battery-grade sulphates, electronic-grade chlorides), Indian players are struggling to move up the value chain. Low R&D intensity limits long-term competitiveness.

Geopolitical and Global Market Risks

The Indian chemical industry is heavily integrated into global supply chains, making it vulnerable to geopolitical tensions and trade disruptions. The ongoing trade disputes between major economies (such as the US-China trade war and the Russia-Ukraine conflict) have led to volatility in chemical prices and supply shortages. In addition, anti-dumping tariffs imposed by foreign countries, particularly for products like caustic soda and phenol, pose significant risks to Indian exporters. As global markets shift and competition increases, the industry faces the challenge of maintaining its position as a cost-competitive supplier while balancing environmental and social expectations.

Competitive Landscape

1. **Shanti Inorganics Limited**

Shanti Inorgo Chem, is a Gujarat-based manufacturer of sulphur-based inorganic chemicals, established in 1998 in Ahmedabad. The company began with Sodium Bisulphite in powder form and later innovated its solution form through in-house R&D. The company holds one of the largest domestic production capacities for Sodium Bisulphite with a capacity of 24,000 TPA. During FY24, the company's overall production capacity stood at 16,200 MTPA, of which Sodium Bisulphite Solution/Powder accounted for 7,800 MTPA, Ammonium Bisulphite was at 6,200 MTPA and Sodium Meta Bisulphite was at 2,200 MTPA.

Financial indicators	FY22	FY23	FY24	FY25
Net Sales (Rs. Lakhs)	2,810	4,573	4,488	5,711
Operating Profit (EBITDA) (Rs. Lakhs)	486	713	865	1211

Financial indicators	FY22	FY23	FY24	FY25
Operating Margin (in %)	17.29%	15.58%	19.27%	21.21%
Net Profit (Rs. Lakhs)	298	476	522	828
Net Profit Margin (in %)	10.60%	10.41%	11.63%	14.50%
Total Debt (Rs. Lakhs)	261	563	2,434	2,538
Debt -to- Equity	0.31	0.43	1.35	0.98
Current Ratio	1.61	1.35	1.12	0.78
Return on Capital Employed (ROCE) (in %)	50.31%	49.11%	25.85%	32.83%
Return on Equity (ROE) (in %)	35.86%	36.42%	29.06%	31.97%
Return on Assets (ROA) (in %)	17.97%	17.18%	9.91%	12.54%

Source: Company Reports

2. Shalibhadra Dyechem Private Limited

Founded in 1989, Shalibhadra Dyechem Private Limited (part of the Shalibhadra Group of Industries) is a manufacturer and exporter of chemicals like Sodium Sulfite, Potassium Sorbate, and Sodium Phosphate. Based in Ahmedabad, Gujarat, the company is known for delivering pure, reliable, and long-lasting products. With a modern facility, strong distribution network, and experienced leadership under Darshan Sanghvi and Pankaj Sanghvi, it ensures timely service and consistent quality to its clients.

Financial indicators	FY22	FY23	FY24
Net Sales (Rs. Lakhs)	2,975	3,119	3,117
Operating Profit (EBITDA) (Rs. Lakhs)	48	69	133
Operating Margin (in %)	1.63%	2.21%	4.27%
Net Profit (Rs. Lakhs)	27	46	44
Net Profit Margin (in %)	0.90%	1.46%	1.42%
Total Debt (Rs. Lakhs)	709	765	977
Debt -to- Equity	4.77	0.56	0.96
Current Ratio	1.86	1.61	1.59
Return on Capital Employed (ROCE) (in %)	8.95%	12.09%	10.21%
Return on Equity (ROE) (in %)	18.00%	3.37%	4.37%
Return on Assets (ROA) (in %)	1.88%	2.74%	2.55%

Source: Company Reports

3. Nilkanth Organics Private Limited

Nilkanth Organics was established in 1996 and based in Mumbai. The company specializes in sodium chemical compounds, industrial chemicals, inorganic chemicals and pharmaceutical intermediates. The company has a wide market presence, supplying products across Europe and Asia with timely and consistent delivery.

Financial indicators	FY22	FY23	FY24
Net Sales (Rs. Lakhs)	11,103	5,486	7,859
Operating Profit (EBITDA) (Rs. Lakhs)	731	123	531
Operating Margin (in %)	6.59%	2.24%	6.76%
Net Profit (Rs. Lakhs)	467	80	123
Net Profit Margin (in %)	4.21%	1.45%	1.57%

Financial indicators	FY22	FY23	FY24
Total Debt (Rs. Lakhs)	1,665	9,663	9,466
Debt -to- Equity	0.49	2.64	2.47
Current Ratio	0.93	0.99	1.30
Return on Capital Employed (ROCE) (in %)	17.69%	2.41%	4.11%
Return on Equity (ROE) (in %)	13.86%	2.18%	3.22%
Return on Assets (ROA) (in %)	4.41%	0.42%	0.75%

Source: Company Reports

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OUR BUSINESS

*Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to the Company, Shanti Inorganics Limited. To obtain a complete understanding of our Company and business, prospective investors should read this section in conjunction with "**Risk Factors**", "**Industry Overview**", "**Restated Financial Information**" and "**Management's Discussion And Analysis Of Financial Position And Results Of Operations**" on pages 31, 130, 224 and 269, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole. Additionally, please refer to "**Definitions and Abbreviations**" on page 1 for certain terms used in this section. The industry information contained in this section is derived from the report titled "Industry Research Report on Inorganic Chemicals Industry" (the "Care Report") prepared and released by CARE Advisory Research and Training Limited (formerly known as CARE Risk Solutions Private Limited). The Care Report has been commissioned by us in connection with the Issue. Neither we, nor the BRLM, nor any other person connected with the Issue has independently verified this information. Some of the information set out in this section, especially information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in Equity Shares, prospective Investors should read this entire Draft Red Herring Prospectus. An investment in Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "**Risk Factors**" on page 31 for a discussion of the risks and uncertainties related to those statements, as well as "**Restated Financial Information**" and "**Management's Discussion And Analysis Of Financial Position And Results Of Operations**" on pages 224 and 269, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

OVERVIEW

We are engaged in the business of manufacturing and trading of sulphur based inorganic chemicals. Our product portfolio consists of ammonium bisulphite, sodium bisulphite solutions, sodium meta/ bisulphite, and sodium sulphite powder, which are primarily used as preservatives, reducing agents, oxygen scavengers and process intermediates across multiple industries such as oil drilling, pharmaceuticals, food and beverages, pulp & paper and water treatment. In the inorganic chemical industry, products are categorized into two grades, food grade and technical grade, based on specific application and usage requirements. Our product details along with the usage are as under:

Products	Uses of Products
Sodium meta bisulphite	Manufacturing of acrylic fiber, in water treatment chemicals as dechlorinating agent, oil-drilling as a scavenger, wine manufacturing, food preservative in sea foods & biscuits and refining of gold.
Sodium sulphite powder	Oxygen scavenger in boiler, detoxification of chromic acid in electroplating industries, as a bleaching agent in pulp and paper industry, manufacture of sulfosuccinates in detergents, as a reducing agent in manufacture of indigo dyes, in surfactant industry and sea food industry as a preservative
Ammonium bisulphite solution	Water treatment as an oxygen scavenger to remove dissolved oxygen, oil-drilling industry and manufacture of caramel colour
Sodium bisulphite powder/solution	Oxygen scavenger in oil drilling, water treatment chemicals, effluent treatment plant, manufacturing of liquid glucose, textile dying as reducing agent, manufacturing of dyes & dyes intermediate and gold mining.

Our manufacturing facilities are located at plot no. 2015, phase III, GIDC, Vatva, Ahmedabad – 382445, Gujarat, India ("**Vatva Unit**" or "**Manufacturing Unit – I**") and plot no. 5/A & 5/B Sankalp industrial estate, Village: Chiyada, Ta.: Bavla, Ahmedabad ("**Bavla Unit**" or "**Manufacturing Unit – II**"). The existing Manufacturing Unit – I has an installed capacity of 18,800 metric ton per annum ("**MTPA**") with a total area of our ~1,140 square meters which has been allotted to the Company by the Gujarat Industrial Development Corporation ("**GIDC**"). The Company acquired land to set up the Manufacturing Unit II with a plan to set it up in two phases. Phase I has commenced commercial production with effect from February 2025 with an installed capacity of 18,000 MTPA and occupies a land area of 8,601.10 square meters. The upcoming phase II is located at Plot No. 6 and 7, Sankalp Industrial Estate, Moje Chidaya, Ta: Bavla, Ahmedabad and is proposed to have an installed capacity of 31,200

MTPA to manufacture sodium metabisulphite, sodium bisulphite and ammonium bisulphite with all grades, being food and technical and occupied a land area of ~17,212.07 square meters.

Our Company took over the running business of a partnership firm of our Promoters namely *"Shanti Industries"* on a going concern basis vide Takeover Agreement with effect from April 01, 2010. For further details, please refer *"**History and Certain Corporate Matters – Brief history of our Company**"* on page 199 this Draft Red Herring Prospectus. Since our incorporation in the year 2010, our Company has consistently expanded its production and operational capabilities. We commenced our business operations with production of sodium bisulphite in a powder form and thereafter started manufacturing of sodium bisulphite in a liquid form as well as started manufacturing of sodium metabisulphite, a higher-grade derivative of sodium bisulphite. In Fiscal 2016, we further expanded our product portfolio by commencing the manufacturing of ammonium bisulphite solutions. In Fiscal 2019, we transitioned from using sulphur burning furnaces to procuring liquefied sulphur dioxide (SO_2) which improved production efficiency, reduced emissions and enhanced environmental compliance. In Fiscal 2022, we expanded our installed capacity from 10,700 metric tonnes per annum (**MTPA**) to 16,200 MTPA by investing in new plant and equipment, including dryers, centrifuges, storage tanks and heat exchangers.

Our Company holds certifications which include ISO 9001:2015, NSF, KOSHER, HACCP and HALAL.

We manufacture, market and sell our products in domestic as well as international markets. In the domestic market, we sold our products to 51, 47 and 43 customers during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. In the international market, we sold our products to 21, 21 and 15 customers during Fiscal 2025, Fiscal 2024, and Fiscal 2023, respectively, who are based in countries such as Azerbaijan, Colombia, Egypt, Eswatini, Iraq, Turkey, Malaysia, Nigeria, Puerto Rico, Qatar, Russia, UAE, Oman and Vietnam.

Our Company is led by experienced Promoters, Manojkumar Jayantilal Patel and Avnish Manojkumar Patel who have significant experience of more than 25 years and 13 years, respectively in the field of manufacturing and trading of sulphur based inorganic chemical industry and have been instrumental in expanding our business operations. Our Promoters have been instrumental in steering the strategic direction of the Company and are actively involved in the critical aspects of our business, including production, administration, business development and finance. Their experience and efforts have enabled us to implement an efficient manufacturing process and build strong customer relationships coupled with a diversified product portfolio.

Our restated total income for the Fiscals 2025, 2024 and 2023 were ₹5,845.96 lakhs, ₹4,506.11 lakhs and ₹4,650.19 lakhs, respectively. Our restated EBITDA for the Fiscals 2025, 2024, and 2023 were ₹1,211.43 lakhs, ₹872.60 lakhs and ₹696.74 lakhs, respectively. Our restated profit after tax for the Fiscals 2025, 2024 and 2023 were ₹825.90 lakhs, ₹511.62 lakhs and ₹460.21 lakhs, respectively.

KEY FINANCIAL INFORMATION

Following is a brief overview of our key financial information for the Fiscals 2025, 2024 and 2023:

Sr No	Particulars (1)	Fiscal 2025	% of total Income	Fiscal 2024	% of total Income	Fiscal 2023	% of total Income
A.	Revenue from operations	5,710.55	97.68%	4,486.73	99.57%	4,574.21	98.37%
B.	Other Income	135.41	2.32%	19.38	0.43%	75.98	1.63%
C.	**Total [A+B]**	**5,845.96**	**100.00%**	**4,506.11**	**100.00%**	**4,650.19**	**100.00%**
D.	EBITDA (2)	1,211.43	21.21%	872.60	19.45%	696.74	15.23%
E.	PAT*	825.90	14.13%	511.62	11.35%	460.21	9.90%
F.	Networth(3)	2,586.33	-	1,760.43	-	1,248.81	-
G.	Total Debt(4)	2,538.03	-	2,434.05	-	562.52	-
H.	Debt to Equity Ratio(5)	0.98	-	1.38	-	0.45	-
I.	ROCE (%)(6)	27.20%	-	27.59%	-	49.34%	-
J.	ROE (%)(7)	38.00%	-	34.00%	-	44.26%	-

** PAT (%) is PAT expressed as a percentage of total income.*

Notes:

(1) As per the restated financial statements

(2) EBITDA has been calculated as a sum of profit before tax, finance costs and depreciation and amortization less other income. EBITDA (%) is EBITDA expressed as a percentage of revenue from operation.

(3) *Networth is calculated as a sum of equity share capital and reserves and surplus as per the restated financial statements.*
(4) *Total debt is calculated as long-term borrowings plus short-term borrowings (including current maturities of long-term borrowings).*
(5) *Debt to Equity Ratio is calculated as total debt divided by net-worth as per restated financial statements.*
(6) *ROCE is calculated as earnings before interest and tax divided by average capital employed. Capital Employed is calculated as a sum of net-worth, long-term borrowings and short-term borrowings as per restated financial statements. Average capital employed is calculated by dividing sum of closing capital employed of the current fiscal year and closing capital employed of the previous fiscal year by 2. For calculating average capital employed for fiscal year 2023, closing capital employed of fiscal year 2023 as per restated financial statements and closing capital employed of fiscal year 2022 as per audited financial statements has been considered.*
(7) *ROE is calculated as net profit after tax divided by average net-worth, where average net worth is calculated by dividing sum of closing net worth of the current fiscal year and closing net worth of the previous fiscal year by two. For calculating average net worth for fiscal year 2023, closing net worth of fiscal year 2023 as per restated financial statements and closing net worth of fiscal year 2022 as per audited financial statements has been considered.*

OUR STRENGTHS

Geographical diversification through exports to international market

We are exporter of various bisulphites such as sodium meta/bisulphite, sodium sulphite powder, ammonium bisulphite and sodium bisulphite solutions from India. For the Fiscal 2025, Fiscal 2024 and Fiscal 2023, 53.83%, 50.08% and 52.59%, respectively, of our revenue from operations were attributed to export sales. Some of the key geographies to which we export our products include Azerbaijan, Colombia, Egypt, Eswatini, Iraq, Turkey, Malaysia, Nigeria, Puerto Rico, Qatar, Russia, UAE, Oman and Vietnam which also demonstrates strong geographical diversification. Our ability to serve diverse industries such as oil drilling, pharmaceuticals, food and beverages, pulp & paper, and water treatment, has contributed to our consistent revenue growth from exports.

The following table sets forth the domestic and export revenue from operations and contribution in our revenue from operations for the Fiscals 2025, 2024 and 2023:

Sr. No.	Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
1.	Revenue from sales of product in India	2,602.39	46.17%	2,223.36	49.92%	2,155.92	47.41%
2.	Revenue from sales of product outside India	3,034.44	53.83%	2,230.68	50.08%	2,391.76	52.59%
	Total revenue from operations	**5,636.83**	**100.00%**	**4,454.04**	**100.00%**	**4,547.68**	**100.00%**

Long standing relationship with diversified customers across multiple industries

We have developed strong and long-term relationships with diverse customers that have helped us to expand our product offerings, processes and geographical reach. Our customers are engaged in multiple industries such as oil drilling, pharmaceuticals, food and beverages, pulp & paper and water treatment, which helps us to mitigate risks resulting from customer, industry and geographic concentration. In the domestic market, we have sold our products to 51, 47 and 43 customers during Fiscal 2025, Fiscal 2024 and Fiscal 2023. In the international market, we have sold our products to 21, 21 and 15 customers during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, who are based in countries such as Azerbaijan, Colombia, Egypt, Eswatini, Iraq, Turkey, Malaysia, Nigeria, Puerto Rico, Qatar, Russia, UAE, Oman and Vietnam.

We endeavour to develop strong and long-term relationships with our customers. For Fiscal 2025, 4 out of our top 10 customers have been associated with us for more than five years. Our ability to meet diverse customer requirements over the years enables us to secure additional business from existing customers and also attract new customers in the industry in which we operate. Following table set-forth the revenue from operations and contribution of top one (1), top five (5) and top ten (10) customers in our revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in lakhs)	**Contribution (in %)**	**Amount (₹ in lakhs)**	**Contribution (in %)**	**Amount (₹ in lakhs)**	**Contribution (in %)**
Revenue from top one (1) customer	851.21	15.10%	504.50	11.33%	585.90	12.88%
Revenue from top five (5) customers	2670.03	47.37%	2,033.15	45.65%	2,386.28	52.47%
Revenue from top ten (10) customers	3,841.14	68.14%	3,002.52	67.41%	3,345.98	73.58%

We believe that the diversification of our customer base across multiple industries has allowed us to minimize the impact of industry-specific disruptions on our business. The industries we serve, along with the corresponding revenue from the operations of our manufactured products to customers in these industries and contribution (expressed as a percentage of our total revenue from operations), are set forth in the table below:

Industry	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in lakhs)	**Contribution (in %)**	**Amount (₹ in lakhs)**	**Contribution (in %)**	**Amount (₹ in lakhs)**	**Contribution (in %)**
Food and beverages	2,301.99	40.84%	1,681.28	37.75%	1,724.19	37.91%
Oilfield	1,102.24	19.55%	641.92	14.41%	784.66	17.25%
Chemicals	888.49	15.76%	740.39	16.62%	762.41	16.76%
Pharma	535.07	9.49%	698.61	15.68%	597.21	13.13%
Water treatment	218.28	3.87%	433.63	9.74%	180.36	3.97%
Agrochem	423.32	7.51%	89.18	2.00%	83.40	1.83%
Petrochem	136.03	2.41%	114.59	2.57%	101.91	2.24%
Cosmetics	27.01	0.48%	32.19	0.72%	18.08	0.40%
Paints	4.42	0.08%	2.86	0.06%	5.65	0.12%
Polymer	-	-	3.15	0.07%	17.07	0.38%
Trader	-	-	16.25	0.36%	272.74	6.00%
Total	**5,636.83**	**100.00%**	**4,454.04**	**100.00%**	**4,547.68**	**100.00%**

Our diversified customer base across multiple industries & geographies and long-term relationships with them reduces risk associated with market fluctuations and provides stability in our revenue stream.

Strategically located production facilities with access to abundant resources of raw materials and long-term relationships with suppliers

Our existing manufacturing facilities are located at plot no. 2015, phase III, GIDC, Vatva, Ahmedabad – 382445, Gujarat, India and plot no. 5/A & 5/B Sankalp industrial estate, Village: Chiyada, Ta.: Bavla, Ahmedabad, respectively. Our manufacturing units are strategically located in close proximity to industries that generate liquified sulphur dioxide (SO_2), thereby resulting in consistent and reliable sources of key raw materials such as liquid SO_2, sodium carbonate and sodium hydroxide and liquid ammonia, which are integral to our production process and enable us to maintain a continuous and cost-effective supply chain for our business operations. Further, this strategic location reduces logistic costs and lead times which enhance our ability to meet the growing demand of our products. This advantage coupled with long-term relationship with key suppliers enables us to offer competitive pricing while ensuring consistent supply.

By leveraging this proximity to key resources, we are able to meet the dynamic needs of our customers, enhance our production capabilities and drive long-term business growth.

Certifications and compliance with quality and food safety standards

Our Company holds several quality certifications including ISO 9001:2015 that strengthen our position in the industry in which we operate. We are NSF certified for drinking water treatment chemicals which ensure our products meet safety and quality standards for use in potable water applications. Our "KOSHER" certifications affirms that our products comply with Jewish dietary laws enable us to cater to the food and beverage industry. We also hold "HACCP" certification which demonstrates our adherence to strict food safety standards and effective hazard control throughout the production process. Our "HALAL" certification further confirms that our products meet the dietary requirements of Muslim consumers which expand our market reach across international markets.

These certifications not only enhance our credibility but also provide a competitive edge which enables us to cater to diverse customer needs and regulatory requirements while ensuring the highest standards of product safety and quality.

Experienced Promoters and Senior Management with Extensive Domain Knowledge

Our Managing Director, Manojkumar Jayantilal Patel, also one of our Promoters holds a Bachelor of Commerce degree from Sardar Patel University, Vallabh Vidyanagar. He established and operated a proprietorship for more than seven years by the name "*Shanti Industries*", engaged in trading and distributing inorganic chemicals. Thereafter, he, along with his son Avnish Manojkumar Patel, converted the business into a partnership firm retaining the name "*Shanti Industries*". The partnership firm was operated by him, along with his son for two years until 2010. He has been associated with our Company since January 2010 and has over 25 years of experience in the field of manufacturing and trading of sulphur based inorganic chemical industry. He plays an active role in administration, business development and finance for the organization. Our Joint Managing Director, Avnish Manojkumar Patel, also one of our Promoter attended course of Electronics & Tele Communication in Diploma Engineering from Maharashtra State Board of Technical Education. He was also associated with "*Shanti Industries*", the partnership firm from the year 2008 to 2010. He has been associated with the Company since January 2010 and has over 16 years of experience in the field of manufacturing and trading of sulphur based inorganic chemical industry. He actively contributes to the manufacturing, procurement and marketing initiatives of our Company. For further details of our Promoters' experience and background, please refer the chapter titled "***Our Promoters and Promoter Group***" and *"**Our Management**"* on page 217 and 203 of this Draft Red Herring Prospectus.

Through their growth-focused approach combined with commercial expertise, our Promoters have helped us grow our business over the years. Our Promoters are aided by a team of skilled and experienced personnel for efficient management of our business operations. The experience and knowledge of the inorganic chemical industry possessed by our Promoters and management team allows us to capitalize on present and future market opportunities. Our management team has achieved consistent business growth and financial performance which led to the growth of our total revenue from operation from ₹4,574.21 lakhs in Fiscal 2023 to ₹5,710.55 lakhs in Fiscal 2025 representing a CAGR of 11.73%.

Consistent financial performance

Our Company commenced business operations in 2010 and since then, the Company has demonstrated consistent growth in terms of revenues and profitability. Our revenue from operations have grown from ₹4,574.21 lakhs in Fiscal 2023 to ₹5,710.55 lakhs in Fiscal 2025, registering a CAGR of 11.73% in the last three years, our EBIDTA have grown from ₹696.74 lakhs in Fiscal 2023 to ₹1,211.43 lakhs in Fiscal 2025 registering a CAGR of 31.86% in the last three years and our PAT has grown from ₹460.21 lakhs in Fiscal 2023 to ₹825.90 lakhs in Fiscal 2025, registering a CAGR of 33.96%.This growth reflects an increase in sales of high margin products, financial resilience and growth potential.

OUR STRATEGIES

Expansion of manufacturing capacity to support growth initiatives

Our Company is strategically expanding its manufacturing capacity to support its growth initiatives and meet the increasing demand for our sulphur-based inorganic chemicals such as sodium metabisulphite, sodium bisulphite and ammonium bisulphite. We currently operate two manufacturing units. The existing Manufacturing Unit – I has an installed capacity of 18,800 MTPA. To meet our growing business needs and increase production, we have established Manufacturing Unit – II, which is being developed in two phases:

1. Phase I of Manufacturing Unit -II, with an installed capacity of 18,000 MTPA, has been completed and commenced commercial production in the month of February 2025. In Phase I of Manufacturing Unit -II, we manufacture sodium sulphite anhydrous which enhances our product portfolio. This expansion

enhances our production capabilities and supports our ability to meet growing demands of the domestic and international market.

2. Phase II of Manufacturing Unit – II will further expand our installed capacity by an additional 31,200 MTPA. In this phase, we will manufacture sodium metabisulphite, sodium bisulphite and ammonium bisulphite.

For Fiscal 2025, Fiscal 2024 and Fiscal 2023, we utilised 98.03%, 96.38% and 80.46% of installed capacity at our Vatva Unit. Bavla Unit, which commenced its commercial operation in the month of February 2025, has increased our installed capacity of our Company from 18,800 MTPA to 36,800 MTPA. Further, the upcoming phase II is proposed to have an installed capacity of 31,200 MTPA which will increase our combined installed capacity to 68,000 MTPA. This strategic capacity expansion is critical to our long-term growth plans and will enable us to achieve economies of scale. By increasing our manufacturing capacity, we will be able to serve the growing demand in key industries such as oil drilling, water treatment, pharmaceuticals, food and beverages, leather and gold mining. Further, manufacturing of food and technical grade quality standard products will enhance our competitive edge in the international markets which will allow us to serve markets that require the highest level of quality and consistency. This expansion reflects our commitment to delivering superior products and strengthen our market position in high quality sulphur based inorganic chemical industry.

Investment in new plant and machineries for enhanced productivity and cost efficiency

As part of our commitment to enhancing operational efficiency and driving long-term growth, our Company is investing in new plant and machineries for Phase II of our Manufacturing Unit – II, which includes a sulphur burner system, ammonium bisulphite system and Sodium metabisulphite (SMBS) system engineering and equipment and other equipments. We propose to deploy ₹4,300.00 lakhs out of Net Proceeds from this Issue to part finance the capital expenditure towards setting up this new facility. For further details, please see *"**Objects of the Issue**"* on page 105 of this Draft Red Herring Prospectus. These new plant and machineries will be installed on a turnkey basis, which will ensure seamless engineering, procurement, and commissioning with the added benefit of comprehensive start-up training for our team. The use of sulphur burner technology will allow us to produce steam without relying on any external fuel sources that will significantly reduce energy costs. The waste heat boiler will generate fuel-free steam, which will be utilized across various plant operations. This fuel-free steam will lower our operating costs and improve the overall efficiency of our production processes.

Further, the automation and streamlined operations enabled by this technology will optimize our operational costs and position us to offer higher grade quality products at more competitive prices, thus will gain a significant edge over competitors in domestic and international markets.

Continue to build our international and domestic customer base and geographic expansion into high-value western markets

The global inorganic chemicals market has witnessed moderate growth, growing from USD 833 billion in 2019 to an estimated USD 1,144 billion in 2024, with a CAGR of 6.6%. Going forward, the market is expected to grow at an accelerated CAGR of 7.9% to reach USD 1,675 billion by 2029. India is projected to record the highest growth rate globally at a CAGR of 3.95% in the inorganic chemicals space. *(Source: Care report)*

India's chemical industry has showcased robust growth over the years, evolving into a key pillar of the country's manufacturing landscape. The industry stood at Rs. 12 lakh crores in FY19 and expanded at a healthy CAGR of 14% to reach Rs. 26 lakh crores by FY25. Looking ahead, the sector is projected to continue its growth trajectory, albeit at a slightly moderate pace. From FY24 to FY29, the market is expected to grow at a CAGR of 6-8%. *(Source: Care report)*

India's sulphur-based inorganic chemical sector primarily concentrated in Gujarat and Maharashtra has benefited in recent years from both China+1 sourcing strategies and growing demand across U.S. end-use segments like pulp & paper, food preservation, oilfield services, and water treatment. India exports around 16% of sulphur-based chemicals which is likely to have minimal impact. *(Source: Care report)*

Our Company has consistently expanded its international presence with its products being exported to 21 customers across 14 countries for Fiscal 2025. As on March 31,2025, we have developed strong, long-term relationships with 4 out of our top 10 customers who have been associated with us for more than five years. The repeated and increasing orders from the existing customers emphasize our position as a preferred supplier.

We continue to strengthen our presence in India and other markets such as Middle East Asia, Southeast Asia, Russia & Africa. As a part of our growth strategy, we aim to further enhance our engagement with existing customers and focus on increasing our share from existing customers by increasing order volumes and strengthen long-term relationships in domestic and international markets. We also intend to penetrate new markets such as European, North and South America which prioritize reliability, consistency in quality, strong infrastructure and efficient manufacturing process.

To support this expansion, we will enhance our sales and marketing teams to focus on business development in high growth regions such as North and South America subject to the regulatory approvals. By leveraging our diverse product range and industry experience, we intend to strengthen our position in sulphur-based inorganic chemical industry in the international market.

For the financial years ended March 31,2025, March 31, 2024, and March 31, 2023, our revenue and contribution from top one (1), top five (5) and top ten (10) customers are as follows:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
Revenue from top one (1) customer	851.21	15.10%	504.50	11.33%	585.90	12.88%
Revenue from top five (5) customers	2670.03	47.37%	2,033.15	45.65%	2,386.28	52.47%
Revenue from top ten (10) customers	3,841.14	68.14%	3,002.52	67.41%	3,345.98	73.58%

For the financial years ended March 31,2025, March 31, 2024 and March 31, 2023, our domestic revenue and export revenue and contribution from domestic and export revenue are as follows:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
Revenue from sales of product in India	2,602.39	46.17%	2,223.36	49.92%	2,155.92	47.41%
Revenue from sales of product outside India	3,034.44	53.83%	2,230.68	50.08%	2,391.76	52.59%
Total revenue from operations	**5,636.83**	**100.00%**	**4,454.04**	**100.00%**	**4,547.68**	**100.00%**

Following is the country-wise revenue from operations and contributions for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Sr. No.	Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
1.	India	2,602.39	46.17%	2,223.36	49.92%	2,155.92	47.41%
2.	Azerbaijan	45.15	0.80%	51.55	1.16%	-	-
3.	Colombia	151.27	2.68%	40.73	0.91%	49.38	1.09%
4.	Egypt	-	-	56.62	1.27%	17.47	0.38%
5.	Eswatini	851.21	15.10%	504.50	11.33%	524.37	11.53%
6.	Iraq	9.21	0.16%	-	-	269.62	5.93%
7.	Turkey	154.32	2.74%	121.85	2.74%	-	-
8.	Malaysia	544.26	9.66%	351.43	7.89%	680.80	14.97%
9.	Merchant	-	-	59.50	1.34%	-	-

Sr. No.	Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
	Export						
10.	Nigeria	252.66	4.48%	100.08	2.25%	-	-
11.	Puerto Rico	-	-	82.09	1.84%	94.99	2.09%
12.	Qatar	216.46	3.84%	96.47	2.17%	107.68	2.37%
13.	Russia	111.79	1.98%	54.98	1.23%	9.42	0.21%
14.	UAE	691.43	12.27%	710.86	15.96%	638.02	14.03%
15.	Vietnam	6.68	0.12%	-	-	-	-
	Total	**5636.83**	**100.00%**	**4,454.04**	**100.00%**	**4,547.68**	**100.00%**

Strategic expansion into new end-user industry segments

India's Food & Beverage (F&B) industry has shown consistent and healthy growth, rising from ₹16.1 lakh crores in 2019 to ₹30 lakh crores in 2024, at a strong CAGR of 13%. This growth trajectory is set to continue, with the market projected to reach ₹44.3 lakh crores by 2029, driven by a steady 7-8% CAGR. India's pulp and paper products industry is witnessing a steady growth trajectory. The market grew at a steady CAGR of 5.5% from 2019 to 2024, reflecting structural challenges such as digitization-driven decline in printing paper and raw material constraints. The Indian oil drilling market has witnessed a moderate growth trajectory between 2019 and 2024, growing at a CAGR of 10%, driven by continued exploration efforts and rising energy demand. However, a sharper growth momentum is expected with the market likely to grow at a CAGR of 9-10% until 2029. *(Source: Care Report)*

Our Company currently caters to diverse range of established industries such as oil drilling, pharmaceuticals, food and beverages, pulp & paper, chemicals, and water treatment. These industries continue to experience demand for our products which will provide a strong base for long-term viability of our business.

We are also focused on leveraging opportunities in industries such as seafood processing, gold mining and specialty chemicals, leather and power plant. These industries present substantial growth potential due to their increasing reliance on sulphur-based chemicals. In the seafood processing industry, our products serve as essential preservatives, while in gold mining, sulphur derivatives are integral to extraction and refining processes. Further, the specialty chemicals industry will provide significant opportunities for our products in diverse applications, driving demand for high-quality sulphur-based solutions.

Our ability to fully leverage these opportunities is currently limited by constraints in pricing and production capacity. As we expand our manufacturing capabilities, we aim to enhance pricing competitiveness and increase production capacity which will allow us to meet the growing demands of these industries.

The following table sets forth industry wise revenue bifurcation and contributions of the Company for the last three financial years:

Sr. No.	Industry	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
1.	Food and beverages	2,301.99	40.84%	1,681.28	37.75%	1,724.19	37.91%
2.	Oilfield	1,102.24	19.55%	641.92	14.41%	784.66	17.25%
3.	Chemicals	888.49	15.76%	740.39	16.62%	762.41	16.76%
4.	Pharma	535.07	9.49%	698.61	15.68%	597.21	13.13%
5.	Water treatment	218.28	3.87%	433.63	9.74%	180.36	3.97%
6.	Agrochem	423.32	7.51%	89.18	2.00%	83.40	1.83%
7.	Petrochem	136.03	2.41%	114.59	2.57%	101.91	2.24%
8.	Cosmetics	27.01	0.48%	32.19	0.72%	18.08	0.40%

Sr. No.	Industry	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
9.	Paints	4.42	0.08%	2.86	0.06%	5.65	0.12%
10.	Polymer	-	-	3.15	0.07%	17.07	0.38%
11.	Trader	-	-	16.25	0.36%	272.74	6.00%
	Total	**5,636.83**	**100.00%**	**4,454.04**	**100.00%**	**4,547.68**	**100.00%**

Strengthen and expand our sales and distribution network in India and international market

Our business is conducted on a business-to-business basis and our focus is on maintaining contact with customers and ensuring timely delivery. Our sales and marketing activities for our products are carried out by our sales and marketing personnel, who are responsible for business development activities, acquisition of new clients and are instrumental in identifying and initiating dialogue to develop customer interest. Our sales and marketing team generates new business opportunities through various strategies, including cold calling, personal networking and building relationships within the industry in which we operate. Further, Avnish Patel, one of our Promoters, has been instrumental in the growth and development of our Company by taking keen interest in customer development activities and interacting with key customers directly. Our Company services its domestic and export customers through its marketing and sales team in India.

Going forward, to serve our existing direct end-use customers, as well as to acquire new customers and expand our market presence, we are focused on strengthening our sales and distribution network in India and internationally. We intend to achieve this through dedicated teams whose primary focus will be on export activities in international markets, with a specific focus on regions such as Europe, North America and South America. We aim to create a distribution network across these geographies to strengthen our capacity to serve these markets.
We intend to continue to leverage our established sales team and marketing network and diverse product portfolio to establish relationships with new multinational, regional and local customers, thereby expanding our customer base.

PRODUCT PORTFOLIO & APPLICATION OF PRODUCTS

We are currently manufacturing sodium bisulphite in the form of powder and solution, sodium metabisulphite, ammonium bisulphite and sodium sulphite anhydrous.

The table below sets forth details of our products and certain applications across industries:

Types of Products	Product Images	Application of our products in major industries
Sodium Bisulphite Powder ($NaHSO_3$)		**Manufacturing Acrylic Fibre:** Bleaching agent **Water Treatment:** Dechlorinating agent **Oil Drilling:** Oxygen Scavenger **Food:** Preservative
Sodium Bisulphite Solution ($NaHSO_3$)		**Manufacturing Acrylic Fibre:** Bleaching agent **Water Treatment:** Dechlorinating agent **Oil Drilling:** Oxygen Scavenger **Food:** Preservative

Types of Products	Product Images	Application of our products in major industries
Sodium Metabisulphite ($Na_2S_2O_5$)		**Manufacturing Acrylic Fibre:** Bleaching agent **Water Treatment:** Dechlorinating agent **Oil Drilling:** Oxygen Scavenger **Food:** Preservative
Ammonium Bisulphite Solution (NH_4HSO_3)		**Water Treatment:** Dechlorinating agent **Oil Drilling:** Oxygen Scavenger **Caramel Color:** Reduce agent
Sodium Sulphite Anhydrous (Na_2SO_3)		**Water Treatment:** Dechlorinating agent, Oxygen Scavenger **Pulp and Paper:** Bleaching agent **Food Processing:** Preservative & Antioxidant

MANUFACTURING PROCESS:

1. Sodium Bisulphite Solution ($NaHSO_3$)

Soda Ash Slurry → **SO_2 Reaction** → **Filtration** → **Storage** → **Packing**

Sodium Bisulphite solution is manufactured through a controlled reaction of soda ash (sodium carbonate) and sulphur dioxide gas in the presence of water. The process begins by preparing a slurry of soda ash and water in large reactors, which serves as the base for the chemical reaction. Sulphur dioxide gas is then introduced into the slurry in a regulated manner, with Ph levels closely monitored to ensure proper conversion of the raw materials into sodium bisulphite solution. Once the reaction is complete, the solution is passed through filters to remove any impurities and provide a clear, high-purity end product. The filtered solution is then transferred to dedicated storage tanks, where it undergoes quality checks and is maintained under safe conditions. Finally, the product is filled into suitable liquid containers such as drums, intermediate bulk containers (IBCs), or bulk tankers, making it safe and convenient for transport.

2. Sodium Metabisulphite ($Na_2S_2O_5$)

Soda Ash Mother Liquor Slurry → **SO_2 Reaction** → **Separation** → **Drying** → **Packing**

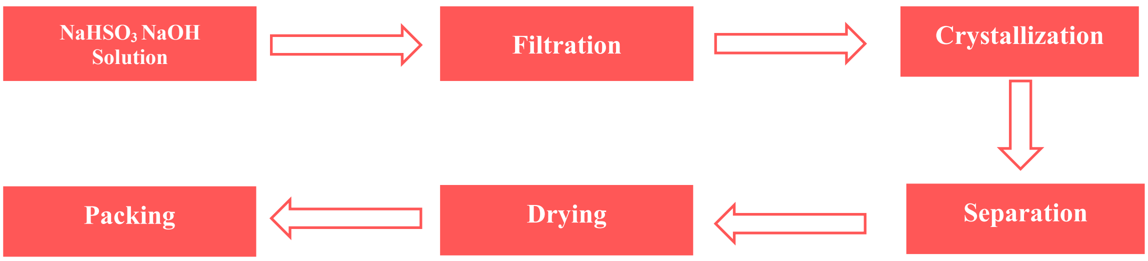
Sodium Metabisulphite is made through a controlled process where soda ash or caustic soda is reacted with sulphur dioxide gas to produce a white crystalline powder. The process begins with preparing slurry by mixing soda ash (or caustic soda) with a recycled solution called mother liquor, which helps to reduce waste and reuse materials. This slurry is then sent through a series of reactors, while sulphur dioxide gas is introduced from the opposite side to ensure maximum contact and reaction. As the reaction progresses, the slurry gradually converts into sodium metabisulphite. The solid product is then separated from the leftover solution using large centrifuge machines and the leftover liquid is recycled back into the process. The separated crystals are dried using waste steam which improves energy efficiency and reduces costs, giving the final product in its stable, white powder form. Once dried, it is packed in moisture-proof polypropylene bags and stored safely until dispatch.

3. Ammonium Bisulphite (ABS)

Ammonium Bisulphite is manufactured through a carefully controlled process where ammonia and sulphur dioxide gases are reacted in the presence of water to produce a clear, light-yellow liquid. The process begins with water being filled into reactors, after which liquid ammonia is added and dissolved to form an ammonia solution. Sulphur dioxide gas is then introduced, which reacts with the ammonia solution to form ammonium bisulphite. Cooling systems are used during this stage to maintain safe temperatures and ensure a smooth reaction. The solution is filtered to remove any impurities and collected in storage tanks, from where it is sent for quality checks before packaging.

For safety and environmental care, a water scrubber system is attached to trap any leftover ammonia fumes, and these captured gases are recycled back into the process to avoid waste. Finally, the finished product is packed in drums, or bulk tankers.

4. Sodium Sulphite Anhydrous (Na_2SO_3)



Sodium Sulphite Anhydrous is manufactured through a step-by-step process that ensures high purity and consistent product quality. The production begins with preparing solutions of sodium bisulphite and caustic soda, which are then mixed in the right proportions. This neutralization reaction produces sodium sulphite in liquid form. The solution is then passed through filters to remove any suspended impurities, giving a clean product base for the next stage. After filtration, the solution is gradually cooled under controlled conditions, allowing sodium sulphite crystals to form uniformly. These crystals are then separated from the remaining liquid using centrifuges or similar equipment. The separated solid crystals are transferred to dryers, where moisture is removed to make the product stable and long-lasting. Once fully dried, the sodium sulphite is weighed, packed in strong Polypropylene/ High-Density Polyethylene (HDPE) bags with proper lining to protect the material, and stored safely before dispatch. The process is carried out in a controlled environment with strict monitoring, ensuring that the final product is of consistent quality, safe to handle, and ready for use.

PLANT & MACHINERY

The following table set forth plant and machineries installed at our manufacturing unit:

Sr. No.	Name of Machinery/Equipment	Quantity	Uses
1.	Reactors	7	Core chemical reaction of SO_2 with sodium carbonate/caustic soda. Multiple reactors allow continuous or batch operations.
2.	Tanks	2	Used for mixing, intermediate storage, or neutralization of process liquids before the next stage.
3.	Storage tanks	13	For safe storage of raw materials (sulphur, caustic lye), intermediates, and final solution or solid product.

Sr. No.	Name of Machinery/Equipment	Quantity	Uses
4.	Centrifugal pumps	22	For pumping liquid chemicals like caustic soda, SO_2 absorbing solutions, and solution between equipment.
5.	Spin flash dryer	1	Quick drying of concentrated solution to obtain fine, free-flowing solid powder.
6.	Scrubbers	2	Absorb unreacted SO_2 gas and control emissions to meet environmental standards.
7.	Weighbridges	1	Weighing of incoming raw material trucks and outgoing finished product consignments.
8.	Cooling towers	1	Provide cooling water circulation for reactors, condensers, and evaporators.
9.	Electrical transformer	1	Ensures reliable power supply to plant equipment like pumps, compressors, and dryers.
10.	Caustic lye tank	1	Dedicated storage tank for caustic soda (NaOH) solution, a key reactant.
11.	Drum filling	1	For packaging solution into drums for transport and sale.
12.	Air dryer	1	Removes moisture from compressed air to avoid contamination/corrosion in instruments.
13.	Air compressor	1	Supplies compressed air for instrumentation, pneumatic valves, and automation.
14.	Steam boiler	1	Generates steam for heating reactors, evaporators, and dryers.
15.	Multi-effect evaporator	1	Concentrates solution by evaporating excess water before drying or drum filling.
16.	Filter press	1	Removes insoluble impurities from reaction mixtures to ensure product purity.
17.	Pressure reducing station & pumps	2	Regulate and distribute steam, water, or fluids at required pressures for safe operation.

RAW MATERIAL

The primary raw materials used in our manufacturing process are sulphur dioxide, sodium hydroxide and sodium carbonate. We source raw materials from our diversified supplier base who are located in India.

Following is the purchase of raw materials and contributions for the March 31,2025, March 31, 2024 and March 31, 2023:

Sr. No.	Name of raw materials	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
1.	Sulphur dioxide	789.25	32.29%	570.58	27.86%	799.31	28.69%
2.	Anhydrous ammonia	597.21	24.44%	427.26	20.87%	646.24	23.20%
3.	Soda ash light	373.08	15.27%	130.53	6.37%	742.74	26.66%
4.	Caustic soda flakes	242.73	9.93%	782.99	38.24%	356.82	12.81%
5.	Caustic lye	209.05	8.55%	39.07	1.91%	52.82	1.90%
6.	Sodium Bi sulphite solution	34.34	1.41%	16.31	0.80%	1.32	0.05%
7.	D.M. Water	28.98	1.19%	15.57	0.76%	11.68	0.42%
8.	Sodium Bi sulphite powder	-	-	15.28	0.75%	70.59	2.53%
9.	Sodium Meta Bi Sulphite powder	4.56	0.19%	20.03	0.98%	47.80	1.72%
10.	Soda ash dense	158.33	6.48%	-	-	40.66	1.46%
11.	Sodium sulphite powder	-	-	17.21	0.84%	13.47	0.48%
12.	Sodium sulphite solution	5.04	0.21%	11.03	0.54%	-	0.00%
13.	Caustic potash flakes	-	-	1.04	0.05%	-	-
14.	Edta Di Sodium	0.57	0.02%	0.60	0.03%	0.47	0.02%
15.	Nickle sulphate	0.20	0.01%	0.23	0.01%	0.63	0.02%

Sr. No.	Name of raw materials	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
16.	Dicamol	-	-	0.01	0.00%	0.01	0.00%
17.	Sodium Bi carbonate	-	-	-	-	1.07	0.04%
18.	Cobalt sulphate	0.09	0.00%	-	-	-	-
19.	Activated carbon	0.45	0.02%	-	-	-	-
	Total purchases of raw materials	**2,443.87**	**100.00%**	**2,047.72**	**100.00%**	**2,785.63**	**100.00%**

For the March 31,2025, March 31, 2024 and March 31, 2023, our purchase and contributions from top one (1), top five (5) and top ten (10) suppliers are as follows:

Sr. No.	Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)	Amount (₹ in lakhs)	Contribution (in %)
1.	Purchases from top one (1) supplier	431.41	17.55%	452.87	22.12%	490.63	17.61%
2.	Purchases from top five (5) suppliers	1,598.35	69.39%	1,351.28	65.99%	1,868.89	67.09%
3.	Purchases from top ten (10) suppliers	1,978.22	96.26%	1,824.12	89.08%	2,415.25	86.70%

UTILITIES

We have adequate facilities and infrastructure to source and store raw materials as well as existing connections for utilities such as water and power for the existing operations.

Infrastructure facilities

Our manufacturing facilities are well equipped with the required plant and machinery, computer systems, security and other facilities such as fire safety and CCTV camera. Our manufacturing facility also has an in-house testing laboratory for quality control checks and testing of raw materials as well as finished products. The existing manufacturing facilities of our Company are spread across a total land area of ~26,953.17 square meters. Following are the pictures of our existing and upcoming manufacturing facilities:

Power

Our manufacturing facilities have adequate power supply to support uninterrupted manufacturing operations. Our Manufacturing Unit - I and Manufacturing Unit - II receive power from Torrent Power and Uttar Gujarat Vij Company Limited (UGVCL), respectively.

Water:

Our manufacturing facilities use demineralized water for manufacturing operations and R.O. water for plant utilities.

CAPACITY AND CAPACITY UTILIZATION

The details of the installed and capacity utilization of our Company are given in the table below:

	Fiscal 2025			Fiscal 2024			Fiscal 2023		
Products	**Installed Capacity (MT)**	**Actual Production (MT)^**	**Capacity Utilization (%)^**	**Installed Capacity (MT)**	**Actual Production (MT)^**	**Capacity Utilization (%)^**	**Installed Capacity (MT)**	**Actual Production (MT)^**	**Capacity Utilization (%)^**
Manufacturing Unit – I									
Sodium Meta Bisulphite	1,600.00	1,354	84.65%	2,200	2,073	94.23%	1,800	954	53.00%
Sodium Bisulphite Solution/Powder	8,200.00	8,139	99.25%	7,800	7,480	95.90%	7,800	6,211	79.63%
Ammonium Bisulphite	9,000.00	8,936	99.29%	6,200	6,060	97.74%	6,600	5,870	88.94%
Total	**18,800.00**	**18,429**	**98.03%**	**16,200**	**15,613**	**96.38%**	**16,200**	**13,035**	**80.46%**
Manufacturing Unit – II*									
Sodium Sulphite Anhydrous	18,000	610.00	3.39%*	-	-	-	-	-	-

^As certified by S. K. Patel, an Independent Chartered Engineer, vide his certificate dated September 20, 2025
**Our Company has commenced commercial production w.e.f. February 2025*

INTELLECTUAL PROPERTY

As on the date of this Draft Red Herring Prospectus, our Company does not have any registered intellectual property. Further, we have made applications under the Trademark Act, 1999 to register our trademarks. Please see *"**Government and Other Statutory Approvals**"* on page 291 and "***Risk Factor - Our Company's logo is not registered as on date of the Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights***" *on page 47.*

COLLABORATIONS

We have not entered into any technical or other collaboration or into joint venture agreements.

LOGISTICS

The Company utilizes third party logistics and support services for procurement of raw materials from the suppliers and for transportation of finished goods from the manufacturing facility to the customers to meet its transportation requirements. However, the Company has not entered into any long-term contracts with any logistics service provider.

INSURANCE

Our business operations are subject to risks inherent to manufacturing operations. In order to manage the risk of losses from potentially harmful events, we maintain insurance policies such as fire policy, anti-burglary policy, group personal accident policy, marine cargo policy, workmen compensation policy and vehicle insurance policy. Our insurance covers all our manufacturing facilities, furniture & fixtures, plant and machinery, office equipment, electrical installation, all types of stocks including raw materials, finished goods, stocks in process, packing materials, consumables, stores and spare items at facilities and offices. These insurance policies are renewed periodically to ensure that the coverage is adequate. We believe that our insurance coverage is in accordance with industry customs, including with respect to the terms of and the coverage provided by such insurance and is reasonably sufficient to cover all anticipated risks associated with our operations. However, there can be no assurance that the insurance availed by us would be adequate to cover all risks and losses. For further details, please refer "***Risk Factors***" on page 31 of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company has following obtained insurance policies:

Sr. No.	Nature of the Policy	Insurance Company	Policy Tenure		Premium Amount (₹ in lakhs)	Total Sum Assured (₹ in lakhs)
			Start Date	End Date		
1.	Public Liability Insurance	ICICI Lombard General Insurance Company Limited.	June 01,2025	May 31,2026	0.11	127.20
2.	Marine Cargo Insurance	Bajaj Allianz General Insurance Company Ltd.	May 28,2025	May 27,2026	1.19	6,700.00
3.	Marine Cargo Insurance	Bajaj Allianz General Insurance Company Ltd.	May 28,2025	May 27,2026	0.62	1,500.00
4.	Fire & Safety	The Oriental Insurance Company Limited	February 7,2025	February 6,2026	0.32	305.00
5.	Fire & Safety	SBI General Insurance Company Ltd	May 28,2025	May 27,2026	4.57	2,615.00
6.	Burglary Insurance	SBI General Insurance Company Ltd	May 27,2025	May 27,2026	0.04	1,940.00
7.	Employee Compensation	SBI General Insurance Company Ltd	July 4,2025	July 3,2026	0.03	14.49
8.	Employee Compensation	SBI General Insurance Company Ltd	September 28,2024	September 27,2025	0.1	79.20
9.	Group Personal Accident	Bajaj Allianz General Insurance Company Ltd.	May 22, 2025	May 21, 2026	0.11	1,400.00
10.	Vehicle Insurance	Tata AIG General Insurance Company Limited	September 2,2025	September 1,2026	0.21	4.36
11.	Vehicle Insurance	Royal Sundram General Insurance Co Ltd	April 24, 2025	April 23, 2026	0.29	10.36
12.	Vehicle Insurance	Tata AIG General Insurance Company Limited	April 7, 2025	April 6, 2026	0.09	6.93
13.	Vehicle Insurance	Tata AIG General Insurance	April 7, 2025	April 6, 2026	1.84	58.36

Sr. No.	Nature of the Policy	Insurance Company	Policy Tenure		Premium Amount (₹ in lakhs)	Total Sum Assured (₹ in lakhs)
			Start Date	End Date		
		Company Limited				
14.	Vehicle Insurance	Tata AIG General Insurance Company Limited	June 27,2025	June 26,2026	0.20	8.46
15.	Two-Wheeler Policy	Bajaj Allianz General Insurance Company Ltd.	April 24, 2025	April 23, 2026	0.01	0.33

COMPETITION

The industry in which we operate is highly competitive and we face competition from both domestic and international manufacturers and traders. The existing players in the industry compete by providing competitive quality products. We believe the principal elements of competition in the inorganic chemical industry are price and quality, compliance with applicable regulatory and environmental standards, long-term relationships with clients and vendors, timely delivery and reliability.

HUMAN RESOURCES

As on August 31, 2025, our Company had 65 employees. Details of the employees of our Company are set forth below:

Department of Company	No. of employees
Senior management	4
Accounts and Finance	5
Business Development including Sales and marketing	1
Export & Exim	2
Human Resource & Administration	8
Information & Technology	1
Production and plant operation	33
Projects	1
Purchase & procurement	1
Quality control	2
Warehouse & logistics	7
Total	**65**

EXPORT & EXPORT OBLIGATION

As on date of this Draft Red Herring Prospectus, our Company does not have any export obligation.

ENVIRONMENT HEALTH & SAFETY

Our activities are subject to various environmental laws and regulations in India, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. For further details, please see section titled "***Key Regulations and Policies***" beginning on page 186 of this Draft Red Herring Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We believe that accidents and occupational health hazards can be significantly reduced through systematic analysis and control of risks and by providing appropriate training to our management and our employees. We have implemented work safety measures to ensure a safe working environment at our facilities. Our safety department maintains robust protocols and training programs such as emergency response training for chemical leakages and accidents and periodic training sessions for production, dispatch, packaging, and safety procedures. Further, Our Company also conducts HAZOP training for sulphur burning and ammonium bisulphite in our facility along with mock fire and safety drills as a part of the disaster management plan.

QUALITY CONTROL & ASSURANCE

We believe that maintaining a high standard of quality of our products and adhering to client specifications is critical for continued growth. Across our manufacturing facility, we have implemented statistical process control and quality assurance techniques to ensure consistent quality, efficacy and safety of the products. As part of our quality control process, we monitor all stages of the manufacturing process. We have implemented checks and testing systems, from the procurement of raw materials to the manufactured product, to ensure the quality of our products and to ensure that the products that we manufacture do not deviate from our customers' specifications. In addition to our in-house quality testing of our products, certain customers conduct periodic quality audits of our manufacturing facility to verify and ascertain effective implementation of quality management systems. Further, through regular internal audits, we ensure that our manufacturing facility is in compliance with regulatory requirements. Our certifications for quality control process are set forth in the table below.

Sr. No.	Certification	Description
1.	ISO - 9001:2015	Quality management systems
2.	NSF Certification	Drinking water treatment chemicals
3.	Kosher & Halal Certification	Food preservatives compliance
4.	HACCP Certification	Food safety compliance

MARKETING & SALES

Our business is conducted on a business-to-business basis and our focus is on maintaining contact with customers and ensuring timely delivery. We believe consistent interaction with our customers to understand their requirements helps us in retaining connection and collaborating in developing new products. Our sales and marketing activities for our products are carried out by our sales and marketing personnel, who are responsible for business development, acquisition of new clients and are instrumental in identifying and initiating dialogue to develop customer interest. Our marketing team actively generates new business through various strategies, including cold calling, personal networking and building relationships within the industry. Further, Avnish Patel, our Promoter, has been instrumental in the growth and development of our Company by taking keen interest in customer development activities and interacting with key customers directly. Our marketing and sales team maintain regular contact with customers, carry out yearly customer feedback surveys and monitor monthly reviews and market research reports of customers' monthly performance in our business. Our Company services its domestic and export customers through its marketing and sales team in India.

PROPERTIES

Our registered office is situated at Plot no. 2015, phase III, GIDC, Vatva, Ahmedabad – 382445, Gujarat, India. Set out below are details of our Company's properties as on the date of this Draft Red Herring Prospectus:

Sr. No.	Particulars	Address	Owned /Leased	Name of Owner	Lease Expiry	Rent Details
1.	Registered Office and Manufacturing Unit - I	Plot no. 2015, phase III, GIDC, Vatva, Ahmedabad – 382445, Gujarat, India	Leased	Gujarat Industrial Development Corporation ("GIDC")	99 Years*	Transfer fees of ₹1,93,800 paid for 99 years starting from 02/02/1987*
2.	Office	Unit 808, Aaron Spectra, Near Rajpath Club Road, Bodakdev,	Leased	Kiran Manish Tulsiyani	March 31,2027	FY 2022-23: ₹34,578 per month FY 2023-24

Sr. No.	Particulars	Address	Owned /Leased	Name of Owner	Lease Expiry	Rent Details
		Ahmedabad-380054				₹37,000 per month FY 2024-25 ₹39,600 per month FY 2025-26 ₹42,375 per month FY 2026-27 ₹45,340 per month on or before 5th of every month
3.	Office	Unit 809, Aaron Spectra, Near Rajpath Club Road, Bodakdev, Ahmedabad-380054	Leased	Manish P Tulsiyani	March 31,2027	FY 2022-23: ₹36,244 per month FY 2023-24 ₹38,780 per month FY 2024-25 ₹41,500 per month FY 2025-26 ₹44,405 per month FY 2026-27 ₹47,515 per month on or before 5th of every month
4.	Office	Unit 810, Aaron Spectra, Near Rajpath Club Road, Bodakdev, Ahmedabad-380054	Leased	Rupesh Kirit Dalal and Hetal Rupesh Dalal	March 31,2027	FY 2022-23: ₹37,672 per month FY 2023-24 ₹40,310 per month FY 2024-25 ₹43,132 per month FY 2025-26 ₹46,151 per month FY 2026-27 ₹49,382 per month on or before 5th of every month
5.	Manufacturing Unit II – Phase I	Plot No. 5A, Sankalp Industrial Estate, Moje Chidaya, Bavla	Owned	Shanti Inorgo Chem (Guj) Limited	NA	NA
6.	Manufacturing Unit II – Phase I	Plot No. 5B, Sankalp Industrial Estate, Moje	Owned	Shanti Inorgo Chem (Guj) Limited	NA	NA

Sr. No.	Particulars	Address	Owned /Leased	Name of Owner	Lease Expiry	Rent Details
		Chidaya, Bavla				
7.	Manufacturing Unit II – Phase II	Plot No. 6 and 7, Sankalp Industrial Estate, Chiyada, Bavla	Owned	Shanti Inorgo Chem (Guj) Limited	NA	NA

** Manufacturing Unit–I was originally allotted by GIDC to Manojkumar Jayantilal Patel through his sole proprietorship on January 4, 2000, under a 99-year lease w.e.f. February 02, 1987, for one-time payment of ₹1,93,800, followed by execution of a lease deed on June 13, 2000. The plot was subsequently transferred to M/s Shanti Industries, a partnership firm of Manojkumar Jayantilal Patel and Avnish Manojkumar Patel, in the year 2009. In 2010, the said unit was further transferred to M/s Shanti Inorgo (Guj) Private Limited through supplemental agreement dated December 1, 2010.*

INFORMATION TECHNOLOGY

We rely on information technology infrastructure in order to maintain consistency in production chain and safeguard our operations. We have implemented SAP ERP system to facilitate our operations in various functional departments and to aid us in monitoring and decision making.

CORPORATE SOCIAL RESPONSIBILITY

As our commitment towards our duty to enhance social, economic, and environmental welfare, we will engage in diverse initiatives and programs. Our CSR policy follows the requirements of the Companies Act, 2013 and the rules framed thereunder. Our CSR efforts focus on supporting education, health and social welfare. Our CSR activities are monitored by the CSR committee of our Board. During the Fiscal 2025 and Fiscal 2024, we incurred an expense of ₹1.05 lakhs and Nil, respectively. Our CSR activities are monitored by the CSR committee of our Board. For details of the terms of reference of CSR committee, see "***Our Management***" on page 203.

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KEY REGULATIONS AND POLICIES

The following is an overview of the certain sector specific Indian laws and regulations which are relevant to our business. The tax related statutes and applicable shops and establishment statutes, labour laws and other miscellaneous regulations and statutes apply to us as they do to any other Indian company.

The information detailed in this section has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information and is neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by us in compliance with these regulations, see *"**Government and Other Approvals**" on page 291.* *The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

A. Environmental laws

The Environment (Protection) Act, 1986 ("EPA") and the Environment Protection Rules, 1986 (the "EP Rules")

The EPA has been enacted for the protection and improvement of the environment. The EPA empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of umbrella legislation designed to provide framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Further, the EP Rules specify, inter alia, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EPA or the rules framed thereunder, the punishment includes either imprisonment or fine or both.

The Environmental Impact Assessment Notification, 2006 ("EIA Notifications")

The EIA Notification, is a significant notification issued by the Ministry of Environment and Forests, India. It mandates obtaining prior environmental clearance for the construction of new projects or the expansion or modernization of existing projects based on their potential environmental impacts. This applies to various sectors, including mining, thermal power plants, infrastructure, and industries. The notification aims to ensure that all projects are undertaken in accordance with the objectives of the National Environment Policy. It has been revised several times since its introduction in 1994 to address evolving environmental concerns.

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. No person operating any industrial plant in any air pollution control area is permitted to discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The Central Pollution Control Board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. If an area is declared by the state government to be an air pollution control area, then, no industrial plant may be operated in that area without the prior consent of the State Pollution Control Board. Under the Air Act, the Central Pollution Control Board has powers, inter alia, to specify standards for quality of air, while the State Pollution Control Boards have powers, inter alia, to inspect any control equipment, industrial plant or manufacturing process, to advise the state government with respect to the suitability of any premises or location for carrying on any industry and to obtain information from any industry. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term "hazardous waste" has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an "occupier". Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 ("Chemical Accidents Rules")

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents by, inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 ("HCR Rules")

The HCR Rules are formulated under the EPA. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

The Indian Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boiler Regulations")

The Boilers Act, 1923 is a significant legislation in India that consolidates and amends laws related to steam boilers. This act applies to the entire country except for Jammu and Kashmir. The Boilers Act seeks to regulate, inter alia, the manufacture, possession and use of boilers and outlining the roles of Chief Inspectors, Deputy Chief Inspectors, and Inspectors in overseeing boiler safety and compliance.

In terms of the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by an inspector appointed by the relevant State Government. The Boiler Regulations have been framed under the Boilers Act. The Boiler Regulations deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings.

B. BUSINESS/ INDUSTRY SPECIFIC LAWS

The Food Safety and Standards Act, 2006 ("FSS Act")

The FSS Act consolidates laws relating to food and establishes the Food Safety and Standards Authority of India ("**FSSAI**"), lays down science-based standards for food articles and regulates their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI also include specifications for food activities, flavourings, processing aids and material in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. The FSS Act also sets out, among other things, the requirements for licensing and registration of food businesses, general principles of food safety and responsibilities of a food business operator and liability of manufacturers and sellers. The FSS Act also lays out procedure for adjudication by the Food Safety Appellate Tribunal.

Further, the Food Safety and Standards Rules, 2011 ("**FSS Rules**") lay down detailed standards for various food products, which include, among others, specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels.

For enforcement under the FSS Act, the 'commissioner of food safety', 'food safety officer', and 'food analyst' have been granted detailed powers of seizure, sampling, taking extracts, and analysis under the FSS Rules. The FSSAI has also framed, among others, the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011;
- Food Safety and Standards (Approval for Non-Specified Food and Food Ingredients) Regulations, 2017;
- Food Safety and Standards (Organic Food) Regulation, 2017;
- Food Safety and Standards (Alcoholic Beverages) Regulations, 2018;
- Food Safety and Standards (Packaging) Regulations, 2018;
- Food Safety and Standards (Labelling and Display) Regulations, 2020; and
- Food Safety and Standards (Vegan Foods) Regulations, 2022.

Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in the states in which such establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our office has to be registered under the shops and establishments legislations of the state where it is located.

The Public Liability Insurance Act, 1991 ("PLI Act") and the Public Liability Insurance Rules, 1991

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

The Legal Metrology Act, 2009 (the "Legal Metrology Act") and the Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act governs the standards/units/denominations used for weights and measures. It also states that any transaction/contract relating to goods shall be as per the weight/measurement prescribed by the Legal Metrology Act. Such weights and measures are required to be verified and re-verified periodically before usage through government approved test centres. Under the provisions of the Legal Metrology Act, pre-packaged commodities are required to bear statutory declarations and entities are required to obtain a registration before import of any weight or measure. Approval of model is required before manufacture or import of any weight or measure. Any non-compliance or violation under the Legal Metrology Act may result in, inter alia*,* a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The Legal Metrology (Packaged Commodities) Rules, 2011 (the "**Packaged Commodities Rules**") were framed under Section 52(2) (j) and (q) of the Legal Metrology Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A "pre –packaged commodity" means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules provide that it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed. Further, all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act and no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers. Some recent additions include increased visibility of retail price, removal of dual maximum retail price and bringing e-commerce within the ambit of these rules.

The Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016, has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, 1986. The BIS Act establishes Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. Further, the BIS Act also provides for repair or recall, including product liability of the products bearing a standard mark but not conforming to the relevant Indian Standard.

The Gujarat Industrial Development Act, 1962 (The "GIDC Act")

The GIDC Act is designed to support and advance industrial development within Gujarat. It establishes a legal structure for creating industrial estates and parks, fostering investment, and improving infrastructure. The Act authorizes the state government to acquire land for industrial use, provide incentives, and simplify the procedures for establishing industries. Its objective is to create a business-friendly environment that promotes economic growth, employment generation, and the overall enhancement of the state's industrial sector.

GIDC Drainage Regulations, 1990, as amended (The "Drainage Regulations")

The Drainage Regulations are applicable to all units located in the industrial estates of Gujarat and regulates all matters concerning the drainage system and effluent discharge system of the said units. The Drainage Regulation prohibits any applicable industry to discharge into any natural outlet within Gujarat Industrial Development Corporation estate any sewage or other polluted water, industrial effluent except where suitable treatment has been provided.

Gujarat Industrial Development Corporation (Supply of Water to the Industrial Estates), Regulations, 1991 (The "Supply of Water Regulations")

The Supply of Water Regulations regulates the availability of water and the water connection within the the GIDC estates. It stipulates that the GIDC does not guarantee the quality of water supplied or continuous supply of water. However, in case of draught, floods or other natural calamities GIDC will undertake all reasonable efforts to restore water connection. Further, it regulates payment to be made to GIDC for the connection and quantity of water supplied to each consumer.

C. REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

The Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and *regulation* of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto.

As per the provisions of the Act, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; and (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Gazette.

FTA read with the Indian Foreign Trade Policy 2015 – 2020 (extended up to March 31, 2023) provides that no export or import can be made by a company without an importer-exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

Foreign Exchange Management Act ("FEMA")

Foreign investment in India is governed primarily by the provisions of the FEMA and the rules, regulations and notifications there under, read with the presently applicable Consolidated FDI Policy Circular of 2020 as issued by the Department of Industrial Policy and Promotion. The RBI, in exercise of its powers under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, to regulate the transfer to/by and issue of security, to a person resident outside India. At present, investments in manufacturing companies, except the companies manufacturing items reserved for production in micro and small enterprises and companies in defence sector, fall under the RBI automatic approval route for foreign direct investment up to 100%.

The Foreign Contribution (Regulation) Act, 2010 (The "FCRA")

The FCRA, has been implemented by the Ministry of Home Affairs, India and governs how non-profit organizations in India receive and use foreign funds. Its main objective is to ensure that such funds are not used for activities that could harm the country's interests. According to the FCRA, individuals or organizations are not allowed to accept foreign contributions or hospitality unless they have obtained prior permission for a specific grant or are registered under the FCRA, both of which require approval from the Ministry.

Foreign Trade Policy, 2023 (The "FTP")

The FTP 2023 was notified by Central Government, in exercise of powers conferred under Section 5 of the FTA, as amended. The FTP shall follow the principle of "allowed" unless specifically "prohibited" in terms of import-export of goods. The FTP enumerates restricted goods into further three categories of (i) banned i.e. prohibition, (ii) limited permission i.e. restriction, and (iii) allowed only through government-approved agencies. The FTP is aimed at synchronizing the Indian economy with global standards of trade and is an statement of the government to achieve a resilient and strong economy.

Foreign Investment Laws

Foreign investment in India is governed by the provisions of the FEMA along with the rules, regulations and notifications made by the Reserve Bank of India, including the FEMA Non-Debt Rules, as amended thereunder, and the consolidated FDI Policy ("**FDI Policy**") issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("**DPIIT**"). The FDI Policy consolidates all the press notes, press releases, and clarifications on FDI issued by DPIIT. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route. Currently 100% FDI is allowed under the automatic route for companies engaged in the manufacturing sector.

D. LAWS RELATING TO EMPLOYMENT AND LABOUR

Our operations are subject to compliance with certain additional labour and employment laws in India. These include, but are not limited to, the following:

- The Child Labour (Protection and Prohibition) Act, 1986
- The Employees Compensation Act, 1923
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- The Employees' State Insurance Act, 1948
- The Equal Remuneration Act, 1976
- The Maternity Benefit Act, 1961
- The Minimum Wages Act, 1948
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Payment of Wages Act, 1936
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

The Factories Act, 1948 (the "Factories Act")

The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act requires the 'occupier' of a factory to ensure the health, safety, and welfare of all workers in the factory premises. Further, the 'occupier' of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training, and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

The Code on Wages, 2019

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

Code on Social Security, 2020

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker'' Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the appropriate government. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

The Payment of Wages Act, 1936 (the "**Payment of Wages Act**")

The Payment of Wages Act applies to factories and certain industrial or commercial establishments where employees earn monthly wages not exceeding ₹24,000. The Act primarily aims to govern various aspects of wage payment, including working hours, overtime compensation, holidays, permissible deductions, and the overall quantum of wages for specific categories of workers. It also empowers the appropriate governments to set minimum wage levels, ensures timely disbursement of wages by employers, and prohibits unauthorized deductions. Additionally, it provides for employees' entitlement to bonuses and other related benefits.

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("EPF Act")

The EPF Act requires establishments, including factories and other specified entities, to provide for employee benefits such as provident fund, family pension, and deposit-linked insurance. All establishments covered under the EPF Act must be registered with the appropriate Provident Fund Commissioner.

Under the Act, employers are obligated to make monthly contributions to the provident fund equal to the employee's contribution. Additionally, employers must maintain prescribed records and registers and ensure timely submission of relevant forms and returns to the designated authorities.

The Employees State Insurance Act, 1948 (the "ESI Act")

The enactment of the ESI Act introduced a comprehensive, need-based social insurance scheme designed to safeguard the interests of workers during contingencies such as sickness, maternity, temporary or permanent disablement, and death resulting from employment-related injuries, which may lead to loss of wages or earning capacity.

All establishments to which the ESI Act is applicable must register with the Employees' State Insurance Corporation. The Act mandates that all eligible employees in such establishments be insured as per the provisions of the Act. Both employers and employees are required to contribute to the ESI fund at rates notified by the Central Government. Additionally, employers must file returns detailing the contributions made with the relevant ESI authorities.

Employees Deposit Linked Insurance Scheme, 1976 ("The Insurance Scheme")

The Insurance Scheme established under Section 6C of the Employees' Provident Funds (EPF) Act and is managed by the Central Board as provided in the Section 5A of the Act. Provisions for imposing penalties in case of delayed contribution payments, including the applicable rates of damages, are specified under Section 8A of the Act. Employers covered under the Insurance Scheme are required to submit a monthly return in the prescribed format to the Commissioner within fifteen (15) days after the end of each month. Employers must also maintain relevant registers and records, which must be made available for inspection by the Commissioner or any authorized officer as needed. Contributions made by both the employer and the Central Government toward the insurance fund are deposited into a designated account known as the "Deposit-Linked Insurance Fund".

The Employees' Pension Scheme, 1995 ("The Pension Scheme")

Employee pension Scheme is established under Section 6A of the EPF Act. The Pension Scheme applies to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Pension Scheme. Every employee who is member of EPF or PF has an option of the joining scheme. The Scheme ensures superannuation pension, retiring pension or permanent total disablement pension to the employees of any establishment or class of establishments to whom the EPF Act applies. Further, it also provides widow or widower's pension, children pension or orphan pension to the beneficiaries of applicable employees.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 ("Migrant Workmen Act")

The Migrant Workmen Act applies to establishments that employ five or more inter-state migrant workers through a contractor or intermediary who recruits workers from one state for employment in another. Under this Act, establishments covered by its provisions must provide specific facilities to inter-state migrant workers, including accommodation, medical assistance, and travel allowances.

E. CORPORATE AND COMMERCIAL LAWS

Companies Act, 2013

The Companies Act, 2013 (the "**Companies Act**") primarily regulates the formation, financing, functioning and restructuring of separate legal entities as companies. The Act provides regulatory and compliance mechanisms regarding all relevant aspects including organizational, financial, and managerial aspects of companies. The provisions of the Act state the eligibility, procedure, and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law lays down transparency, corporate governance, and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

Indian Contract Act, 1872

Indian Contract Act, 1872 codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Indian Contract Act, 1872 consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them. Each contract creates some right and duties upon the contracting parties. The Contract Act deals with the enforcement of these rights and duties upon the parties. The Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the Act are now subject matter of separate enactments viz., the Sale of Goods Act, 1930 and the Indian Partnership Act 1932. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

Competition Act, 2002

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates 'combinations' in India. The Competition Act also established the Competition Commission of India (the 'CCI') as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Negotiable Instruments Act, 1881

In India, any negotiable instruments such as cheques are governed by this Act. The Act provides effective legal provision to restrain people from issuing cheque without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, makes dishonor of cheques a criminal offence if the cheque is dishonored on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

The Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 ("Stamp Act") which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

The Arbitration and Conciliation Act, 1996

This Act was enacted by Parliament in the forty-seventh year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimize the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

The Registration Act, 1908 (the "Registration Act")

The Registration Act, 1908 (the "**Registration Act**") was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 covers Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities.

Information Technology Act, 2000

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rule, 2021.The laws apply to the whole of India.

The Act provides a legal framework for electronic governance by giving recognition to electronic records and digital signatures. It also defines cyber-crimes and prescribes penalties for them. If a crime involves a computer or network located in India, persons of other nationalities can also be indicted under the law. The Act directed the formation of a Controller of Certifying Authorities to regulate the issuance of digital signatures. It also established a Cyber Appellate Tribunal to resolve disputes arising from this new law.

Digital Personal Data Protection Act, 2023 ("DPDP Act")

The Parliament passed the DPDP Act on August 11, 2023. The DPDP Act, once notified, will replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act seeks to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the "DPB") and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

F. INTELLECTUAL PROPERTY LAWS

The Trademarks Act, 1999 (the "Trademarks Act")

The Trademarks Act, 1999 (the "**Trademarks Act**") provides for the application, registration and protection of trademarks in India. The Trademarks Act provides exclusive rights to the use of trademarks such as, brands, labels and headings that have been registered and to provide relief in case of infringement of such marks. The Trademarks Act prohibits any registration of deceptively similar trademarks. The Trademarks Act also provides for penalties for infringement and for falsifying and falsely applying trademarks and using them to cause confusion among the public.

G. TAXATION LAWS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic/Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. Under Section 139(1) of Income Tax Act every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and the like are also required to be complied by every Company.

Central Goods and Services Tax Act, 2017 ("GST" or "GST Act")

The GST Act combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. GST is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST is levied as Dual GST separately but concurrently by the Union (central tax – CGST) and the States (including Union Territories with legislatures) (State tax – SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament has exclusive power to levy GST (integrated tax IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017, following the passage of Constitution 122nd Amendment Bill.

Professional Tax

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

Customs Act, 1962

The import and export of goods in India are regulated by the Customs Act, 1962 and its accompanying rules. Companies looking to carry out such cross-border trade must first obtain an Importer Exporter Code (IEC), as stipulated under the Foreign Trade (Development and Regulation) Act, 1992. Imports into India attract various duties, including basic customs duty, additional duties, and applicable cesses, as per the provisions of the Customs Act, 1962, the Customs Tariff Act, 1975, and related regulations. The basic customs duty rates are outlined in the Customs Tariff Act, 1975 and are calculated based on the assessable value of the imported goods.

H. OTHER APPLICABLE LAWS

Municipality Laws

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("**MSME**"). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated March 21, 2025, revising definition and criterion and the same came into effect from April 01, 2025. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed two crore and fifty lakh rupees and turnover does not exceed ten crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed twenty five crore rupees and turnover does not exceed one hundred crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed one hundred twenty five crore and turnover does not exceed five hundred crore rupees.

Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Consumer Protection Act, 2019 (the "Consumer Protection Act") and rules made thereunder

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

Fire Prevention Laws

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance.

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HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as *"Shanti Inorgo Chem (Guj) Private Limited"* as a private limited company in Ahmedabad, Gujarat under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated January 13, 2010, issued by the Registrar of Companies, Gujarat. Our Company has taken over the running business of a partnership firm from our Promoters, namely "*Shanti Industries*" on a going concern basis vide Takeover Agreement with effect from April 01, 2010. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on January 27, 2025, and the name of our Company changed from "*Shanti Inorgo Chem (Guj) Private Limited*" to *"Shanti Inorgo Chem (Guj) Limited"*. A fresh certificate of incorporation consequent upon conversion from a private limited company to public limited company dated March 1, 2025, was issued by the Registrar of Companies, Central Processing Centre. Further, pursuant to resolutions passed by our Board of Directors in their meeting held on April 4, 2025, and Shareholder's Resolution passed on April 5, 2025, our Company's name was further changed from *"Shanti Inorgo Chem (Guj) Limited"* to *"Shanti Inorganics Limited"* and a fresh certificate of incorporation dated May 6, 2025, was issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U24100GJ2010PLC059218.

Changes in the Registered Office

Our Company has not changed its registered office address since the date of incorporation. The below mentioned is the registered office address of our Company -

Plot No.-2015, Phase III GIDC,
Vatva, Ahmedabad - 382445,
Gujarat, India.

Main objects of our Company

The main object of our Company as per our Memorandum of Association is as follows:

1. *To carry on the business of manufacturers of and dealers in chemicals, chemical compounds (organic and inorganic) in all forms, and chemical products of any nature and kind whatsoever, and all by-products and joint products thereof.*

2. *To carry on the business as chemical engineering, analytical chemists, importers, exporters, manufacturers of and dealers in heavy chemicals of all kinds (solid, liquid and gaseous), dyestuffs, intermediates, textile auxiliaries, cellophanes, colours, dyes, paints, varnishes, vat & other organic dyestuffs, chemical auxiliaries, disinfectants, insecticides, fungicides, deodorants, biochemical and bleaching, photographical and other preparations and articles.*

Amendments to the Memorandum of Association

Except as stated below, there have made no amendments in the Memorandum of Association of our Company since the last ten (10) years.

Date of Shareholder's Resolution	Particulars
January 27, 2025	Clause I of the Memorandum of Association was altered to reflect the change in name of our Company from "*Shanti Inorgo Chem (Guj) Private Limited*" to "*Shanti Inorgo Chem (Guj) Limited*" pursuant to the conversion of the Company from a private limited to a public limited.
April 5, 2025	Clause I of the Memorandum of Association was amended to reflect the change in name of our Company from "*Shanti Inorgo Chem (Guj) Limited*" to "*Shanti Inorganics Limited*". to ensure brand recognition.
June 17, 2025	Clause V of the Memorandum of Association was amended to reflect the increase of

Date of Shareholder's Resolution	Particulars
	authorized share capital of our Company from ₹75,00,000/- (Rupees Seventy-Five Lakhs only) consisting of 7,50,000 (Seven Lakhs Fifty Thousands) Equity Shares of ₹10 (Rupees Ten only) each to ₹17,00,00,000/- (Rupees Seventeen crores only) consisting of 1,70,00,000 (One Crore Seventy Lakhs Shares) Equity Shares of ₹10 (Rupees Ten only) each

Major events and milestones of our Company

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Events and Milestones
2010	Incorporation of our Company as Shanti Inorgo Chem (Guj) Private Limited
	Takeover of the business operations of the partnership firm 'Shanti Industries'
2016	Received ISO 9001:2015 certificate of registration for the manufacturing of inorganics chemicals by Alcumus ISOQAR
2021-22	Our Company secured its first major project which includes the export of 500 MT/year ammonium bisulphite.
	Increase in installed capacity from 10,700 metric tonnes per annum (MTPA) to 16,200 TPA
	Established second manufacturing facility at Plot No 5A, 5B, Sankalp Industrial Estate, Chiyada, Bavla, Ahmedabad – 382240.
2025	Conversion of private limited to public limited company
	Change of name from "Shanti Inorgo Chem (Guj) Limited" to "Shanti Inorganics Limited"
	Commenced commercial operation Phase I of Manufacturing Unit II
	Achieved revenue from operations of more than ₹5,000 lakhs in Fiscal 2025

Awards and Accreditations

Calendar Year	Awards and accreditations
2016	Our Company was accredited with an ISO 9001:2015 certificate of registration for the manufacturing of inorganics chemicals by Alcumus ISOQAR
2022	Our Company was accredited with a certificate of compliance in Hazard Analysis & Critical Control Points (HACCP) for the manufacturing of inorganics chemicals by UK Certification & Inspection Limited
2023	Our Company was accredited with a Halal certification for the manufacturing of inorganics chemicals by UK Certification & Inspection Limited
	Our Company was accredited with NSF certification in accordance with NSF Registration Guidelines for Proprietary Substances and Nonfood Compounds by NSF International
2025	Our Company was accredited with Kosher certification for the manufacturing of inorganics chemicals by UK Certification & Inspection Limited

Material clauses of the Articles of Association

All material clauses of our Articles of Association having a bearing on the Issue have been disclosed in this Draft Red Herring Prospectus. For details, please see "***Description of Equity Shares and Terms of Articles of Association***" on page 367 of this Draft Red Herring Prospectus.

Corporate profile of our Company

For details regarding the description of our Company's activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key services, entry in new geographies or exit from existing markets, major distributors and clients, segment, marketing and competition, please refer to the chapters titled "***Our Business***", "***Our Management***" and "***Management's Discussion And Analysis Of Financial Position And Results Of Operations***" on pages 167, 203 and 269 respectively, of this Draft Red Herring Prospectus.

Changes in activities of our Company during the last five (5) Years

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Significant financial and strategic partnership

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships.

Shareholders and other Agreements

There are no subsisting shareholder's agreements among our shareholders and other material agreements in relation to our Company, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us. There are no other agreements/ arrangements and clauses / covenants which are material and which need to be disclosed in this Draft Red Herring Prospectus or non-disclosure of which may have bearing on the investment decision in connection with the Issue.

Time and Cost Overrun

There has been no material time or cost over-runs in respect of our business operations.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

There have been no instances of rescheduling/restructuring of borrowings with financial institutions/banks in respect of our current borrowings from lenders.

Injunction or Restraining Order

Except as disclosed in the section titled *"**Outstanding Litigation and Material Developments**"* beginning on page 286 of this Draft Red Herring Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 (ten) years

Except as disclosed below, our Company has not made any material acquisitions or divestments of any business or undertaking, and have not undertaken any merger, amalgamation or any revaluation of assets during the ten (10) years preceding the date of this Draft Red Herring Prospectus:

Pursuant to sale agreement dated January 13, 2021, our Company sold its manufacturing unit located at Block No. 598/A, Village Piludra, Taluka Jambusar, District Bharuch, Gujarat to Bodal Chemicals Limited for a consideration amount of ₹ 396.21 Lakhs.

Agreements with Key Managerial Personnel, Senior Management Personnel, Director, Promoter or any other employee

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel, Senior Management Personnel, Directors, Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Key terms of subsisting material agreements

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company. Further, there are no other agreements/ arrangements and clauses/covenants that are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already been disclosed in the offer document.

Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have any holding company.

Associate Company or Joint Ventures

As of the date of this Draft Red Herring Prospectus, our Company does not have any associate companies or joint ventures.

Our Subsidiary

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary company.

Guarantees given by Promoter offering its shares in the Offer for Sale

This is a fresh issue of Equity Shares and our Promoters are not offering their Equity Shares in this Issue.

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OUR MANAGEMENT

Board of Directors

As per the Articles of Association of our Company, our Company is required to have not less than 3 (three) Directors and not more than 15 (fifteen) Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Draft Red Herring Prospectus, our Board comprises of 5 (Five) Directors, of which 1 (One) is the Managing Director, 1 (One) is the Joint Managing Director, and 3 (Three) are Non-Executive Directors. Amongst the Non-Executive Directors, 1 (One) is an Independent Director, 1 (One) is a Woman Independent Director, and 1 (One) is a Woman Non-Executive Director. The present composition of our Board of Directors is in accordance with the Companies Act, 2013.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Age (years)	Other Directorships
1.	**Manojkumar Jayantilal Patel** **Date of Birth:** January 2, 1960 **Designation:** Chairman and Managing Director **Address:** FB 40-41, Sector-F, Sterling City, Behind Pankhil Bunglows, Bopal, Ahmedabad - 380058, Gujarat–, India. **Occupation:** Business **Term:** For a period of 3 Years w.e.f. September 04, 2025 **Period of Directorship:** Since January 13, 2010 **DIN:** 02724947	65	*Indian Companies* Nil *Foreign Companies* Nil
2.	**Avnish Manojkumar Patel** **Date of Birth:** July 13, 1985 **Designation:** Joint Managing Director **Address:** FB 40-41, Sector-F, Sterling City, Behind Pankhil Bunglows, Bopal, Ahmedabad - 380058, Gujarat–, India **Occupation:** Business **Term:** For a period of 3 Years w.e.f. January 28, 2025 **Period of Directorship:** Since January 13, 2010 **DIN:** 02724940	40	*Indian Companies* 1. Jagjanani Textiles Limited *Foreign Companies* Nil
3.	**Suhani Avanishkumar Patel** **Date of Birth:** June 14, 1990	35	*Indian Companies* Nil

Sr. No.	Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Age (years)	Other Directorships
	Designation: Non – Executive Director **Address:** FB 40-41, Sector-F, Sterling City, Behind Pankhil Bunglows, Bopal, Ahmedabad - 380058, Gujarat, India **Occupation:** Homemaker **Term:** Liable to retire by rotation **Period of Directorship:** Since December 19, 2024 **DIN:** 10879088		*Foreign Companies* Nil
4.	**Indira Suresh Vora** **Date of Birth:** February 16, 1976 **Designation:** Independent Director **Address:** A – 2, Shiv Pujan Duplex, Nr. Shail Ganga Society, Chandkheda Society Area, Chandkheda, Mansa, Gandhinagar - 382424, Gujarat, India **Occupation:** Professional **Term:** For a period of 5 Years w.e.f. April 4, 2025 **Period of Directorship:** Since April 4, 2025 **DIN:** 10581630	49	*Indian Companies* 1. Jee Pumps Limited 2. Vikalp Securities Limited 3. Kabra Jewels Limited 4. Aastha Spintex Limited *Foreign Companies* Nil
5.	**Niraj K Dalal** **Date of Birth:** January 16, 1988 **Designation:** Independent Director **Address:** 35, Shreeji Krupa Society, Near Court Road, Gayatri Nagar, Bharuch - 392001, Gujarat, India **Occupation:** Professional **Term:** For a period of 5 Years w.e.f. April 4, 2025 **Period of Directorship:** Since April 4, 2025 **DIN:** 06861116	37	*Indian Companies* Nil *Foreign Companies* Nil

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Brief profile of our Directors

Manojkumar Jayantilal Patel is a Chairman, Managing Director and Promoter of our Company. He holds a Bachelor of Commerce degree from Sardar Patel University, Vallabh Vidyanagar. He established and operated a proprietorship for more than seven years by the name "*Shanti Industries*", engaged in trading and distributing inorganic chemicals. Thereafter, he, along with his son Avnish Manojkumar Patel, converted the business into a partnership firm retaining the name "*Shanti Industries*". The partnership firm was operated by him, along with his son for two years until 2010. He has been associated with our Company since January, 2010. He has an experience of over 25 years in the field of manufacturing and trading of sulphur based inorganic chemical industry. He plays an active role in administration, business development and finance for the organization.

Avanish Manojkumar Patel is a Joint Managing Director and Promoter of our Company. He has attended course of Electronics & Tele Communication in Diploma Engineering from Maharashtra State Board of Technical Education. He was also associated with "*Shanti Industries*", the partnership firm from the year 2008 to 2010. He has been associated with our Company since January 2010. He has an experience of over 16 years in the field of manufacturing and trading of sulphur based inorganic chemical industry and actively contributes to the manufacturing, procurement and marketing initiatives of our Company.

Suhani Avanish Patel is the Non-Executive Director of our Company. She has completed Higher Secondary Education from Gujarat Secondary and Higher Secondary Education Board and has over seven years of experience in the field of Administration. She was associated with our Company as Head of Admin Department from January 2017 to November 2024. She has been associated with our Company as Non-Executive Director since December, 2024.

Indira Suresh Vora is an Independent Director of our Company. She is a practicing Chartered Accountant with a Fellow Membership of ICAI. She is registered with the Insolvency and Bankruptcy Board of India as an Insolvency Professional since 2018. She has a diverse professional background and has contributed across different sectors in various capacities. She had worked as a Chief Manger in Union Bank of India. She is a proprietor in I S V & Associates, Chartered Accountants since 2021. Altogether, she carries a professional experience of more than fourteen years. She has been associated with our Company since April 2025.

Niraj K Dalal is an Independent Director of our Company. He has attended course of Bachelor of Commerce from Veer Narmad South Gujarat University, Surat. He is a practicing Chartered Accountant with an Associate Membership of ICAI. He is a proprietor in Niraj Dalal & Co., Chartered Accountants since 2015. He has over twelve years of professional experience in finance. He has been associated with our Company since April 2025.

Relationship between our Directors and Key Managerial Personnel and Senior Management Personnel

Except as provided below, none of our Directors are related to each other or to any of the Key Managerial Personnel and Senior Management Personnel as on the date of filing this Draft Red Herring Prospectus.

Director 1	Director 2	Relationship
Manojkumar Jayantilal Patel *(Managing Director)*	Avnish Manojkumar Patel *(Joint Managing Director)*	Father - Son
Avnish Manojkumar Patel *(Joint Managing Director)*	Suhani Avanishkumar Patel *Non-Executive Director*	Husband - Wife
Manojkumar Jayantilal Patel *(Managing Director)*	Suhani Avanishkumar Patel *(Non-Executive Director)*	Father-in-law - Daughter in law

Employment or Service Agreement with our Directors

Except as disclosed for Managing Director and Joint Managing Director under *"Terms of Appointment of our Whole Time Directors",* We have not entered into any service agreement or formal employment agreement with any of our Directors. The terms of appointment and remuneration of our Directors were determined by way of the respective Board and Shareholders resolution approving their appointment.

Terms of Appointment of our Chairman Managing Director and Joint Managing Director

Manojkumar Jayantilal Patel – ***Managing Director***

The terms and conditions of the appointment and remuneration of our Chairman and Managing Director, Manojkumar Jayantilal Patel were approved by a resolution of our Board at their meeting held on September 04, 2025, and a special resolution passed by our shareholders at the Annual General Meeting held on September 10, 2025, pursuant to which he is entitled to remuneration along with other benefits and amenities as follows:

1. **Salary:** Upto Rs. 4 Lakhs (Rupees Four Lakhs) per month from September 04, 2025 with such increments/increase as may be decided by the Nomination and Remuneration Committee or the Board of Directors from time to time.

2. **Sitting Fees:** He shall not be paid sitting fees for attending any meetings of the Board/Committee(s)/General Meeting(s) etc. as per the Articles of Association subject to Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

3. **Perquisites:** He shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specifies herein above:
   - (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
   - (ii) Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
   - (iii) Earned privilege leave at the rate of one month's leave for every eleven months of service. The Managing Director shall be entitled to en-cash leave at the end of his tenure as Managing Director.
   - (iv) Rent free furnished accommodation.
   - (v) Car with driver for the use of Company's business.
   - (vi) Reimbursement of all medical expenses incurred for self and family at actuals.
   - (vii) Leave travel expenses for self and family in accordance with the policy of the Company.
   - (viii) Reimbursement of expenses on actuals pertaining to electricity, gas, water and telephone.

4. **Minimum Remuneration:** where in any financial year during the currency of his tenure as Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Managing Director, the above Salary and perquisites excluding commission not exceeding the ceiling limits prescribed in Schedule V of the Companies Act, 2013 as Minimum Remuneration, if applicable.

5. **Other Terms:**

   I. The Company shall reimburse to the Managing Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/ or incurred in performance of the duties of the Company.

   II. Notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Managing Director. However, in any case the remuneration would not exceed the limits prescribed under the applicable provisions of the Act.

Board is entitled to make changes within the overall amount fixed by the members.

Avnish Manojkumar Patel – ***Joint Managing Director***

The terms and conditions of the appointment and remuneration of our Joint Managing Director, Avnish Manojkumar Patel were approved by a resolution of our Board at their meeting held on January 28, 2025, and a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on May 06, 2025, pursuant to which he is entitled to remuneration upto ₹ 48,00,000/- p.a. along with other benefits and amenities as follows.

Salary	₹ 4,00,000/- per month
Minimum Remuneration	Notwithstanding anything contained in aforesaid resolution, where in any financial year during the period of his office as Joint Managing Director, the Company has no profits or its profits are inadequate, the referred remuneration shall be allowed in compliance of the provisions of Schedule V and the same shall in no event exceed the limits approved by way of resolution proposed above and in the event of continuation of inadequacy of profits for a continuous period of 3 years, the same shall be subject to review by shareholders.
Other terms	He shall not be paid any sitting fee for attending the meetings of the Board of committees thereof.

Compensation paid to our Directors:

The remuneration paid to our Directors in Fiscal 2025 is as follows:

Compensation paid to our Executive Directors

Except as disclosed below, no remuneration paid or payable to our Executive Director in Fiscal 2025:

Sr. No.	Name	Remuneration Paid (₹)	Remuneration Payable (₹)
1.	Manojkumar Jayantilal Patel	33,66,500	2,33,500
2.	Avnish Manojkumar Patel	33,66,867	2,33,133

Compensation/ Sitting Fees paid and payable to our Non-Executive Directors

Except as disclosed below, no remuneration has been paid or is payable to our Non-executive Directors and Independent Directors for Fiscal 2025:

Sr. No.	Name	Positions held	Remuneration Paid (₹)	Remuneration Payable (₹)
1.	Suhani Avanishkumar Patel	Non-Executive Director	3,00,000	Nil

Indira Suresh Vora and Niraj K Dalal, Independent Directors of the Company were appointed w.e.f. April 04, 2025. Therefore, no compensation including any sitting fees or commission was paid to Independent Directors by our Company during Fiscal 2025.

Further, pursuant to a resolution passed by our Board on September 04, 2025, our Non-Executive Independent Directors are entitled to receive Sitting fees amounting to ₹ 2,500/- per board meeting and committee meetings attended

Payment or benefit to Directors of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our directors.

Remuneration paid or payable to our Directors from our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary hence remuneration paid to our directors by our subsidiary is not applicable.

Bonus or profit-sharing plan for the Directors

As on the date of this Draft Red Herring Prospectus, our Company does not have any bonus or profit-sharing plan for the Directors.

Contingent and/or deferred compensation payable to our Chairman & Managing Director and Joint Managing Director

There is no contingent or deferred compensation accrued for Fiscal 2025 and payable at later to our Chairman & Managing Director and Join Managing Director.

Shareholding of our Directors

Except as stated below, none of our Directors hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus:

Sr. no.	Name of the Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1.	Manojkumar Jayantilal Patel	69,61,440	60.24
2.	Avnish Manojkumar Patel	16,88,000	14.61
3.	Suhani Avanishkumar Patel	5,08,800	4.40

Borrowing Powers

In accordance with our Articles of Association and subject to the provisions of the Companies act, and pursuant to a resolution of the Shareholders of our companied in their Annual General Meeting held on September 10, 2025, in accordance with section 180 (1) (c) and other applicable provisions of the Companies Act, our Board is authorized to borrow any such sum or sums of money from time to time at its discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may, at any time exceed the aggregate of the paid-up capital of our Company and its free reserves (that is to say, reserves not set apart for any specific purpose), subject to aggregate borrowings not exceeding ₹ 150.00 Cr. (Rupees One Hundred and Fifty Crore Only).

Interest of Directors

Our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a committee thereof, to the extent of other remuneration and reimbursement of expenses, if any, payable to them by our Company.

Our Non-Executive Directors and Independent Directors may be deemed to be interested to the extent of sitting fees payable to them by our Company for attending meetings of our Board or committees thereof. For further details, see "***Compensation paid to our Directors***", on page 207 of this Draft Red Herring Prospectus.

Manojkumar Jayantilal Patel and Avnish Manojkumar Patel are Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent that they have promoted our Company. Except as stated above, our directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors may also be deemed to be interested to the extent of Equity Shares as disclosed in "***Shareholding of our Directors***" on page 208.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives s promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoter, directors, partners, proprietors, members or trustees and any dividend and other distributions payable in respect of such Equity Shares. Except as disclosed in "***Restated Financial Information***" and "***Our Promoters and Promoter Group***" on page 224 and 217, respectively of this Draft Red Herring Prospectus, our directors are not interested in any other company, entity or firm.

Except as stated in *"**Restated Financial Information – Note AG - Related Party Transactions**"* on page 263 of this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our Directors.

None of our Directors have availed any loan from our Company.

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Certain of our Promoters/ directors have extended personal guarantees towards the secured loans availed by our Company. For further details, please see "***Financial Indebtedness***" on page 280 of this Draft Red Herring Prospectus.

Interest in Property and Business

Except as stated in the chapter titled *"**Restated Financial Information – Note AG - Related Party Transactions**"* on page 263 of this Draft Red Herring Prospectus, our Directors do not have any other interest in the Business of our Company.

Interest in promotion or formation of our Company

Manojkumar Jayantilal Patel and Avnish Manojkumar Patel are the Promoters of the Company. For further details regarding our promoter, see "***Our Promoters and Promoter Group***" on page 217 of this Draft Red Herring Prospectus.

Confirmation

None of our Directors are or were director of any listed company whose shares have been or were suspended from being traded on any stock exchanges in India during the terms of their directorship in such companies, in the last five years preceding the date of this Draft Red Herring Prospectus.

None of our Directors are or were directors of any listed company which has been or have been delisted from any stock exchanges, during the terms of their directorship in such companies.

None of our Directors have been declared as wilful defaulters or fraudulent borrowers.

No proceedings/ investigations have been initiated by SEBI against our Company, the board of directors of which also comprise any of the Directors of our Company.

No consideration in cash or shares or otherwise has been paid, or agreed to be paid to any of our Directors, or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

Conflict of interest between the suppliers of raw materials and third-party service providers

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations) of the Company and the Directors of our Company

Conflict of interest between the lessor of the immovable properties of the Company

There is no conflict of interest between the lessor of the immovable properties (crucial for operations) of the Company and the Directors of our Company.

Confirmation in relation to RBI Circular dated July 1, 2016

Neither our company nor any of our Directors have been declared as fraudulent borrowers by RBI in terms of the RBI circular dated July 1, 2016, as amended, updated or superseded from time to time.

Change in our Board during the last three years

The changes in the Board of our Company during the last three years till the date of this Draft Red Herring Prospectus are set forth below:

Name of Director	Date	Reason
Manojkumar Jayantilal Patel	December 19, 2024	Change in Designation from Director to Managing Director
Suhani Avanishkumar Patel	December 19, 2024	Appointment as a Non – Executive Director
Avnish Manojkumar Patel	January 25, 2025	Change in Designation from Director to Whole time Director
Avnish Manojkumar Patel	January 28, 2025	Change in Designation from Whole Time Director to Joint Managing Director
Indira Suresh Vora	April 4, 2025	Appointment as a Non-Executive Independent Director
Niraj K Dalal	April 4, 2025	Appointment as a Non-Executive Independent Director
Manojkumar Jayantilal Patel	September 04, 2025	Change in Designation from Managing Director to Chairman and Managing Director

Corporate Governance

As per the Articles of Association of our Company, our Company is required to have not less than 3 (three) Directors and not more than 15 (fifteen) Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Draft Red Herring Prospectus, our Board comprises of 5 (Five) Directors, of which 1 (One) is the Managing Director, 1 (One) is the Joint Managing Director, and 3 (Three) are Non-Executive Directors. Amongst the Non-Executive Directors, 1 (One) is an Independent Director, 1 (One) is a Woman Independent Director, and 1 (One) is a Woman Non-Executive Director. The present composition of our Board of Directors is in accordance with the Companies Act, 2013.

Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the Companies Act, 2013 and SEBI LODR Regulations, to the extent applicable.

Board Committees

Our Board has constituted the following committees in accordance with the requirements of the Companies Act, 2013:

(a) Audit Committee
(b) Nomination and Remuneration Committee; and
(c) Stakeholders Relationship Committee.

Details of each of these committees are as follows:

(a) Audit Committee

The Audit Committee was constituted on September 04, 2025. The. The Audit Committee is in compliance with Section 177 of the Companies Act, 2013. The Audit Committee currently consists of:

Sr. No.	Name of the Director	Designation	Type of the Member
1.	Indira Suresh Vora	Independent Director	Chairman
2.	Niraj K Dalal	Independent Director	Member
3.	Avnish Manojkumar Patel	Joint Managing Director	Member

Further, the Company Secretary of our Company shall act as the secretary to the Audit Committee.

The terms of reference of the Audit Committee shall include the following:

1. Oversee of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommending the appointment, remuneration and terms of appointment of auditors of the Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
   i. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
   ii. changes, if any, in accounting policies and practices and reasons for the same;
   iii. major accounting entries involving estimates based on the exercise of judgment by management;
   iv. significant adjustments made in the financial statements arising out of audit findings;
   v. compliance with listing and other legal requirements relating to financial statements;
   vi. disclosure of any related party transactions;
   vii. Modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the half yearly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Issue document/Draft Red Herring Prospectus/ Red Herring Prospectus /Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor’s independence, performance and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the Company with related parties which includes omnibus approval for related party transactions subject to conditions as specified under the rules;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up thereon;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To oversee and review the functioning of the vigil mechanism pursuant the provisions of Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with sub-section 9 and 10 of Section 177 of the Companies Act, 2013, which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.

19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;

20. To investigate any other matters referred to by the Board of Directors;

21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial information and results of operations;
(b) Management letters/ letters of internal control weaknesses issued by the statutory auditors;
(c) Internal audit reports relating to internal control weaknesses; and
(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
(e) Statement of deviations:
    (1) half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
    (2) annual statement of funds utilized for purposes other than those stated in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted on September 04, 2025. The Nomination and Remuneration Committee is in Compliance with Section 178 of the Companies Act, 2013 and the SEBI LODR Regulations. The Nomination and Remuneration Committee currently consists of:

Sr. No.	Name of the Director	Designation	Type of the Member
1.	Niraj K Dalal	Independent Director	Chairman
2.	Indira Suresh Vora	Independent Director	Member

Sr. No.	Name of the Director	Designation	Type of the Member
3.	Suhani Avanishkumar Patel	Non-Executive Director	Member

The terms of reference of the Nomination and Remuneration Committee shall include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel, and other employees;

2. Formulation of criteria for evaluation of independent directors and the Board;

3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

4. Devising a policy on Board diversity; and

5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted on September 04, 2025. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013. The Stakeholders' Relationship Committee currently consists of:

Sr. No.	Name of the Director	Designation	Type of the Member
1.	Suhani Avanishkumar Patel	Non-Executive Director	Chairman
2.	Niraj K Dalal	Independent Director	Member
3.	Indira Suresh Vora	Independent Director	Member

The terms of reference of the Stakeholders' Relationship Committee shall include the following:

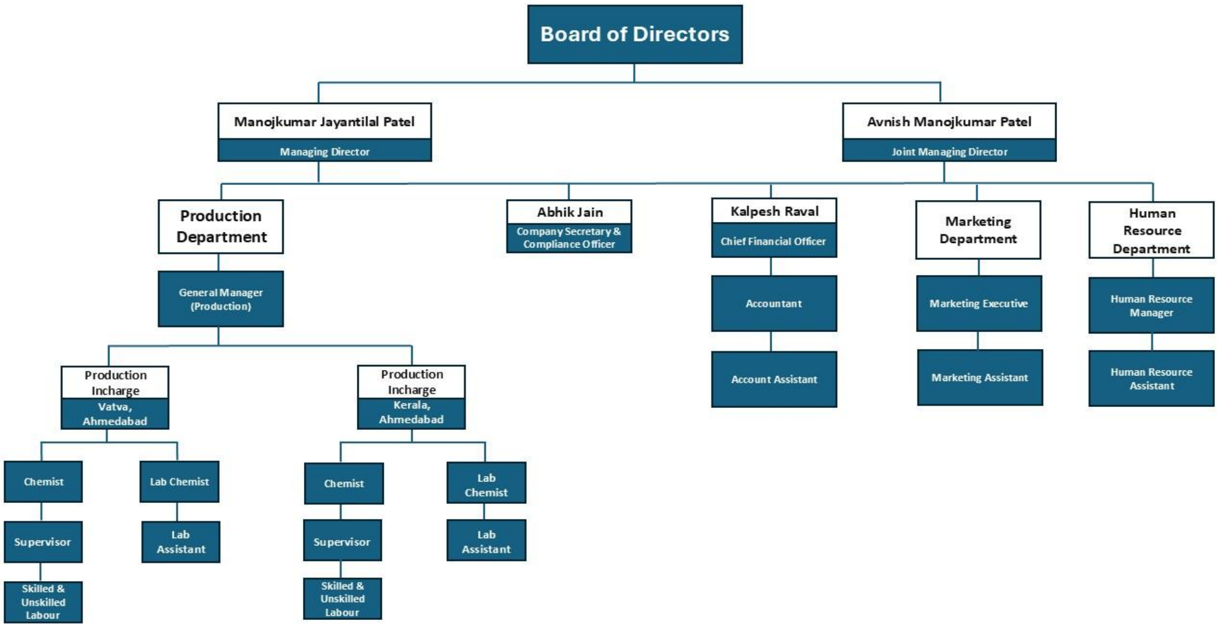
1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Management Organization Structure



Details of Key Managerial Personnel and Senior Management Personnel

Other than the Managing Director and Joint Managing Director whose details are provided hereinabove, the details of our Key Managerial Personnel and Senior Management Personnel, as on the date of this Draft Red Herring Prospectus are set forth below:

Raval Kalpeshbhai Ambaprasad is the Chief Financial Officer of our Company. He holds a Bachelor of Commerce degree from Gujarat University. He has also completed training of Advanced GST Practitioner from MSME – Technology Development Centre (PPDC)**.** He was formerly associated with Metrochem Industries Limited, Quippo Energy Private Limited, and Ascent Finchem Private Limited. He has over 30 years of experience in the field of accountancy. He has been associated with our Company since March, 2024. He is entitled to an aggregate compensation of ₹ 13,93,200/- (Rupees Thirteen Lakh Ninety Three Thousand Two Hundred Only) per annum as per his terms of appointment.

Abhik Jain is the Company Secretary and Compliance Officer of our Company. He is Associate Member of the Institute of Company Secretaries of India. He holds a Master of Business Administration degree from Rajasthan Technical University, Kota. Prior to joining our Company, he was a Practicing Company Secretary. He has over 10 years of experience in legal compliance, company law, statutory regulations and advisory He has been associated with our Company as Company Secretary and Compliance Officer since February 21, 2025. He is entitled to an aggregate compensation of ₹4,32,000/- (Rupees Four Lakh Thirty-Two Thousand only) per annum as per his terms of appointment.

Service Contracts with Directors and Key Managerial Personnel

Other than the statutory benefits that the Directors, Key Managerial Personnel are entitled to, upon their retirement as detailed in their respective appointment letters, they have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

Interest of Key Managerial Personnel and Senior Management Personnel

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel and senior management have any interest in our Company other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares, reimbursement of expenses incurred in the ordinary course of business.

No loans have been availed by our Key Managerial Personnel from our Company as on the date of this Draft Red Herring Prospectus.

Relationship amongst our Key Managerial Personnel and Senior Management Personnel

Except Manojkumar Jayantilal Patel and Avnish Manojkumar Patel, none of our Key Managerial Personnel and Senior Management Personnel are related to each other as on the date of this Draft Red Herring Prospectus.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel which forms part of his remuneration.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, our Company does not have any bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Conflict of interest between the suppliers of raw materials and third-party service providers

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations) of our Company and the Key Managerial Personnel and Senior Management Personnel of our Company.

Conflict of interest between the lessor of the immovable properties of the Company

There is no conflict of interest the between lessor of the immovable properties (crucial for operations) of the Company and the Key Managerial Person of our Company.

Shareholding of Key Managerial Personnel and Senior Management Personnel

Except Manojkumar Jayantilal Patel and Avnish Manojkumar Patel, none of our Key Managerial Personnel and Senior Management Personnel holds any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.

Changes in Key Managerial Personnel and Senior Management Personnel during the last three years

Except as disclosed below and as disclosed in "***Our Management - Change in our Board during the last three years***" on page 210 of this Draft Red Herring Prospectus, there have been no changes in the Key managerial Personnel and Senior Management Personnel in the last three years:

Name of Key Managerial Personnel/ Senior Management Personnel	Date	Reason
Avnish Manojkumar Patel	December 19, 2024	Appointment as Chief Financial Officer
Avnish Manojkumar Patel	January 25, 2025	Cessation as Chief Financial Officer
Raval Kalpeshbhai Ambaprasad	January 25, 2025	Appointment as Chief Financial Officer
Abhik Jain	February 21, 2025	Appointment as a Company Secretary and Compliance officer

Attrition of Key Managerial Personnel and Senior Management Personnel

The attrition of Key Managerial Personnel and Senior Management Personnel is not high in our Company.

Employee Stock Options and Stock Purchase Schemes

As on the date of this Draft Red Herring Prospectus, our Company does not have any Employee Stock Options or Stock Purchase Schemes.

Payment or Benefit to Key Managerial Personnel and Senior Management Personnel of our Company

No non-salary related amount or benefit has been paid or given to any officers of our Company, including Key Managerial Personnel since its incorporation within 3 preceding years or is intended to be paid or given, as on the date of filing of this Draft Red Herring Prospectus other than in the ordinary course of their employment.

Loans taken by Directors / Key Management Personnel and/or Senior Management

Our Company has not granted any loans to the Directors and/or Key Management Personnel and/or Senior Management as on the date of this Draft Red Herring Prospectus.

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OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Manojkumar Jayantilal Patel and Avnish Manojkumar Patel are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Sr. No.	Name of the Promoters	No. of Equity Shares held	% of Pre-Issue Equity Share Capital
1.	Manojkumar Jayantilal Patel	69,61,440	60.24
2.	Avnish Manojkumar Patel	16,88,000	14.61

For details of the build-up of the Promoters' shareholding in our Company, see "***Capital Structure***", on page 91 of this Draft Red Herring Prospectus.

Details of our Individual Promoters

Manojkumar Jayantilal Patel

Manojkumar Jayantilal Patel is the Chairman, Managing Director and Promoter of our Company.

For the complete profile of Manojkumar Jayantilal Patel along with details of his educational qualifications, experience, other directorships, positions/posts held in the past and other directorships and special achievements, see the chapter titled ***"Our Management"*** on page 203 of this Draft Red Herring Prospectus.

Date of Birth: January 2, 1960
Permanent Account Number: ADSPP8321Q

Avnish Manojkumar Patel

Avnish Manojkumar Patel is the Joint Managing Director and Promoter of our Company.

For the complete profile of Avnish Manojkumar Patel along with details of his educational qualifications, experience, other directorships, positions/posts held in the past and other directorships and special achievements, see the chapter titled ***"Our Management"*** on page 203 of this Draft Red Herring Prospectus.

Date of Birth: July 13, 1985
Permanent Account Number: ASUPP7020M

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhaar Card number and Driving License number of the Promoters shall be submitted to the Designated Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

Other Ventures of our Promoters

The ventures in which our Promoters are involved are as follows:

Manojkumar Jayantilal Patel

Name of the Venture	Nature of Interest
Nil	Nil

Avnish Manojkumar Patel

Name of the Venture	Nature of Interest
Jagjanani Textiles Limited	Managing Director and Member

Changes in control of our Company

There has been no change in the control of our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus.

For details of the shareholding acquired by the current Promoters of our Company refer the capital buildup of our Promoters under chapter *"**Capital Structure**"* on page 91 of this Draft Red Herring Prospectus.

Interest in property, land, construction of building and supply of machinery

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three (3) years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it, or in any transaction by our Company with respect to the acquisition of land, construction of buildings or supply of machinery.

Interest of our Promoters

Our Promoters are interested in our Company to the extent of: (i) having promoted our Company; (ii) their shareholding and the shareholding of their relatives in our Company; (iii) the dividend payable thereon, if any; and (iv) other distributions in respect of the Equity Shares held by them or their relatives in our Company. Additionally, our Promoters may be considered to be interested to the extent of personal guarantees given in favour of our Company against the loans sanctioned to our Company. For further details, see "***Capital Structure***", "***Our Management – Interest of our Directors***", "***Summary of the Issue Documents – Summary of Related Party Transactions***" and "***Restated Financial Information***" on pages 91, 208, 28 and 224 respectively of this Draft Red Herring Prospectus.

Except as stated in *"**Summary of the Issue Documents – Summary of Related Party Transactions**"* on page 28 of this Draft Red Herring Prospectus and disclosed in *"**Our Management**"* on page 203 of this Draft Red Herring Prospectus, there has been no payment of any amount or benefit given to our Promoters or Promoter Group as on the date of filing of this Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoter Group as on the date of filing of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Interest of Promoters in our Company other than as a Promoter

Our Promoters, Manojkumar Jayantilal Patel and Avnish Manojkumar Patel are the directors of our Company and therefore, may deemed to be considered interested to the extent of any remuneration which shall be payable to them and the reimbursement of expenses incurred by them in such capacity. Except as stated in this section and the section titled *"**Our Management**", "**Financial Indebtedness**"* and "***Restated Financial Information – Annexure AG - Related Party Transactions***" on page 203, 280 and 263 respectively of this Draft Red Herring Prospectus, our Promoters do not have any interest in our Company other than as a Promoter.

Other Interest and Disclosures

Except as stated under *"**Restated Financial Statement – Note AG - Related Party Transactions**"* on page 263 of this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to him in respect of the contracts, agreements or arrangements which are proposed to be made with him.

Our Promoters are not related to any debtors of our Company except as disclosed, if any, in Restated Financial Statement.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Certain of our Promoters/Directors have extended person guarantees towards the secured loans availed by our Company. For further details, please see "***Financial Indebtedness***" on page 280 of this Draft Red Herring Prospectus.

Payment or benefits to our Promoters and Promoter Group during the last two years

Except as stated in this chapter and in "*Restated Financial Information – Note AG - Related Party Transactions"* there has been no payment of any amount of benefits to our Promoters or the members of our Promoters Group during the last two years from the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter group as on the date of this this Draft Red Herring Prospectus. For further details, please refer "***Restated Financial Information – Note AG - Related Party Transactions****"* on page 263 of this Draft Red Herring Prospectus.

Companies or firms with which our Promoters has disassociated in the last three years

Our Promoters have not disassociated themselves from any companies or firms during the three (3) immediately preceding years from the date of filing of this Draft Red Herring Prospectus.

Litigation involving our Promoters

Except for what is mentioned in the "***Outstanding Litigation and Material Developments***" on page 286 of this Draft Red Herring Prospectus, there are no litigation involving our Promoters.

Confirmations

Our Promoters have not been declared as wilful defaulters or fraudulent borrowers or fugitive economic offenders.

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

Our Promoters are not promoters or directors of any other Company which is debarred from accessing capital markets.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

No material guarantees have been given to third parties by our Promoter with respect to Equity Shares of our Company.

Conflict of interest between the suppliers of raw materials and third-party service providers

There is no conflict of interests between the suppliers of raw materials and third-party service providers of our Company (crucial for operations), our Promoters or members of our Promoter Group

Conflict of interest between the lessor of the immovable properties of the Company

There is no conflict of interests between the lessors of the immovable properties of our Company (crucial for operations), our Promoters or members of our Promoter Group.

Promoter Group

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are as set out below:

(1) Natural persons forming part of our Promoter Group

Name of the Promoter	Name of the Individuals	Relationships
Manojkumar Jayantilal Patel	Sarojben Manojbhai Patel	Spouse
	Vanitaben Arvindbhai Patel	Sister
	Champa R Patel	Sister
	Sureshbhai Jayantibhai Patel	Brother
	Naulika Ketul Patel	Daughter
	Avnish Manojkumar Patel	Son
	Kailashben Vallavbhai Patel	Spouse's Sister
Avnish Manojkumar Patel	Suhani Avanishkumar Patel	Spouse
	Manojkumar Jayantilal Patel	Father
	Sarojben Manojbhai Patel	Mother
	Naulika Ketul Patel	Sister
	Krishika Avnishkumar Patel	Daughter
	Siya Avanishkumar Patel	Daughter
	Patel Nileshkumar	Spouse's Father
	Patel Shilpa Nileshbhai	Spouse's Mother
	Harshil Nileshkumar Patel	Spouse's Brother

(2) Entities forming part of the Promoter Group

Sr. No.	Name of the Companies, Firms, Entities and HUFs
1.	Bodal Chemicals Limited
2.	Bodal Chemicals Trading Private Limited
3.	Plutoeco Enviro Association
4.	Bodal Chemicals Trading (Shijiazhuang) Co. Ltd.
5.	Sener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Sirketi
6.	Senpa Dis Ticaret Anonim Sirketi
7.	Bodal Bangla Ltd.
8.	Pt Bodal Chemicals Indonesia

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OUR GROUP COMPANIES

The definition of *"Group Companies"* as per the SEBI ICDR Regulations, shall include (i) such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and (ii) any other companies as considered material by the board of directors of the issuer company.

Accordingly, for (i) above, all such companies (other than promoter(s) and the subsidiary) with which there were related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, shall be considered as 'Group Companies' of the Company in terms of the SEBI ICDR Regulations.

In terms of the SEBI ICDR Regulations, pursuant to Materiality Policy for Identification of Group Companies adopted by board resolution dated September 04, 2025 and the applicable accounting standards (Accounting Standard 18 – Related Party Disclosures), for the purpose of identification of "group companies" in relation to the disclosure in Issue Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled *"**Restated Financial Information**"* on page 224 of this Draft Red Herring Prospectus. Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, Bodal Chemicals Limited has been identified and considered as a Group Company of our Company.

Details of our Group Companies

Sr. No.	Name	Registered Office
1.	Bodal Chemicals Limited	Bodal Corporate House, Besides Maple Green Residency, near Shilaj Ring Road Circle, Thaltej, Daskroi, Ahmedabad - 380059, Gujarat, India.
2.	Bodal Chemicals Trading Private Limited	Bodal Corporate House, Besides Maple Green Residency, near Shilaj Ring Road Circle, Thaltej, Daskroi, Ahmedabad - 380059, Gujarat, India.

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, based on the audited financial statements of Bodal Chemicals Limited and Bodal Chemicals Trading Private Limited, for the preceding three years has been hosted at http://www.bodal.com.

Our Company has provided the link above solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of the Group Company and other information provided on the website mentioned above does not constitute a part of this Draft Red Herring Prospectus. Such information should not be considered as part of information that any investor should consider before making any investment decision.

Neither our Company nor the BRLM nor any of the Company's, BRLM's respective directors, employees, affiliates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained on the website above.

Litigation

As on the date of this Draft Red Herring Prospectus, our Group Company is not a party to any litigation which may have a material impact on our Company.

Common pursuits

Bodal Chemicals Limited and Bodal Chemicals Trading Private Limited are engaged in the similar industry as of our Company. As on date of this Draft Red Herring Prospectus, our Company has not entered into non-compete agreements with our Group Company, for risks relating to the same, please see "***Risk Factors***" on page 31 of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries or associate companies

Related business transactions within our Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in the chapter titled *"**Restated Financial Information**"* on page 224 of this Draft Red Herring Prospectus, there are no other related business transactions between our Group Companies and our Company.

Business Interests of our Group Company in our Company

Except in the ordinary course of business and other than the transactions disclosed in the chapter titled *"**Restated Financial Information**"* on page 224, our Group Companies have no business interests in our Company.

Nature and extent of interest of our Group Companies

a) *In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

b) *In the properties acquired by us in the preceding three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) *In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Other Confirmations

Except as disclosed below, our Group Companies do not have any of its other securities listed on any Stock Exchanges:

Group Company	Listed securities
Bodal Chemicals Limited	Equity shares listed on BSE Limited and National Stock Exchange of India Limited

Further, our Group Companies have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

Conflict of interest between the suppliers of raw materials and third-party service providers

There is no conflict of interests between the suppliers of raw materials and third-party service providers of our Company (crucial for operations), and our Group Companies or its directors.

Conflict of interest between the lessor of the immovable properties of the Company

There is no conflict of interests between the lessors of the immovable properties of our Company (crucial for operations) and our Group Companies or its directors.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend distribution policy of our Company was approved and adopted by our Board on September 04, 2025 (the **"Dividend Distribution Policy"**).

The declaration and payment of dividend by the Company shall be subject to the evaluation of various internal and external factors, as may be deemed appropriate by the Board of Directors. Internal factors may include, inter alia, the Company's financial performance, availability of distributable reserves, liquidity position including cash flows, earnings per share, working capital requirements, existing and anticipated financial obligations, proposed capital expenditure, potential contingent liabilities, and historical dividend distribution trends. External factors may comprise prevailing economic and market conditions, global financial developments, the need to maintain adequate liquidity, and any changes in the applicable legal, regulatory, or taxation framework which may have a material bearing on the financial position or operations of the Company.

Further, our Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

Our Company has not declared any dividends during the last three Financial Years.

There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see *"**Risk Factors - The declaration and payment of dividends in the future is subject to the discretion of our Board and will depend upon a number of factors, including but not limited to, our earnings, financial position, working capital requirements, capital expenditure plans and the terms and conditions of any restrictive covenants contained in our financing agreements.**"* on page 51.

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SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors,
Shanti Inorganics Limited
809, Aaron Spectra,
Rajpath Club Road,
Bodakdev, Ahmedabad,
Gujarat, India, 380054

Dear Sir,

1. We have examined the attached Restated Financial Statements of Shanti Inorganics Limited (hereinafter referred to as "the Company"),comprising, the Restated Statement of Assets and Liabilities as at March 31, 2025, 2024 and 2023,the Restated Statements of Profit and Loss and the Restated Cash Flow Statement for the year ended at March 31, 2025, 2024 and 2023, the Statement of Material Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 20th September, 2025 for the purpose of inclusion in the DRHP, RHP and Prospectus prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahmedabad in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.

3. We, S. N. Shah & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and holds the peer review certificate dated 07.11.2024 valid till 31.10.2027.

4. We have examined such Restated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 14th February, 2025 in connection with the proposed IPO of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Group for the year ended 31st March 2025, 31st March 2024 and 31st March 2023 which has been approved by the Board of Directors.

6. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

a) The "Statement of Assets & Liabilities, As Restated" as set out in Annexure I to this report, of the Company as at March 31, 2025, March 31, 2024 and March 31, 2023, are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.

b) The "Statement of Profit & Loss, As Restated" as set out in Annexure II to this report, of the Company for the year ended March 31, 2025, March 31, 2024 and March 31, 2023, are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.

c) The "Statement of Cash Flow, As Restated" as set out in Annexure III to this report, of the Company for the period March 31, 2025, March 31, 2024 and March 31, 2023, are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit report submitted by the Previous Auditors for the respective year, we report that the Restated Financial Information have been made after incorporating:

a) Adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period ended March 31, 2025, March 31, 2024 and March 31, 2023, to reflect the same accounting treatment as per the accounting policies and grouping /classifications.

b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.

c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments;

d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the period ended on March 31, 2025, 2024 and 2023 which would require adjustments in this Restated Financial Statements of the Company.

e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in Annexure IV to this report.

f) There are no revaluation reserves, which needed to be disclosed separately in the Restated Financial Statements in the respective financial years.

8. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors for the year ended on March 31,2025, 2024, and 2023.

Annexure V - Notes to the Restated Financial Information:

a) Restated Statement of Share Capital, as appearing in Note A to this report;
b) Restated Statement of Reserves & Surplus, as appearing in Note B to this report;
c) Restated Statement of Long Term Borrowings as appearing in Note C to this report;
d) Restated Statement of Deferred Tax (Assets) / Liabilities as appearing in Note D to this report;
e) Restated Statement of Other Long Term Liabilities as appearing in Note E to this Report;
f) Restated Statement of Long Term Provisions as appearing in Note F to this Report;
g) Restated Statement of Short term borrowings as appearing in Note G to this report;
h) Restated Statement of Trade Payables as appearing in Note H to this report;
i) Restated Statement of Other Current Liabilities as appearing in Note I to this report;
j) Restated Statement of Short Term Provisions as appearing in Note J to this report;
k) Restated Statement of Property, Plant & Equipment and Intangible Assets as appearing in Note K to this report;
l) Restated Statement of Non-Current Investment as appearing in Note L to this report;
m) Restated Statement of Long Term Loan & Advances as appearing in Note M to this report;
n) Restated Statement of Other Non-Current Assets as appearing in Note N to this report;
o) Restated Statement of Inventories as appearing in Note O to this report;
p) Restated Statement of Trade Receivables as appearing in Note P to this report;
q) Restated Statement of Cash and Cash Equivalents as appearing in Note Q to this report;
r) Restated Statement of Short Term Loans and Advances as restated as appearing in Note R to this report;
s) Restated Statement of Revenue from Operations as appearing in Note S to this report;

t) Restated Statement of Other Income as appearing in Note T to this report;
u) Restated Statement of Cost of Material Consumed as appearing in Note U to this report;
v) Restated Statement of Purchase of Trading Goods as appearing in Note V to this report;
w) Restated Statement of Change in Inventories as appearing in Note W to this report;
x) Restated Statement of Manufacturing Expenses as appearing in Note X to this report;
y) Restated Statement of Employee Benefit Expenses as appearing in Note Y to this report;
z) Restated Statement of Finance Cost as appearing in Note Z to this report;
aa) Restated Statement of Depreciation and amortisation expense as appearing in Note AA to this report;
bb) Restated Statement of Administrative, Selling and Other Expenses as appearing in Note AB to this report;
cc) Restated Statement of Tax Shelter as appearing in Note AC to this report;
dd) Restated Statement of Deferred Tax Expenses as appearing in Note AD to this report;
ee) Restated Statement of Mandatory Accounting Ratios as appearing in Note AE to this report;
ff) Ratio Analysis as appearing in note AF to this report.
gg) Restated Statement of Related Party Transactions as appearing in Note AG to this report;
hh) Capitalization Statement as appearing in Note AH to this report;
ii) Additional Disclosures as appearing in Note AI to this report;

9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. In our opinion, the above financial information contained in Annexure I to V of this report read with the respective Significant Accounting Polices and Notes to Restated Financial Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, SEBI ICDR Regulations and Guidance Note.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 20-09-2025
UDIN: 25144892BMHWRT5556

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)
ANNEXURE – I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Sr. No.	Particulars	Notes	As at March 31, 2025	2024	2023
	EQUITY AND LIABILITIES				
1)	Shareholders' Funds				
	a. Share Capital	A	63.60	63.60	63.60
	b. Reserves & Surplus	B	2,522.73	1,696.83	1,185.21
			2,586.33	**1,760.43**	**1,248.81**
2)	Non-Current Liabilities				
	a. Long Term Borrowings	C	1,150.78	1,299.26	105.92
	b. Deferred Tax Liabilities	D	71.65	31.01	36.89
	c. Other Long Term Liabilities	E	32.78	32.78	38.78
	c. Long Term Provisions	F	25.73	14.62	12.16
			1,280.94	**1,377.67**	**193.75**
3)	Current Liabilities				
	a. Short Term Borrowings	G	1,387.25	1,134.79	456.60
	b. Trade Payables	H			
	- Total Outstanding dues of Micro and Small Enterprises		428.86	229.56	32.35
	- Total Outstanding dues of creditors other than Micro and Small Enterprises		612.33	477.76	569.17
	c. Other Current Liabilities	I	62.79	89.58	56.64
	d. Short Term Provisions	J	245.86	198.83	199.41
			2,737.09	**2,130.52**	**1,314.17**
	T O T A L		**6,604.36**	**5,268.62**	**2,756.73**
	ASSETS				
1)	Non-Current Assets				
	a. Property, Plant & Equipment and Intangible Assets	K			
	i. Property, Plant and Equipment		4,125.81	1,040.79	846.51
	ii. Intangible Assets		20.94	0.69	0.69
	iii. Capital Work in Progress		524.00	1,845.17	128.85
	iv. Less: Accumulated Depreciation		414.28	334.82	271.35
	Net Block		**4,256.47**	**2,551.83**	**704.70**
	b. Non-current Investments	L	61.17	63.96	63.96
	c. Long Term Loans & Advances	M	136.18	274.37	256.94
	d. Other Non – Current Assets	N	22.45	25.66	11.60
			4,476.27	**2,915.82**	**1,037.20**
2)	Current Assets				
	a. Inventories	O	233.99	62.29	56.93
	b. Trade Receivables	P	1,567.93	1,188.70	1,078.78
	c. Cash and Cash Equivalents	Q	11.26	149.25	5.86
	d. Short Term Loans & Advances	R	314.91	952.56	577.96
			2,128.09	**2,352.80**	**1,719.53**
	T O T A L		**6,604.36**	**5,268.62**	**2,756.73**

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Shanti Inorganics Limited

Sd/-
CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 20-09-2025
UDIN:25144892BMHWRT5556

Sd/-
Manojkumar J. Patel
(Din: 02724947)
Managing Director

Sd/-
Avnish M. Patel
(Din: 02724940)
Joint Managing Director

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)
ANNEXURE – II
RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Sr. No.	Particulars	NOTES	For the year ended March 31,		
			2025	2024	2023
A	**INCOME**				
	Revenue from Operations	S	5,710.55	4,486.73	4,574.21
	Other Income	T	135.41	19.38	75.98
	Total Income (A)		**5,845.96**	**4,506.11**	**4,650.19**
B	**EXPENDITURE**				
	Cost of Material Consumed	U	2,382.90	2,040.82	2,527.59
	Purchase of Stock-in-trade	V	-	34.70	-
	Changes in Inventories of Finished Goods & Work-in-Process	W	(91.72)	4.63	(4.55)
	Manufacturing Expenses	X	469.16	222.79	232.07
	Employee benefit expenses	Y	248.39	164.90	159.83
	Finance costs	Z	163.43	142.40	71.97
	Depreciation and amortisation expense	AA	79.46	63.47	56.55
	Administrative, Selling & Other Expenses	AB	1,490.39	1,146.29	962.53
	Total Expenses (B)		**4,742.01**	**3,820.00**	**4,005.99**
C	**Profit before exceptional, extraordinary items and tax**		**1,103.95**	**686.11**	**644.20**
	Exceptional items		-	-	-
D	**Profit before extraordinary items and tax**		**1,103.95**	**686.11**	**644.20**
	Extraordinary Expenses		-	-	-
E	**Profit before tax**		**1,103.95**	**686.11**	**644.20**
	Tax expense :				
	(i) Current tax	AC	237.41	180.37	182.2
	(ii) Deferred tax	AD	40.64	(5.88)	1.79
F	**Total Tax Expense**		**278.05**	**174.49**	**183.99**
G	**Profit after tax (E-F)**		**825.90**	**511.62**	**460.21**
H	**Earning Per Share**				
	Basic		**129.86**	**80.44**	**72.36**
	Adjusted		**129.86**	**80.44**	**72.36**

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Shanti Inorganics Limited

Sd/-

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 20-09-2025
UDIN:25144892BMHWRT5556

Sd/-

Manojkumar J. Patel
(Din: 02724947)
Managing Director

Sd/-

Avnish M. Patel
(Din: 02724940)
Joint Managing Director

Sd/-

Company Secretary

Sd/-

Chief Financial Officer

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)
ANNEXURE III

RESTATED STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	**As at 31st March,**		
	2025	**2024**	**2023**
Cash flow from operating activities:			
Net Profit before tax as per Profit and Loss A/c	**1,103.95**	**686.11**	**644.20**
Adjusted for:			
Depreciation & Amortisation	79.46	63.47	56.55
Interest & Finance Cost	163.44	142.40	71.95
Profit/(Loss) on Sale of Property plant and Equipment	-	-	(2.86)
Profit/(Loss) on Sale of Investments	(31.68)	-	-
Provision for Gratuity	14.34	3.14	6.75
Interest Income	(0.46)	(0.82)	(0.05)
Prior Period Expenses	-	-	-
Dividend Income	(0.06)	(0.06)	(0.06)
Operating Profit Before Working Capital Changes	**1,328.99**	**894.24**	**776.48**
Adjusted for (Increase)/ Decrease:			
Trade Receivables	(379.23)	(109.92)	(481.90)
Trade Payables	333.88	105.79	226.33
Other Current Liabilities	(26.79)	32.95	13.01
Inventories	(171.69)	(5.37)	9.75
Short term loan and Advances	659.42	(422.15)	(56.40)
Other Non Current Assets	3.21	(14.06)	(6.30)
Long Term Provisions	(3.23)	(0.69)	(2.40)
Short Term Provisions	3.17	0.69	0.06
Cash Generated From Operations	**1,747.73**	**481.48**	**478.63**
Direct Tax Paid	(215.30)	(134.10)	(166.39)
Net Cash Flow from/(used in) Operating Activities: (A)	**1,532.43**	**347.38**	**312.24**
Cash Flow From Investing Activities:			
Purchase of Property, Plant & Equipment	(1,784.14)	(1,910.58)	(306.25)
Proceeds from Sale of Investments	34.48	-	-
Sale of Property, Plant & Equipment		-	6.75
Interest Income	0.46	0.82	0.05
Dividend Income	0.06	0.06	0.06
Changes in Long Term Loans & Advances	138.18	(17.43)	(242.33)
Changes in Long Term Liabilities	-	(6.00)	-
Net Cash Flow from/(used in) Investing Activities: (B)	**(1,610.96)**	**(1,933.13)**	**(541.72)**
Cash Flow from Financing Activities:			
Proceeds/(Repayment) of Long-term borrowings	(69.58)	1,076.68	52.09
Proceeds/(Repayment) of Short-term borrowings	252.45	678.20	249.34
Proceeds/(Repayment) of borrowings from Directors & Relatives	(78.89)	116.66	-
Interest & Finance Cost	(163.44)	(142.40)	(71.95)
Net Cash Flow from/(used in) Financing Activities (C)	**(59.46)**	**1,729.14**	**229.48**
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(137.99)	143.39	-
Cash & Cash Equivalents as at beginning of the Year	149.25	5.86	5.86
Cash & Cash Equivalents as at end of the Year	**11.26**	**149.25**	**5.86**

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

2. Reconciliation of Cash & Cash Equivalents as per the statement of cash flow.

Balances with Banks	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Current Account	5.08	0.07	0.07
Cash on hand	6.18	4.18	4.88
FD With Banks	-	145.00	0.91
Cash and Cash Equivalents at the End of the Period	**11.26**	**149.25**	**5.86**

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Shanti Inorganics Limited

Sd/-

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 20-09-2025
UDIN:25144892BMHWRT5556

Sd/-

Manojkumar J. Patel
(Din: 02724947)
Managing Director

Sd/-

Avnish M. Patel
(Din: 02724940)
Joint Managing Director

Sd/-

Company Secretary

Sd/-

Chief Financial Officer

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO RESTATED FINANCIAL INFORMATION:

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate information:

Shanti Inorgo Chem (Guj) Limited is a company limited by shares domiciled in India and incorporated under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated January 13, 2010 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The registered office of the Company is located at Plot No -2015, Phase III GIDC, Vatva, Ahmedabad, Gujarat, India - 382445. The Company is engaged in the business of manufacturing and trading of sulphur based inorganic chemicals.

The name of Company was changed from "Shanti Inorgo Chem (Guj) Limited" to "Shanti Inorganics Limited" consequent to conversion of the Company from private limited company to public limited company with effect from May 06,2025, pursuant to a certificate of incorporation dated March 06,2025 issued by the Registrar of Companies, Ahmedabad, Gujarat.

Basis of preparation of Restated Financial Statements:

The restated financial information of the Company comprises the Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024, and March 31, 2023, the Restated Statement of Profits and Loss and cash flows for the year ended as at March 31, 2025, March 31, 2024 and March 31, 2023 and the statement of material accounting policies and explanatory notes (herein collectively referred to as ('Restated Financial Information').

These Restated Financial Information have been compiled by the management from the audited financial statements of the Company for the year ended on March 31, 2025, 2024, and 2023, approved by the Board of Directors of the Company. Restated Statements have been prepared to comply in all material respects with the provisions of Section 26 of Part I of Chapter III of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised) issued by ICAI. The Restated Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the relevant stock exchange in connection with its proposed Initial Public Offering of equity shares.

These Restated Financial Information are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on the accrual basis. IGAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act.

The Restated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025, 2024 and 2023, to reflect the same accounting treatment as per the accounting policy and grouping/classifications as applicable; and

b) do not require any adjustment for modification as there is no modification in the underlying audit reports on the Audited Financial Statements of the respective period.

2. Accounting Conventions:

The Restated Financial Statements of the Company are prepared under the historical cost convention on accrual basis of accounting and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and generally accepted accounting principles in India. The accounting policies not referred to otherwise have been consistently applied by the Company during the year.

3. Use of estimates:

The preparation of financial statements in accordance with the GAAP requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, classification of assets and liabilities into non-current and current and disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matter/transaction to which the estimates relate.

4. Property, Plant and Equipment and Intangible Assets:

Property, Plant & Equipment are stated at cost of acquisition/construction (less Accumulated Depreciation, if any except land). The cost of Property, Plant & Equipment comprises of their purchase price, including freight, duties, taxes or levies and directly attributable cost of bringing the assets to their working conditions for their intended use. The Company capitalises its Property, Plant & Equipment at a value net of GST credit received/receivable during the year in respect of Capital Goods. Subsequent expenditures on Property, Plant & Equipment have been capitalised only if such expenditures increase the future benefits from the existing assets beyond their previously assessed standard of performance.

The carrying amounts of items of Property, Plant & Equipment have been eliminated from the books of account on disposal and the profit/(losses) arising from the disposal are recognised in the Statement of Profit and Loss of the period. The items or class of Property, Plant & Equipment that are under construction/erection or not fully acquired and therefore not available for productive use or intended use are recognized and classified as "Capital Work in Progress" under the head Property, Plant & Equipment and will be capitalized to respective class of property, plant & equipment on completion of the construction/erection/acquisition activities.

The expenditure incurred in connection with the construction/erection of items or class of Property, Plant & Equipment that are not fully available for productive use or intended use and hence recognized and classified as "Capital Work in Progress" and are not specifically allocable to any item or class of property, plant & equipment have been treated recognized as "Pre-Operative Expenses" under the head "Capital Work in Progress" and will be allocated to respective items of property, plant & equipment on completion of the construction/erection/acquisition activities on the basis of cost of acquisition/construction of respective items or such reasonable basis as considered appropriate allocation of cost.

The Intangible Assets of accounting software and server software have been recognised at their cost of acquisition (less Amortisation, if any). On the basis of the availability of these assets for their intended use, relevant contractual agreements and technological changes that may affect the usefulness of these assets, the useful lives of these assets have been assumed to be of five years from the date of their acquisition.

5. Depreciation and Amortisation:

The Depreciation on Property, Plant & Equipment is provided on straight line method for the period of acquisition/construction i.e. from the period from which such assets were available for their intended use on pro-rata basis on the basis of useful life of each of the Property, Plant & Equipment as per Schedule II of the Companies Act, 2013 and in the manner specified in Schedule II of the Companies Act, 2013 except land and other related development on that land. The plant & machineries are depreciated at the rates applicable to continuous process plant for the period for which respective plant & machineries were available for use.

As at the beginning of the financial year, the management of the company had assessed the useful life of each of the fixed assets on the basis of technical specifications of the respective assets and had determined that the estimated useful lives of Property, Plant & Equipment will in all probability be as per Part-C of Schedule-II.

The amount of depreciation for the year on the Property, Plant & Equipment having residual useful lives as at the commencement of the year as per Schedule II, has been derived by subtracting five per of the original cost of each of the assets as salvage value from the carrying amount respective assets as per the books of account as at the commencement of the year and the cost of acquisition in case of assets acquired during the year and such remaining carrying value or cost has been depreciated over the remaining years of useful lives of assets.

In respect of Property, Plant & Equipment having carrying values as per books of account but whose residual useful lives are over as at the commencement of the year, the carrying values of such assets have been adjusted to the opening balance of retained earnings and hence no depreciation is provided on such assets. The intangible assets have been depreciated on pro-rata basis over period of their estimated useful lives on straight line basis.

6. Inventories:

Inventories of Raw Materials and work-in-process have been valued at cost. Finished Goods have been valued at cost or net realisable value whichever is lower. Costs in respect of all items of inventories have been computed on FIFO basis. The cost of Raw Materials comprises of the purchase price including duties and taxes, freight inwards and other expenditure directly attributable to the acquisition. The purchase price does not include GST credit availed of by the Company during the year. Work-in-process includes cost of Raw Materials and conversion cost depending upon the stage of completion as determined by the management. The cost of Finished Goods includes cost of conversion and other costs incurred in bringing the inventories to their present location and conditions.

7. Revenue Recognition:

All income and expenses are accounted on accrual basis. The revenue in respect of service contract is recognized based on order/contract with the parties. The Company recognised sale of Goods when it had transferred the Goods to the buyer for a price or all significant risks and rewards of ownership had been transferred to the buyer and no significant uncertainty existed as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched. Income from investments, where appropriate, is taken into revenue in full on declaration or receipt and tax deducted at source thereon is treated as advance tax.

8. Foreign Currency Transactions:

The transactions in foreign currency have been recorded using the rate of exchange prevailing on the date of transactions. The difference arising on the settlement/restatement of the foreign currency denominated Current Assets/Current Liabilities into Indian rupees has been recognized as expenses/income (net) of the year and carried to the statement of profit and loss.

9. Borrowing Costs:

The borrowing costs incurred by the company during the year in connection with the borrowing of funds have been debited to the statement of profit and loss for the period. The borrowing costs incurred for new project has been capitalized in the cost of the asset upto the date of put to use of the asset.

10. Employee Benefits:

There have been no changes in accounting policy of the company for the period disclosed in the restated standalone financial statement except for accounting for long term employee benefits (Gratuity). The Company has changed the accounting policy for Gratuity from cash basis to an Actuarial Valuation basis, in accordance with the Actuarial Valuation report.

(₹ in Lakhs)

Particulars	2024-25	2023-24	2022-23
(Increase)/Decrease in Profit to the extent of	-	3.14	4.41

a) Short Term Employee Benefits

Short-term employee benefits are recognized as expense in the Statement of Profit & Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

b) Defined Contribution Plan:

The Company is covered under employee's provident fund and miscellaneous provision Act, 1952 which are defined contribution schemes, liability in respect thereof is determined on the basis of the basis of contribution required to be made under the statues/Rules. Company's contribution to provident fund is charged to Profit & loss Account.

c) Defined Benefit Plan:

Shanti Inorganics Limited provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the payment of gratuity Act, 1972 the gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liabilities with regard to the gratuity plan are obtained by the management from registered valuer in this regard as of the balance sheet date.

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(₹ in Lakhs)

Particulars	2024-25	2023-24	2022-23
Provision for Gratuity (Current & Non-Current)	34.30	20.02	16.88

(₹ in Lakhs)

Details of Gratuity Expenses	2024-25	2023-24	2022-23
Reconciliation of net defined benefit liability			
Net opening provision in books of accounts	20.02	16.88	12.47
Employee benefit expense current Year	14.34	3.14	6.75
Benefits paid in the current year	(0.06)	-	(2.34)
Contributions to plan assets	-	-	-
Closing net defined benefit liability	34.30	20.02	16.88
Principle actuarial assumptions			
Discount rate	6.75%	7.10%	7.40%
Salary escalation rate	7.00%	7.00%	7.00%
Mortality	Indian assured lives Mortality 2012-14 (Urban)	Indian assured lives Mortality 2012-14 (Urban)	Indian assured lives Mortality 2012-14 (Urban)
Expected return on plan assets	Not Available	Not Available	Not Available

11. Taxes on Income:

Taxes on income comprises of current tax and deferred tax. Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income taxes are determined for future consequences attributable to timing differences between financial determination of income and income chargeable to tax as per the provisions of Income Tax Act, 1961. Deferred tax liability has been worked out using the tax rate and tax laws that were in force as on the date of balance sheet and has not been discounted to its present value after giving effects of carried forward balances of unabsorbed depreciation, unabsorbed business losses as per the Income Tax Act, 1961 and other timing differences as at the Balance Sheet date.

12. Investments

Investments that are intended to be held for more than a year from the date when such investments were made, are classified as long term (non-current) investments. The long-term investments are carried at cost of acquisition. All other investments are classified as current investments and are carried at cost or market value, whichever is lower.

13. Impairment of Assets:

As at each balance sheet date, the carrying values of assets are reviewed for impairment if any indication of impairment exists.

14. Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure of contingent liabilities is made when there is a possible obligation that may, but probably will not, require an outflow of resources. As a measure of prudence, the contingent assets are not recognized.

15. Cash and Cash Equivalents-For the Purpose of Cash Flow Statements:

For the purpose of Cash Flow Statements, cash and cash equivalents include cash on hand and balances with banks in the current account.

16. Operating Cycle:

Based on the activities of the Company and normal time between incurring of liabilities and their settlement in cash or cash equivalents and acquisition/right to assets and their realization in cash or cash equivalents, the Company has considered its operating cycle as 12 months for the purpose of classification of its liabilities and assets as current and non-current.

17. Current/Non-Current Classifications:

The Company presents assets and liabilities in the financial statements on the basis of their respective classifications into current and non-current.

Assets:

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities:

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period
- No unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

18. Earnings Per Share:

The earnings per share as per AS-20 “Earning Per Share” has been computed on the basis of net profit after tax divided by the weighted average number of shares outstanding during the year.

B. NOTES TO ACCOUNTS ON RESTATED FINANCIAL STATEMENTS:

1. Reconciliation of Restated Profits:

The summary of the material adjustments made to audited financial statements of the respective years and their impact on the restated statement of profit and loss have been given as under:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Net profit/(Loss) after Tax as per Audited Profit & Loss Account	**828.15**	**522.11**	**476.02**
II. Adjustments for:			
Tax provision	0.50	(3.27)	3.13
Deferred tax	(0.81)	(0.44)	0.09
Purchase related to previous year	-	-	1.79
Interest on income tax related to current year	-	(16.48)	(12.77)
Interest on income tax related to previous year		-	9.46
Sales related of current year		-	1.16
Sales related to previous year		(1.16)	-
Sundry balance written off related to current year	-	3.83	(14.43)
Sundry balance written off related to previous year	(1.94)	12.48	-
Other expenses related to prior years	-	(1.82)	0.37
Other expenses related to current year	-	(0.49)	(0.20)
Provision for gratuity	-	(3.14)	(4.41)
III. Net Profit/ (Loss) After Tax as Restated	**825.90**	**511.62**	**460.21**

Notes:

1. The Company had policy not to consider section 43B payments as per Income tax Act, 1961 as being not material for computing the deferred taxes. The deferred tax liabilities/(assets) were hitherto rounded to the nearest thousand rupees. The adjustments to the deferred tax liabilities/(assets) represent effect of change in the depreciation as per Restated Financial Statements, change in unabsorbed losses, consideration of section 43B payments for computing deferred tax and non-rounding of deferred tax liabilities/(assets) to the nearest thousand rupees.
2. **Provision for Taxation**-We have reworked income tax liability for all the periods considering effects of the above restatements and the same has been provided in the Restated Financial Statements.

   (See Annexure – Statement of Tax Shelters for reference of Income Tax Liability)
3. **Adjustment for Deferred Tax**-We have reworked income tax liability for all the periods considering effects of the prior period expenses and the same has been provided in the Restated Financial Statements**.**
4. Provision for Gratuity has been worked out for all the periods on the basis of Actuarial Certification and effects of the same has been provided in the Restated Financial Statements.

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)

RECONCILIATION OF EQUITY AND RESERVES

(₹ in Lakhs)

Particulars	**For the Year ended March 31,**		
	2025	**2024**	**2023**
I. Reserve & Surplus as per Audited Balance Sheet	**2,527.18**	**1,732.81**	**1,243.41**
II. Adjustments for:			
Opening adjustment as per restated reserves	(35.98)	(58.20)	(42.24)
Tax provision	0.50	(3.27)	2.98
Deferred tax	(0.81)	(0.44)	0.09
Purchase related to previous year	-	-	1.79
Prior period expenses	18.80	32.71	-
Interest on income tax related to current year	-	(16.48)	(12.77)
Interest on income tax related to previous year	-	-	9.46
Other expense related to prior years	-	(1.82)	0.37
Sundry balance written off related to current year	-	3.83	(14.43)
Sundry balance written off related to previous year	(1.94)	12.48	-
Sales related to current year	-	-	1.16
Sales related to previous year	-	(1.16)	-
Other expenses related to current year	-	(0.49)	(0.20)
Provision for gratuity	14.98	(3.14)	(4.41)
III. Reserve & Surplus as per Restated Balance Sheet	**2,522.73**	**1,696.83**	**1,185.21**

2. **Material regroupings:**
Appropriate adjustments have been made in the restated summary Statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the period ended 31 March 2024, prepared in accordance with Revised schedule III to the Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

3. **Managerial Remuneration:**

(₹ in Lakhs)

Particulars	**For the Year ended March, 31**		
	2025	**2024**	**2023**
Manojkumar J. Patel	36.00	24.00	24.00
Avnish M. Patel	36.00	24.00	24.00
T O T A L	**72.00**	**48.00**	**48.00**

4. **Auditors Remuneration as reported by the auditor include:**

(₹ in Lakhs)

	For the year ended March 31		
Particulars	**2025**	**2024**	**2023**
For statutory audit	1.15	0.70	0.60
For tax audit	0.60	0.35	0.30
T O T A L	**1.75**	**1.05**	**0.90**

5. **Disclosure related to CSR expenditure on Corporate Social Responsibility Activities being Company covered under section 135 of Companies Act, 2013**

(₹ In Lakhs)

	For the Year ended March 31		
Particulars	**2025**	**2024**	**2023**
Amount required to be spent during the year	12.00	8.61	-
Amount of expenditure incurred	1.05	-	-
Amount transferred to bank account	-	8.70	
Surplus/(Shortfall) at the end of the year	(10.86)	0.09	-
Total of previous year shortfall	(0.60)	-	
Nature of CSR activities	Upliftment of society	Upliftment of society	
Reason for shortfall	The Company is finding suitable projects for outlay of Funds in nearby locality where the Company operates.	This being first year of compliance the Company is finding suitable projects for CSR Activity.	

6. The Company has communicated suppliers to provide confirmations as to their status as Micro, Small or Medium Enterprise registered under the applicable category as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006). The Company has classified suppliers into Micro, Small and Medium Enterprises as per the confirmations received by the company upto the date of the financial statements.

7. **CONTIGENICES & COMMITMENTS**

(₹ In Lakhs)

Particular	**Year Ended March 31**		
	2025	**2024**	**2023**
Bank guarantee for UGVCL	27.70	27.70	-
Total	**27.70**	**27.70**	**-**

8. **OTHERS**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note AG of the enclosed restated financial statements.

Figures have been rearranged and regrouped wherever practicable and considered necessary.

The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good.
Dividends -The Company has not declared dividends during the periods reported.

Realizations – In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

Contractual liabilities – All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements
There have been no audit qualifications/observations in Statutory Auditor's Report for the year ended F.Y.2024-25, 2023-24 and 2022-2023 which requires adjustments in restated financial statements.

Amounts in the financial statements – Amounts in the financial statements are rounded off to nearest Indian Rupees in lakhs. Figures in brackets indicate negative values.

For S. N. Shah & Associates Chartered Accountants Firm Registration No.:109782W		For and on behalf of the Board Shanti Inorganics Limited
Sd/-	Sd/-	Sd/-
CA Priyam Shah Partner Membership No. 144892 Place: Ahmedabad Date: 20-09-2025 UDIN:25144892BMHWRT5556	Manojkumar J. Patel (Din: 02724947) Managing Director	Avnish M. Patel (Din: 02724940) Joint Managing Director
	Sd/- Company Secretary	Sd/- Chief Financial Officer

NOTE A – DETAILS OF SHARE CAPITAL AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
EQUITY SHARE CAPITAL:			
AUTHORISED:			
7,50,000 shares of ₹10/= each at par	75.00	75.00	75.00
	75.00	**75.00**	**75.00**
ISSUED, SUBSCRIBED AND PAID UP			
6,36,000 shares of ₹10/= each fully paid up	63.60	63.60	63.60
	63.60	**63.60**	**63.60**

Reconciliation of number of shares outstanding at the end of the year:

Particulars	As at March 31,		
	2025	2024	2023
Equity shares at the beginning of the year	6,36,000	6,36,000	6,36,000
Add: New shares issued during the year	-	-	-
Add: Bonus shares issued during the year	-	-	-
TOTAL	**6,36,000**	**6,36,000**	**6,36,000**

Rights, Preferences and Restrictions Attached to Shares:

The Company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for one vote per share held.

1. Terms/rights attached to equity shares:
   i. Each holder of equity shares is entitled to one vote per share.
   ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
2. The figures disclosed above are based on the summary statement of assets and liabilities of the Company.
3. The Company does not have any revaluation reserve.
4. No shares have been bought back during last 5 years immediately preceding March 31, 2025.
5. There are no calls unpaid by the Directors or officers of the company.

Details of shares held by promoters

Name of Shareholders	As at March 31, 2025			As at March 31, 2024			As at March 31, 2023		
	No. of shares held	% of holding	% Change	No. of shares held	% of holding	% Change	No. of shares held	% of holding	% Change
Manojkumar J. Patel	4,35,090	68.41%	(15.00%)	5,30,500	83.41%	-	5,30,500	83.41%	-
Avnish M. Patel	1,05,500	16.59%	-	1,05,500	16.59%	-	1,05,500	16.59%	-

Details of Shareholders holding 5% or more of the aggregate shares of the Company:

Name of Shareholders	As at March 31,2025			As at March 31,2024			As at March 31,2023		
	No. of shares held	% of holding	% Change	No. of shares held	% of holding	% Change	No. of shares held	% of holding	% Change
Manojkumar J. Patel	4,35,090	68.41%	(15.00%)	5,30,500	83.41%	-	5,30,500	83.41%	-
Avnish M. Patel	1,05,500	16.59%	-	1,05,500	16.59%	-	1,05,500	16.59%	-
Sarojben M. Patel	31,800	5.00%	-	-	-	-	-	-	-
Suhani A.Patel	31,800	5.00%	-	-	-	-	-	-	-
Rameshbhai B. Patel	31,800	5.00%	-	-	-	-	-	-	-

NOTE B – DETAILS OF RESERVES AND SURPLUS AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Securities Premium Reserve			
Opening Balance	230.40	230.40	230.40
Add: Proceed Received during the year	-	-	-
Less: Bonus Shares issued during the year	-	-	-
Closing Balance	**230.40**	**230.40**	**230.40**
Profit & Loss account			
Opening Balance	1,466.43	954.81	494.60
Add: Profit for the year	825.90	511.62	460.21
(Less): Bonus Shares issued during the year	-	-	-
Closing Balance	**2,292.33**	**1,466.43**	**954.81**
Total	**2,522.73**	**1,696.83**	**1,185.21**

NOTE C – DETAILS OF LONG-TERM BORROWINGS AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Secured Loans			
-Term Loans & Vehicle Loans			
-From Banks			
Secured	1,053.87	1,032.57	100.03
Unsecured Loans			
-From Banks	28.19	94.56	3.82
-From NBFC	30.95	55.47	2.07
-From Directors & their relatives	37.77	116.66	-
Total	**1,150.78**	**1,299.26**	**105.92**

##TERMS OF REPAYMENT FOR LONG TERM BORROWINGS:

Name of Loans	Repayment Terms
HDFC Bank Limited- (Car Loan)	Repayable in 60 monthly installment of ₹1,60,153/- including interest.
HDFC Bank Limited- (Car Loan)	Repayable in 39 monthly installment of ₹26,660/- including interest.

Name of Loans	Repayment Terms
L & T Finance Holdings Ltd	Repayable in 36 monthly installment of ₹2,59,073/- including interest.
HDFC Bank Limited-Business Loan	Repayable in 36 monthly installment of ₹1,70,889/- including interest.
Kotak Mahindra Bank Ltd - Term Loan	Repayable in 24 monthly installment of ₹3,60,100/- including interest.
HDFC Bank Limited- Term Loan	Repayable in 84 monthly installment of ₹2,22,894/- each starting from February 07, 2026 including interest.
Standard Chartered Bank-Unsecured Business Loan	Repayable in 24 monthly installment of ₹4,84,867/- including interest.
State Bank of India-Term Loan - I	Repayable in 46 monthly installment of ₹1,10,000/- each excluding interest and 1 installment of ₹50,000/- each excluding interest starting from June 10,2023 to May 10,2027).
State Bank of India-Term Loan - II	Repayable in 71 monthly installment of ₹15,55,555/- each excluding Interest and 1 installment of ₹15,55,595/- excluding interest starting from June 10, 2024 to June 10,2030. (Moratorium period of June 10,2023 to February 29,2024).

NOTE D – DETAILS OF DEFERRED TAX (ASSET)/ LIABILITY AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Deferred Tax Liability/(Asset)			
Opening Balance	31.01	36.89	35.10
Addition – On Property, Plant and Equipment	44.22	(5.09)	3.02
Addition – Due to provision for gratuity	(3.58)	(0.79)	(1.23)
Deferred Tax (Asset)/Liability (Net) after adjustments	**71.65**	**31.01**	**36.89**

NOTE E- DETAILS OF OTHER LONG-TERM LIABILITIES AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Advance against sale of Property, Plant and Equipment	32.78	32.78	38.78
TOTAL	**32.78**	**32.78**	**38.78**

NOTE F- DETAILS OF LONG TERM PROVISIONS AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Provision for Gratuity	25.73	14.62	12.16
TOTAL	**25.73**	**14.62**	**12.16**

NOTE G – DETAILS OF SHORT-TERM BORROWING AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Secured			
(a) From Banks			
Cash Credit**	911.05	827.80	383.01
Current maturity of long-term debt			
Secured			
-From Banks	220.03	188.00	33.65

Particulars	As at March 31,		
	2025	2024	2023
Unsecured			
- From Banks	106.44	59.10	28.60
- From NBFC	24.52	19.53	11.34
- Loans repayable on demand	125.21	40.36	-
TOTAL	**1,387.25**	**1,134.79**	**456.60**

**Cash credit from banks are repayable on demand.

PRIMARY SECURITY FOR WORKING CAPITAL LOAN & TERM LOAN:

State Bank of India
- First & exclusive charge over stock and trade receivables and other current assets of the Company both present and future.
- Exclusive charge by hypothecation of Plant and Machinery of the Company (existing and proposed to be purchased)
HDFC Bank
- Plant and Machinery, Stock, Debtors, Margin FD 25%, Margin FD 75%, Export Stock, Export Debtors.

COLLATERAL SECURITY:

State Bank of India
- The entire loan of ₹2,420.00 Lakhs sanctioned by State Bank of India including Term Loan, Working Capital, and Bank Guarantee further secured by mortgage of Industrial Plot No. 2015, Phase-III GIDC, Vatva, Ahmedabad, Gujarat and Plot No. 5/A & 5/B Sankalp Industrial Estate, Village- Chiyada, Taluka- Bavla, Ahmedabad owned by the Company.
- Outstanding balance of Working Capital Loan secured by personal guarantees of the directors and shareholders of the company Manojkumar J. Patel and Avnish Manojkumar Patel.

HDFC Bank
- Personal guarantees of Avnish Manojkumar Patel and Manojkumar Jayantibhai Patel, margin FD 25%, margin FD 75%
- The entire loan of ₹4,200.00 Lakhs sanctioned by HDFC bank secured by mortgage of Industrial Property Block No. 321, Plot No.6 & 7, Sankalp Industrial Estate, Bavla - 382220, Ahmedabad

NOTE H – DETAILS OF TRADE PAYABLES AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Sundry creditors for goods			
-Micro & small enterprises	428.86	229.56	32.35
-Others	426.66	306.15	371.94
Sundry creditors for expenses	93.67	92.69	79.25
Sundry creditors for packaging expenses	69.54	48.82	37.93
Sundry creditors for transportation expenses	22.46	30.10	80.05
TOTAL	**1,041.19**	**707.32**	**601.52**

Trade Payable Ageing schedule

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Disputed dues			
a) Micro, small and medium Enterprise			
Less than 1 year	-	-	-
1 To 2 Year	-	-	-
2 to 3 Year	-	-	-
More than 3 Year	-	-	-
b) Others			
Less than 1 Year	-	-	-
1 to 2 year	-	-	-
2 to 3 year	-	-	-
More than 3 year	-	-	-
Undisputed dues			
a) Micro, small and medium Enterprise			
Less than 1 year	428.74	229.24	32.35
1 To 2 Year	0.01	0.32	-
2 to 3 Year	-	-	-
More than 3 Year	0.11	-	-
b) Others			
Less than 1 Year	597.69	477.00	547.80
1 to 2 year	14.61	0.55	21.36
2 to 3 year	-	0.19	0.01
More than 3 year	0.03	0.02	-
TOTAL	**1,041.19**	**707.32**	**601.52**

NOTE I - DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Statutory dues payable	12.10	17.42	10.78
Advances from customers	30.74	32.02	31.95
Creditors for capital goods	14.27	37.08	10.73
Other current liabilities	5.68	3.06	3.18
TOTAL	**62.79**	**89.58**	**56.64**

NOTE J - DETAILS OF SHORT-TERM PROVISIONS AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Provision for income tax	237.29	193.43	194.70
Less: MAT credit set off	-	-	-
Provision for gratuity payable	8.57	5.40	4.71
TOTAL	**245.86**	**198.83**	**199.41**

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)

NOTE K - DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED

(₹ in Lakhs)

Property, Plant & Equipment and Intangible Assets	Gross block				Depreciation				Net block	
	As at 01.04.2022	Additions	Deductions	As at 31.03.2023	Upto 01.04.2022	For the year	Deductions / adj.	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Property, Plant & Equipment										
Land/Industrial Plots	202.05	0.70	(92.31)	110.44	-	-	-	-	110.44	202.05
Factory Shed	67.83	-	-	67.83	21.75	2.34	-	24.09	43.74	46.08
Furniture and Fixture	3.22	47.94	-	51.16	1.92	3.02	-	4.94	46.22	1.30
Plant & Machinery	403.84	16.73	-	420.57	129.37	27.49	-	156.86	263.71	274.47
Office Equipment	10.43	15.67	-	26.1	4.65	3.18	-	7.83	18.27	5.78
Electrification	9.57	-	-	9.57	5.27	0.61	-	5.88	3.69	4.30
Laboratory Equipments	1.89	0.15	-	2.04	0.07	0.13	-	0.20	1.84	1.82
Vehicles	100.94	88.97	(44.01)	145.9	89.7	17.74	(40.12)	67.32	78.58	11.24
Computer	4.60	8.30	-	12.9	2.09	1.96	-	4.05	8.85	2.51
Total	**804.37**	**178.46**	**(136.32)**	**846.51**	**254.82**	**56.47**	**(40.12)**	**271.17**	**575.34**	**549.55**
Intangible Assets										
Tally Accounting Software	0.36	0.33	-	0.69	0.11	0.08	-	0.18	0.51	0.25
Total	**0.36**	**0.33**	**-**	**0.69**	**0.11**	**0.08**	**-**	**0.18**	**0.51**	**0.25**
Capital Work In Progress										
Plant & Machineries	-	118.96	-	118.96	-	-	-	-	118.96	-
Furniture & Fixtures	1.39	-	(1.39)	-	-	-	-	-	-	1.39
Total	**1.39**	**118.96**	**(1.39)**	**118.96**	**-**	**-**	**-**	**-**	**118.96**	**1.39**
Pre-Operative Expenses										
[Pending Allocation to Property, Plant & Equipment]	-	9.89	-	9.89	-	-	-	-	9.89	-
Total	**806.12**	**297.75**	**(137.71)**	**966.16**	**254.93**	**56.55**	**(40.12)**	**271.35**	**694.81**	**551.19**
Previous Year	**464.21**	**249.60**	**-**	**713.81**	**215.88**	**39.04**	**-**	**254.92**	**458.89**	**248.33**

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)

(₹ in Lakhs)

Property, Plant & Equipment and Intangible Assets	Gross block				Depreciation				Net block	
	As at 01.04.2023	Additions	Deductions	As at 31.03.2024	Upto 01.04.2023	For the year	Deductions / adj.	Upto 31.03.2024	As at 31.03.2024	As at 31.03.2023
Property, Plant & Equipment										
Land/Industrial Plots	110.44	160.68	-	271.12	-	-	-	-	271.12	110.44
Factory Shed	67.83	7.49	-	75.32	24.09	2.35	-	26.44	48.88	43.74
Furniture and Fixture	51.16	1.57	-	52.73	4.94	4.93	-	9.87	42.86	46.22
Plant & Machinery	420.57	6.32	-	426.89	156.86	28.11	-	184.97	241.92	263.71
Office Equipment	26.10	4.79	-	30.89	7.83	5.07	-	12.9	17.99	18.27
Electrification	9.57	1.00	-	10.57	5.88	0.65	-	6.53	4.04	3.69
Laboratory Equipments	2.04	0.43	-	2.47	0.20	0.14	-	0.34	2.13	1.84
Vehicles	145.90	10.09	-	155.99	67.32	18.54	-	85.86	70.13	78.58
Computer	12.90	1.91	-	14.81	4.05	3.54	-	7.59	7.22	8.85
Total	**846.51**	**194.28**	**-**	**1040.79**	**271.17**	**63.33**	**-**	**334.50**	**706.29**	**575.34**
Intangible Assets										
Tally Accounting Software	0.69	-	-	0.69	0.18	0.14	-	0.32	0.37	0.51
Total	**0.69**	**-**	**-**	**0.69**	**0.18**	**0.14**	**-**	**0.32**	**0.37**	**0.51**
Capital Work In Progress										
Furniture & Fixtures	-	0.42	-	0.42	-	-	-	-	0.42	-
Plant & Machineries	118.96	1,104.76	-	1223.72	-	-	-	-	1223.72	118.96
Electrification	-	178.35	-	178.35	-	-	-	-	178.35	-
Office Equipment	-	0.24	-	0.24	-	-	-	-	0.24	-
Building	-	364.66	-	364.66	-	-	-	-	364.66	-
Intangibles	-	9.65	-	9.65	-	-	-	-	9.65	-
Total	**118.96**	**1,658.08**	**-**	**1,777.04**	**-**	**-**	**-**	**-**	**1,777.04**	**118.96**
Pre-Operative Expenses										
[Pending Allocation to Property, Plant & Equipment]	9.89	58.24	-	68.13	-	-	-	-	68.13	9.89
Total	**976.05**	**1,910.60**	**-**	**2,886.65**	**271.35**	**63.47**	**-**	**334.82**	**2,551.83**	**704.70**
Previous Year	**806.12**	**297.75**	**(137.71)**	**966.16**	**254.93**	**56.55**	**(40.12)**	**271.35**	**694.81**	**551.19**

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)

(₹ in Lakhs)

Property, Plant & Equipment and Intangible Assets	Gross block				Depreciation				Net block	
	As at 01.04.2024	Additions	Deductions	As at 31.03.2025	Upto 01.04.2024	For the year	Deductions / adj.	Upto 31.03.2025	As at 31.03.2025	As at 31.03.2024
Property, Plant & Equipment										
Land/Industrial Plots	271.13	100.01	-	371.14	-	-	-	-	371.14	271.13
Factory Shed	75.31	-	-	75.31	26.43	2.57	-	29.00	46.31	48.88
Building	-	815.08	-	815.08	-	3.26	-	3.26	811.82	-
Furniture and Fixture	52.73	2.07	-	54.80	9.87	4.93	-	14.80	40.00	42.86
Plant & Machinery	426.88	1,946.86	-	2373.74	184.98	38.4	-	223.38	2150.36	241.90
Office Equipment	30.89	10.82	-	41.71	12.89	5.25	-	18.14	23.57	18.00
Electrification	10.56	206.67	-	217.23	6.53	1.79	-	8.32	208.91	4.03
Laboratory Equipments	2.46	0.37	-	2.83	0.33	0.16	-	0.49	2.34	2.13
Vehicles	155.99	-	-	155.99	85.86	18.52	-	104.38	51.61	70.13
Computer	14.81	3.17	-	17.98	7.61	4.1	-	11.71	6.27	7.20
Total	**1,040.76**	**3,085.05**	**-**	**4,125.81**	**334.50**	**78.98**	**-**	**413.48**	**3,712.33**	**706.26**
Intangible Assets										
Accounting Software	0.69	20.25	-	20.94	0.32	0.48	-	0.80	20.14	0.37
Total	**0.69**	**20.25**	**-**	**20.94**	**0.32**	**0.48**	**-**	**0.80**	**20.14**	**0.37**
Capital Work In Progress										
Furniture & Fixtures	0.42	1.65	(2.07)	-	-	-	-	-	-	0.42
Plant & Machineries	1223.72	669.63	(1,478.93)	414.42	-	-	-	-	414.42	1223.72
Electrification	178.35	26.05	(204.39)	-	-	-	-	-	-	178.35
Office Equipment	0.24	8.19	(8.43)	-	-	-	-	-	-	0.24
Building	364.66	401.60	(766.27)	-	-	-	-	-	-	364.66
Intangibles	9.65	5.60	(15.25)	-	-	-	-	-	-	9.65
Laboratory Equipments	-	0.37	(0.37)	-	-	-	-	-	-	-
Total	**1,777.04**	**1,113.09**	**(2,475.71)**	**414.42**	**-**	**-**	**-**	**-**	**414.42**	**1,777.04**
Pre-Operative Expenses										
[Pending Allocation to Property, Plant & Equipment]	68.13	136.42	(94.97)	109.58	-	-	-	-	109.58	68.13
Total	**2,886.62**	**4,354.81**	**(2,570.68)**	**4,670.75**	**334.82**	**79.46**	**-**	**414.28**	**4,256.47**	**2,551.80**
Previous Year	**976.05**	**1,910.60**	**-**	**2,886.65**	**271.35**	**63.47**	**-**	**334.82**	**2,551.83**	**704.70**

AGEING OF CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Particulars	As at March 31, 2025				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Plant & Machineries	414.42	-	-	-	414.42
TOTAL	**414.42**	**-**	**-**	**-**	**414.42**

(₹ in Lakhs)

Particulars	As at March 31,2024				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Plant & Machineries	1,104.76	118.96	-	-	1,223.72
Electrification	178.35	-	-	-	178.35
Furniture and Fixture	0.42	-	-	-	0.42
Office Equipment	0.24	-	-	-	0.24
Building	364.66	-	-	-	364.66
Intangibles	9.65	-	-	-	9.65
TOTAL	**1,658.08**	**118.96**	**-**	**-**	**1,777.04**

(₹ in Lakhs)

Particulars	As at March 31,2023				
	<1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Plant & Machineries	118.96	-	-	-	118.96
TOTAL	**118.96**	**-**	**-**	**-**	**118.96**

NOTE L- DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Investment in gold (At Cost)	57.76	57.76	57.76
Investment in equity shares (Quoted at Cost)	3.41	5.95	5.95
Investment in mutual fund (Quoted at Cost)	-	0.25	0.25
TOTAL	**61.17**	**63.96**	**63.96**
Note:			
Quoted Investments	3.41	6.20	6.20
Unquoted Investments	57.76	57.76	57.76

NOTE M- DETAILS OF LONG-TERM LOANS AND ADVANCES AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Advances-Unsecured and Considered Good			
Due by Directors/Relatives of Directors	-	-	14.61
Advances for acquisition of property, plant & equipment	136.18	274.37	242.33
TOTAL	**136.18**	**274.37**	**256.94**

NOTE N- DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Security deposit	14.00	16.97	11.60
Fixed deposit (having maturity of more than 12 months)	8.45	8.69	-
TOTAL	**22.45**	**25.66**	**11.60**

NOTE O - DETAILS OF INVENTORIES AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	₹2023
Raw materials	79.58	18.61	11.71
Work-in-process	2.74	6.00	9.35
Finished goods	128.25	33.27	34.55
Stores & spares	-	-	0.07
Fuel & coal stock	10.22	-	-
Packing materials	13.20	4.41	1.25
TOTAL	**233.99**	**62.29**	**56.93**

NOTE P - DETAILS OF TRADE RECEIVABLES AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Undisputed but Considered Good			
-Outstanding for a period less than six months	1,437.32	1,150.63	1,050.95
-Outstanding for a period exceeding six months	49.82	16.14	17.09
(From the date from which they became due for payment)			
Undisputed and Considered Doubtful			
-Outstanding for a period exceeding six months	-	-	-
(From the date from which they became due for payment)			
Less: Allowance for bad and doubtful debts	-	-	-
Undisputed but Considered Good			
Outstanding for a period less than six months		-	-
-Companies in which directors interested	46.91	21.93	4.72
-Outstanding for a period exceeding six months	-	-	6.02
-Companies in which directors interested	33.88	-	-
TOTAL	**1,567.93**	**1,188.70**	**1,078.78**

Trade Receivable Ageing Schedule

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Disputed, Considered Good			
< 6 month	-	-	-
6-12 Month	-	-	-
1-2 year	-	-	-
2-3 Year	-	-	-
> 3 year	-	-	-

Particulars	As at March 31,		
	2025	2024	2023
Disputed, Considered Doubtful			
< 6 month	-	-	-
6-12 Month	-	-	-
1-2 year	-	-	-
2-3 Year	-	-	-
> 3 year	-	-	-
Undisputed, Considered Good			
< 6 month	1484.23	1172.56	1055.67
6-12 Month	61.17	-	-
1-2 year	6.00	-	23.11
2-3 Year	-	16.14	-
> 3 year	16.53	-	-
Undisputed, Considered Doubtful			
< 6 month	-	-	-
6-12 Month	-	-	-
1-2 year	-	-	-
2-3 Year	-	-	-
> 3 year	-	-	-
TOTAL	**1567.93**	**1,188.70**	**1,078.78**

NOTE Q - DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Balance with Banks			
-In current accounts/debit balance in CC account	5.08	0.07	0.07
-In FD Account (Less than 3 months maturity)	-	145.00	-
-In FD Account (More than 12 Months Maturity)	8.45	8.69	0.91
Cash on hand	6.18	4.18	4.88
Less: Fixed Deposits having maturity of more than 12 months (Included in Note of Other Non- Current Assets as above)	(8.45)	(8.69)	-
TOTAL	**11.26**	**149.25**	**5.86**

Sub-Note:

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Fixed Deposit against Bank Guarantee	7.41	7.08	-

NOTE R - DETAILS OF SHORT-TERM LOANS AND ADVANCES AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31,		
	2025	2024	2023
Loans & advances to others	101.10	366.08	248.47
Advance tax, T.D.S/T.C.S. & Self-assessment tax	53.60	31.85	79.36
Excess VAT assessment tax paid (Refund)	-	-	0.55
GST receivable	105.34	523.05	227.95
Others-Advances Receivable in Cash or In Kind			
Advance for expenses/sundry debit balances/receivables	18.57	7.25	15.49
Balances with revenue authorities - export duty drawback receivable	1.39	4.27	-
Rodtep income receivable	2.04	11.35	-
Sundry advances to staff	6.16	4.70	1.84
Pre- paid & other advances for expenses	26.71	4.01	4.30
TOTAL	**314.91**	**952.56**	**577.96**

NOTE S - DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Sales of products	5,649.63	4,458.04	4,569.69
Add/(Less): Rate/Quality Discount/Sales Return	(12.79)	(4.01)	(22.01)
TOTAL	**5,636.84**	**4,454.03**	**4,547.68**
Product wise Sales Exceeding 10% Of Total sales			
S.B.S. Powder	589.58	-	-
Ammonium Bi Sulphite	3,134.42	1,956.99	2,461.84
S.B.S. Liquor	-	604.86	670.60
SMBS Powder	-	620.39	-
S.B.S. Solution	1,311.03	678.08	572.81
OTHER OPERATING INCOME			
Export duty drawback income	26.88	19.28	22.85
Rodtep income	30.63	11.35	-
Freight recovered on sales	16.20	2.07	-
MEIS license	-	-	3.68
TOTAL	**73.71**	**32.70**	**26.53**
TOTAL REVENUE FROM OPERATIONS	**5,710.55**	**4,486.73**	**4,574.21**

NOTE T - DETAILS OF OTHER INCOME AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Interest income bank FDR	0.46	0.21	0.05
Other interest income	0.67	0.60	26.36
Dividend income	0.06	0.06	0.06
Sales commission	55.98	-	-
Profit on sale of fixed assets	-	-	2.86
Foreign exchange rate difference (net)	46.48	14.68	45.84
Profit on sale of shares / mutual funds	31.68	-	-
Sundry balances written-off	0.05	3.83	0.31
Other income	0.03	-	0.50
TOTAL	**135.41**	**19.38**	**75.98**

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)

NOTE U - DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Opening stock	18.61	11.71	27.32
Purchases (Net)	2,443.87	2,047.72	2,785.63
Less: Raw materials sales	-	-	(273.65)
	2,462.48	**2,059.43**	**2,539.30**
Less: Closing stocks	(79.58)	(18.61)	(11.71)
Cost of Material Consumed	**2,382.90**	**2,040.82**	**2,527.59**
Details of Raw Material Consumed Exceeding 10% Of Total consumption			
Anhydrous ammonia	596.78	429.00	644.48
Caustic soda flakes	256.18	772.12	354.23
Soda ash light	359.04	-	533.64
Sulphur dioxide	789.21	574.30	796.68

NOTE V - DETAILS OF PURCHASE OF STOCK IN TRADE AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Purchase of Stock in Trade	-	34.70	-
TOTAL	**-**	**34.70**	**-**

NOTE W - DETAILS OF CHANGES IN INVENTORY OF TRADED GOODS AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Closing Stock			
Finished goods	128.25	33.27	34.55
Work in process	2.74	6.00	9.35
TOTAL	**130.99**	**39.27**	**43.90**
Opening Stock			
Finished goods	33.27	34.55	31.89
Work in process	6.00	9.35	7.46
TOTAL	39.27	43.90	39.35
Net Increase / (Decrease)	**(91.72)**	**4.63**	**(4.55)**

NOTE X - DETAILS OF MANUFACTURING EXPENSES AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Direct Expenses			
- Stores & spares consumed	19.10	14.88	8.91
Power, Fuel & Gas	-	-	-
- Electricity expenses	65.45	38.03	27.36
- Fuel-DG set	0.14	-	-
- Fuel, coal & gas	64.56	21.96	13.89
Other manufacturing expenses	70.04	33.56	25.69
Freight inward, custom duty and other expenses	227.46	97.26	138.55
Repairs & Maintenance	-	-	-
- To plant & machineries	11.99	15.10	15.50
- To building & others	10.42	2.00	2.17
TOTAL	**469.16**	**222.79**	**232.07**

NOTE Y - DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Salaries, Wages & Labour Charges			
- To directors' remuneration	72.00	48.00	48.00
- To others	134.10	94.07	87.98
Employer contribution & administrative charges to provident fund	11.97	6.03	3.91
Employee ex-gratia bonus	4.80	4.72	4.64
Leave encashment expenses	-	-	-
Gratuity expense	14.34	3.14	6.75
ESIC-Employer contribution	1.00	1.13	1.02
Staff welfare expenses	5.95	6.29	6.07
Labour welfare expenses	0.02	0.01	0.01
Professional tax -contractor expenses	0.02	-	-
Security expenses	4.19	1.51	1.45
TOTAL	**248.39**	**164.90**	**159.83**

NOTE Z - DETAILS OF FINANCE COST AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Bank charges & loan processing fees	11.72	46.25	9.52
Interest	-		
On Term loans & working capital facilities	113.20	66.82	30.65
On Business loans	34.05	4.34	10.14
On Vehicle loans	3.64	5.23	6.03
On Unsecured loans	0.78	2.95	2.73
Interest on TDS	0.04	0.25	0.04
Interest on income tax	-	16.48	12.77
Interest- others	-	-	0.04
Interest on GST	-	0.08	0.05
TOTAL	**163.43**	**142.40**	**71.97**

NOTE AA - DETAILS OF DEPRECIATION & AMORTIZATION EXPENSE AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Depreciation on property, plant & equipment	78.98	63.33	56.47
Amortization of intangible assets	0.48	0.14	0.08
TOTAL	**79.46**	**63.47**	**56.55**

SHANTI INORGANICS LIMITED
(Formerly known as Shanti Inorgo Chem (Guj) Limited)

NOTE AB - DETAILS OF ADMINISTRATIVE SELLING & OTHER EXPENSES AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Indirect Expenses			
Postage & telephone	1.47	1.25	2.15
Donation/CSR expenses	11.92	-	0.52
Office & administration expenses	12.86	7.12	6.32
Stationery & printing	3.38	3.39	2.57
Travelling, conveyance & vehicle expenses	30.73	44.20	33.54
Legal & professional charges	9.80	29.13	7.89
Rent, rates & taxes	18.04	21.46	14.07
Auditor's remuneration	1.75	1.05	0.90
Sundry debit/credit balances written off (Net)	-	-	14.74
Insurance	3.82	3.20	4.05
Selling & Distribution Expenses			
Advertisement & sales promotion on sales	0.63	0.27	7.51
Sales commission expenses	0.75	41.59	43.48
Packing material consumed and packing expenses	399.03	311.99	277.54
Export freight, clearing forwarding and other expenses	996.21	681.64	547.25
TOTAL	**1,490.39**	**1,146.29**	**962.53**

NOTE AC - STATEMENT OF TAX SHELTER AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Restated profit before tax as per books **(A)**	1,103.95	686.11	644.20
Tax Rates			
Income tax rate (%)	25.17%	25.17%	27.82%
Minimum alternate tax rate (%)	16.69%	17.16%	16.69%
Adjustments:			
Income considered separately (B)			
Interest on bank deposits	-	-	-
Total Income considered separately (B)	-	-	-
Permanent Timing Difference			
Effects of Other allowance/disallowance	0.15	16.74	12.82
Deduction – Donation (CSR)	11.92	-	0.52
Dividend income	(0.06)	(0.06)	(0.06)
(Profit)/loss on sale of property, plant and equipment	-	-	(2.86)
(Profit)/loss on sale of equity shares	(31.68)	-	-
Temporary Timing Differences			
Book depreciation	79.46	63.47	56.55
Unpaid gratuity	14.28	3.14	6.75
Income tax depreciation allowance	(251.99)	(52.82)	(60.49)
Actual gratuity paid during the year	-	-	(2.34)
Total timing differences (C)	**(177.93)**	**30.48**	**10.90**
Net adjustments D = (B+C)	**(177.93)**	**30.48**	**10.90**
Tax expense / (saving) thereon	**(44.78)**	**7.67**	**3.03**

Particulars	For the year ended March 31,		
	2025	2024	2023
Total Income from Business	**926.02**	**716.59**	**655.10**
Income from Capital Gains			
Short term capital gain-Section 111A	-	-	-
Long term capital gain-Section 112A	31.57	-	-
Total Income from Short Term Capital Gain (E)	**31.57**	-	-
Income from Other Sources			
Dividend Income	0.06	0.06	0.06
Total Income from Other Sources (F)	**0.06**	**0.06**	**0.06**
Taxable Income/(Loss) (A+D+E+F)	**957.65**	**716.65**	**655.16**
Deduction - Donation			(0.25)
Income Tax on Business and Other Sources	**233.07**	**180.37**	**182.20**
Income Tax on Short Term Capital Gain	**4.34**	-	-
Total Income Tax	**237.41**	**180.37**	**182.20**
Tax Expense			
a. Current tax rounded	237.41	180.37	182.20
b. Deferred tax	(40.64)	5.88	(1.79)
TOTAL	**196.77**	**186.25**	**180.40**

NOTE AD: STATEMENT OF DEFERRED TAX EXPENSES

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2025	2024	2023
WDV as per book	3,732.47	706.66	575.85
WDV as per IT	(3,433.58)	(580.27)	(438.84)
Gratuity	(14.21)	(3.14)	(4.41)
Total Time Difference	**284.68**	**123.25**	**132.60**
As per B/S (DTA)/DTL	**71.65**	**31.01**	**36.89**
Opening Balance	31.01	36.89	35.09
Transfer to P & L Account	(40.64)	5.88	(1.79)

NOTE AE - MANDATORY ACCOUNTING RATIOS AS RESTATED

(₹ in Lakhs, except per share data)

Ratios	For the Year Ended March 31,		
	2025	2024	2023
Restated PAT as per P& L Account	825.90	511.62	460.21
Weighted average number of equity shares at the end of the year	6,36,000	6,36,000	6,36,000
Weighted average number of equity shares outstanding after bonus issue in FY 2025-26	1,01,76,000	1,01,76,000	1,01,76,000
Net Worth as per Restated	2,586.33	1,760.43	1,248.81
Earnings Per Share (Basic & Diluted) Pre Bonus	129.86	80.44	72.36
Earnings Per Share (Basic & Diluted) Post Bonus	8.12	5.03	4.52
EBITDA	1,211.43	872.60	696.74
Return on Net Worth (%)	31.93%	29.06%	36.85%
Net Asset Value Per Share (₹)- Pre Bonus Issue	406.66	276.80	196.35
Net Asset Value Per Share (₹)- Post Bonus Issue	25.42	17.30	12.27
Nominal Value per Equity Share (₹)	10.00	10.00	10.00

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NOTE AF - RATIO ANALYSIS

Sr No.	Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	Variance	Variance	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year
				A	B	C	A-B	B-C	A-B	B-C
1	Current Ratio	Current Assets	Current Liabilities	0.78	1.10	1.31	(29.60)%	(15.60)%	This indicates that company's current liabilities have increased and they have got higher credit from their suppliers.	Not Applicable
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.95	1.36	0.44	29.72%	(210.55)%	With increase in net profit and reduction in long term borrowings, D/E ratio has improved substantially.	With increase in long term borrowings in order to finance PPE, D/E ratio of the company has deteriorated.
3	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	2.73	4.18	6.23	(34.74)%	(32.81)%	This indicates that the company has made higher repayments of its term liabilities as compared to previous year.	With increase in repayments, DSCR of the company has gone down.
4	Return on Equity Ratio	NPAT less Pref Dividend	Avg. Shareholder's Equity	38.00%	34.00%	44.26%	11.75%	(23.17)%	Not Applicable	Not Applicable

Sr No.	Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	Variance	Variance	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year
				A	B	C	A-B	B-C	A-B	B-C
5	Inventory Turnover Ratio	COGS	Avg. Inventory	14.93	34.15	41.06	(56.29)%	(16.84)%	With increase in sales and orders, the company has higher inventory on its books as compared to previous year.	Not Applicable
6	Trade Receivables turnover ratio	Net Credit Sales	Avg. Trade Receivables	4.09	3.93	5.43	4.10%	(27.62)%	Not Applicable	This indicates that the company is giving higher credit to its customers.
7	Trade Payables turnover ratio	Net Credit Purchases	Avg. Trade Payables	2.73	3.12	5.18	(12.60)%	(39.75)%	Not Applicable	This indicates that the company is getting higher credit to its suppliers.
8	Net Capital turnover ratio	Net Sales	Avg. Working Capital	(29.15)	14.19	11.47	(305.43)%	23.72%	Due to higher creditors and short-term borrowings, Net Capital turnover ratio is negative during the year.	Not Applicable

SHANTI INORGANICS LIMITED
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Sr No.	Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	Variance	Variance	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year
				A	B	C	A-B	B-C	A-B	B-C
9	Net Profit Ratio	NPAT	Net Sales	14.65%	11.49%	10.12%	27.55%	13.51%	With increase in sales and margin during the year, Net profit ratio has improved.	Not Applicable
10	Return on Capital Employed	EBIT	Capital Employed	27.20%	27.59%	49.34%	(1.41)%	(44.08)%	Not Applicable	With increase in debt during the year, Capital Employed of the company has increased, effect of which in its topline and bottom line is expected to be realized in future.
11	Gross Profit Ratio	Gross Profit	Sales	46.52%	44.68%	35.24%	4.12%	26.78%	Not Applicable	With increase in sales, the company has realized economies of scale for its fixed direct expenses leading to improvement in margins and thereby gross profit.

(a) Current Ratio = Current Assets / Current Liabilities.
(b) Debt- equity ratio = Total debt / Shareholders' equity.
(c) Debt service coverage ratio = EBITDA/ (Principal + Interest).
(d) Return on equity ratio= Net profit after taxes / Avg. Shareholder's Equity.
(e) Inventory turnover ratio=Cost of goods sold or sales/Average inventory.
(f) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.
(g) Trade payables turnover ratio=Direct Expenses/Average trade payables.
(h) Net Capital turnover ratio=Net sales/Average working capital.
(i) Net profit ratio=Net profit after taxes/Total Revenue.
(j) Gross Profit Ratio= Gross Profit / Net Sales.
(k) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Equity Shares, Reserves and surplus, Long-Term Borrowing and Short-Term Borrowing.
(l) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Manufacturing Expenses, Purchase of stock in trade goods, Changes in inventories of finished goods, work-in-progress and stock in trade and Depreciation and amortisation expense.

NOTE AG: LIST OF RELATED PARTIES & RELATED PARTY TRANSACTIONS

A. List of Related Parties	
Associate Concerns/ Entities in which managerial personnel/relative of key managerial personnel have significant influence:	
i.	Bodal Chemicals Limited
ii.	Bodal Chemicals Trading Private Limited
iii.	Jagjanani Textiles Limited
Key Management Personnel	
i.	Manojkumar J. Patel- Managing Director
ii.	Avnish M. Patel -Joint Managing Director
iii.	Kalpesh Raval – (CFO w.e.f January 25,2025)
iv.	Suhani A. Patel – Non-Executive Director (w.e.f December 19,2024)
v.	Abhik Jain – Company Secretary (w.e.f February 21,2025)
Relative of Key Management Personnel	
i.	Saroj M. Patel
ii.	Suhani A. Patel
iii.	Suresh J. Patel

C. Transactions with Related Parties as Restated

(₹ in Lakhs)

Nature of Transaction	Related Parties	Relation	2025	2024	2023
Remuneration/Salary s	Manojkumar J. Patel	Key Managerial Personnel	36.00	24.00	24.00
	Avnish M. Patel	Key Managerial Personnel	36.00	24.00	24.00
	Saroj M. Patel	Relative of KMP	3.00	3.00	3.00
	Suhani A. Patel	NED and Relative of KMP	3.00	3.00	3.00
	Abhik Jain	Company Secretary	0.46	-	-
	Kalpesh Raval	Chief Financial Officer	2.20	-	-
Purchase of Goods	Bodal Chemicals Limited	Entity in which KMP have significant influence	8.17	17.02	0.10
Sale of Goods	Bodal Chemicals Limited	Entity in which KMP have significant influence	71.68	23.04	51.87
Unsecured Loans Received	Avnish M. Patel	Key Managerial Personnel	42.92	144.00	200.00
	Manojkumar J. Patel	Key Managerial Personnel	149.80	50.00	-
	Saroj M. Patel	Relative of KMP	-	-	1.50
Unsecured Loans Repaid	Avnish M. Patel	Key Managerial Personnel	136.35	40.00	200.00
	Manojkumar J. Patel	Key Managerial Personnel	135.26	40.00	-
	Saroj M. Patel	Relative of KMP	-	-	1.50
Interest Expenses	Avnish M. Patel	Key Managerial Personnel	-	2.19	2.73
	Manojkumar J. Patel	Key Management Personnel	-	0.77	-
Advance Repaid Back	Bodal Chemicals Limited	Entity in which KMP have significant influence	-	6.00	-

Nature of Transaction	Related Parties	Relation	2025	2024	2023
Advance Received Back	Suresh J. Patel	Relative of Key Management Personnel	-	14.61	-
Outstanding Balances as at the year end- Remuneration/ Salary/Expenses	Manojkumar J. Patel	Key Management Personnel	2.33 (Cr.)	0.49 (Cr.)	1.18 (Cr.)
	Manojkumar J. Patel-Expenses	Key Management Personnel	-	-	0.38 (Cr.)
	Avnish M. Patel-Expenses	Key Management Personnel	-	-	-
	Mr. Avnish M. Patel	Key Management Personnel	2.33 (Cr.)	1.60 (Cr.)	2.00 (Cr.)
	Mrs. Saroj M. Patel	Relative of Key Management Personnel	0.25 (Cr.)	0.25 (Cr.)	0.25 (Cr.)
	Mrs. Suhani A. Patel	NED & Relative of KMP	0.25 (Cr.)	0.25 (Cr.)	0.25 (Cr.)
	Mr. Kalpesh Raval	CFO	0.71 (Cr.)	-	-
	Mr. Abhik Jain	Company Secretary	0.46 (Cr.)	-	-
Outstanding balance of Loan at the year end	Avnish M. Patel	Key Management Personnel	12.54 (Cr.)	105.97 (Cr.)	-
	Manojkumar J. Patel	Key Management Personnel	25.22 (Cr.)	10.69 (Cr.)	-
Outstanding Balances as at the year end- Advances Received Against Sale of Fixed Assets	Bodal Chemicals Limited	Entity in which KMP have significant influence	-	32.78 (Cr.)	38.78 (Cr.)
Outstanding Balances as at the year end-Advances Given	Mr. Suresh J. Patel	Relative of Key Management Personnel	-	-	14.61 (Dr.)
Outstanding Balances as at the year end-Purchase of Goods	Bodal Chemicals Limited	Entity in which KMP have significant influence	25.21 (Cr.)	17.03 (Cr.)	21.25 (Cr.)
Outstanding Balances as at the year end-Sale of Goods/Rent Income	Bodal Chemicals Trading Private Limited	Entity in which KMP have significant influence	-	-	6.02 (Dr.)
	Bodal Chemicals Limited	Entity in which KMP have significant influence	62.74 (Dr.)	2.09 (Dr.)	15.22 (Cr.)

NOTE AH: CAPITALISATION STATEMENT AS AT 31st March, 2025

(₹ in Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	1,387.25	*
Long Term Debt (B)	1,150.78	*
Total debts (C)	**2,538.03**	*
Shareholders' funds		
Equity share capital	63.60	*
Reserve and surplus - as restated	2,522.73	*
Total shareholders' funds	**2,586.33**	*
Long term debt / shareholders' funds	0.44	*
Total debt / shareholders' funds	0.98	*

(*) The corresponding post issue figures are not determinable at this stage, as they will be finalised upon the completion of public issue and hence have not been provided at this stage.

NOTE AI: ADDITIONAL DISCLOSURES

1. In accordance with the requirement of Schedule III, normal operating cycle of the Company's business is determined and duly approved by the Board of Directors.

2. Assets and Liabilities of the above business have been classified into current and non-current using the above normal operating cycle and applying other criteria prescribed in Schedule III.

3. The Company has no immovable property whose title deeds are not held in the name of the company.

4. The Company has not revalued its Property, Plant and Equipment during the reporting years.

5. There are no Loans and Advances in the nature of loans that are granted to promoters, directors, KMP's and the related parties either severally or jointly with any other person, that are repayable on demand.

6. There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

7. During the year, the Company has not remitted any amount in foreign currencies on account of dividend.

8. Income & expenses in foreign currency for the period under review are as follows:

(₹ in Lakhs)

Particulars	2025	2024	2023
INCOME			
FOB Value of Exports (Sale of Goods)	3,431.01	2,716.08	2,768.32
TOTAL	**3,431.01**	**2,716.08**	**2,768.32**
EXPENSES			
CIF Value of Imports:			
Raw Materials	-	-	45.20
Plant related engineering services	397.52	178.64	-
TOTAL	**397.52**	**178.64**	**45.20**

9. The Company has projects that are Capital Work in Progress for the period under review. The details of which are as under:

(₹ in Lakhs)

Particulars	2025	2024	2023
Projects in Progress			
- Plant & machineries	414.42	1,223.72	118.96
- Electrification	-	178.35	-
- Furniture & fixture	-	0.42	-
- Office equipment	-	0.24	-
- Buildings	-	364.66	-
- Intangibles	-	9.65	-
Pre-Operative Expenses [Pending Allocation to Property, Plant & Equipment]	109.58	68.13	9.89
TOTAL	**524.00**	**1,845.17**	**128.85**

10. The Company is not declared as wilful defaulter by any bank or financial institution or other lender.

11. The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

12. The Company has no subsidiaries with one layer prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

13. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

14. The Company has not traded or invested in Crypto currency during the period under review.

15. The Company does not have any transaction or undisclosed income which are reported by tax authorities under any assessment year under tax Assessment (such as, search or survey or any other relevant provisions) under the income tax Act- 1961 and rules made thereunder.

16. Utilisation of Borrowed funds and share premium:

A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
   ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
   ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

Sd/-

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 20-09-2025
UDIN:25144892BMHWRT5556

For and on behalf of the Board
Shanti Inorganics Limited

Sd/-
Manojkumar J. Patel
(Din: 02724947)
Managing Director

Sd/-
Avnish M. Patel
(Din: 02724940)
Joint Managing Director

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

OTHER FINANCIAL INFORMATION

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and Diluted EPS (in ₹) (before Bonus Issue)	129.86	80.44	72.36
Basic and Diluted EPS (in ₹)* (After Bonus Issue)	8.12	5.03	4.52
Return on Net Worth (%)	38.00	34.00	44.26
Net asset value per Equity Share (₹) (before Bonus issue)	406.66	276.80	196.35
Net asset value per equity share (₹) (after Bonus issue)*	25.42	17.30	12.27
Net asset value per equity share (₹) (after Bonus issue)*	25.42	17.30	12.27
Share Capital (₹ in lakhs)	63.60	63.60	63.60
Reserves and Surplus (Other equity), as restated (₹ in lakhs)	2,522.73	1,696.83	1,185.21
Net worth, as restated (in ₹ lakhs)	2,586.33	1,760.43	1,248.81
EBITDA (₹ in lakhs)	1,211.43	872.60	696.74

**The EPS and NAV per Share computed above are derived after giving the effect of bonus shares issued in the ratio of 15:1 (i.e.,15 fully paid-up equity shares for 1 Equity Share) held by shareholders as on August 22, 2025.*

1. *The ratios on the basis of Restated Financial Statements have been computed as below:*

Basic Earnings per share (₹)	=	*Net profit as restated, attributable to equity shareholders divided by Weighted average number of equity shares.*
Diluted Earnings per share (₹)	=	*Net profit as restated, attributable to equity shareholders divided by Weighted average number of dilutive equity shares.*
Return on net worth (%)	=	*Net profit after tax, as restated divided by average net worth. Where average net worth is calculated by dividing sum of closing net worth of the current fiscal year and closing net worth of the previous fiscal year by two. For calculating average net worth for fiscal year 2023, closing net worth of fiscal year 2023 as per restated financial statements and closing net worth of fiscal year 2022 as per audited financial statements has been considered.*
Net Asset Value (NAV) per equity share (₹)	=	*Net worth as restated at the end of the period divided by Number of equity shares outstanding at the end of the period.*
EBITDA	=	*Restated profit/(loss) after tax for the respective Fiscal plus tax expenses plus finance costs plus depreciation and amortization less other income.*

2. *Reserves and Surplus means the aggregate value of the all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account.*

3. *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year 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 total number of days during the year. This has been adjusted for all periods presented by giving effect to the subdivision subsequent to the balance sheet date.*

4. *"Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

5. *The above ratios have been computed on the basis of the Restated Financial Information.*

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CAPITALIZATION STATEMENT

(₹ in lakhs)

Particulars	Pre- Issue at March 31, 2025	As adjusted for the proposed Issue
Total borrowings	**2,538.03**	**[●]**
Current borrowings*	1,167.22	[●]
Non-current borrowings (including current maturity of long-term debt and interest accrued and due on borrowings)*	1,370.81	[●]
Total equity	**2,586.33**	**[●]**
Equity share capital*	63.60	[●]
Other equity*	2,522.73	[●]
Ratio: Non-current borrowings/ Total equity	0.53	[●]
Ratio: Total borrowings / total equity	0.98	[●]

**These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).*

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

*You should read the following discussion of our financial condition and results of operations together with our restated financial information for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with Indian GAAP, including the schedules, annexures and notes thereto and the reports thereon, included in the section titled "**Restated Financial Information**" on page 224 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information used in this section is derived from the restated financial statements of our Company.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "**Risk Factors**" and "**Forward-Looking Statements**" on pages 31 and 21 respectively, of this Draft Red Herring Prospectus.*

These financial statements have been prepared in accordance with Indian GAAP. Indian GAAP differs in certain significant respects from U.S. GAAP, IFRS and Ind AS. We have neither attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS or Ind AS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations. Any reliance on the financial disclosure in this Draft Red Herring Prospectus, by persons not familiar with Indian Accounting Practices, should accordingly be limited.

References to the "Company", "we", "us" and "our" in this chapter refer to Shanti Inorganics Limited (formerly known as Shanti Inorgo Chem (Guj) Private Limited and Shanti Inorgo Chem (Guj) Limited), as applicable in the relevant fiscal period, unless otherwise stated.

OVERVIEW OF OUR BUSINESS

We are engaged in the business of manufacturing and trading of sulphur based inorganic chemicals. Our product portfolio consists of ammonium bisulphite, sodium bisulphite solutions, sodium meta/ bisulphite, and sodium sulphite powder, which are primarily used as preservatives, reducing agents, oxygen scavengers and process intermediates across multiple industries such as oil drilling, pharmaceuticals, food and beverages, pulp & paper and water treatment. In the inorganic chemical industry, products are categorized into two grades, food grade and technical grade, based on specific application and usage requirements.

For further details, please see *"**Our Business**"* on page 167 of this Draft Red Herring Prospectus.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section entitled *"**Risk Factors**"* on page 31 of this Draft Red Herring Prospectus. The following are certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Disruption in supply of raw materials and cost of raw materials
- Increasing competition in the chemical industry.
- Dependence on our end customers.
- Ability to maintain cordial relationships with our customers and suppliers
- Company's ability to successfully implement its growth expansion plan
- Optimum capacity utilisation of the installed capacity
- Changes in the Government regulations, tax regime, laws and the other regulations that apply to the industry.
- Geopolitical and global trade conditions
- Fluctuation in foreign currency rates

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Restated Financial Statements. For details of our significant accounting policies, please refer section titled "***Restated Financial Information***" on page 224 of this Draft Red Herring Prospectus.

RESULTS OF OUR OPERATIONS

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of Company for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023:

(₹ in lakhs, except ratios)

Particulars	Financial Year 2025		Financial Year 2024		Financial Year 2023	
	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income
Revenue from Operations	5,710.55	97.68%	4,486.73	99.57%	4,574.21	98.37%
Other income	135.41	2.32%	19.38	0.43%	75.98	1.63%
Total income	**5,845.96**	**100.00%**	**4,506.11**	**100.00%**	**4,650.19**	**100.00%**
Cost of materials consumed	2,382.90	40.76%	2,040.82	45.29%	2,527.59	54.35%
Purchase of stock-in-trade	-	-	34.70	0.77%	-	-
Changes in inventories of finished goods and work-in-progress	(91.72)	(1.57)%	4.63	0.10%	(4.55)	(0.10)%
Employee benefits expenses	248.39	4.25%	164.90	3.66%	159.83	3.44%
Manufacturing expenses	469.16	8.03%	222.79	4.94%	232.07	4.99%
Finance costs	163.43	2.80%	142.40	3.16%	71.97	1.55%
Depreciation and amortization expenses	79.46	1.36%	63.47	1.41%	56.55	1.22%
Administrative selling & other Expenses	1,490.39	25.49%	1,146.29	25.44%	962.53	20.70%
Total Expenses	**4,742.01**	**81.12%**	**3,820.00**	**84.77%**	**4,005.99**	**86.15%**
Profit /(Loss) before tax	**1,103.95**	**18.88%**	**686.11**	**15.23%**	**644.20**	**13.85%**
Tax expense:						
- Current Tax	237.41	4.06%	180.37	4.00%	182.20	3.92%
- Deferred Tax	40.64	0.70%	(5.88)	(0.13)%	1.79	0.04%
- Tax Adjustment of previous year	-	-	-	-	-	-
Net Tax expenses	**278.05**	**4.76%**	**174.49**	**3.87%**	**183.99**	**3.96%**
Profit/(Loss) after tax	**825.90**	**14.13%**	**511.62**	**11.35%**	**460.21**	**9.90%**

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS ACCOUNT

Total Income

Our total income for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, amounted to ₹5,845.96 lakhs, ₹4,506.11 lakhs and ₹4,650.19 lakhs, respectively. Our revenue comprises of:

Revenue from operations

Our revenue from operations comprises of revenue from sale of products such as sodium bisulphite, sodium metabisulphite, ammonium bisulphite and sodium sulphite. Our revenue from operations amounted to ₹5,710.55 lakhs, ₹4,486.73 lakhs and ₹4,574.21 lakhs accounted for 97.68%, 99.57 % and 98.37 % of our total income for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively.

Other income

Other income primarily comprises of income from foreign exchange gain, profit on sale of investments and commission received. Other income amounted to ₹135.41 lakhs, ₹19.38 lakhs and ₹75.98 lakhs accounted for 2.32 %, 0.43% and 1.63 % of our total income for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively.

Expenses

Our total expenses for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, amounted to ₹4,742.01 lakhs, ₹3,820.00 lakhs and ₹4,005.99 lakhs respectively. Our expenses primarily consist of the following:

Cost of materials consumed

Cost of materials consumed amounted to ₹2,382.90 lakhs, ₹2,040.82 lakhs and ₹2,527.59 lakhs for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively accounted for 40.76%, 45.29%, and 54.35% of the total income, respectively.

Purchase of stock-in-trade

Purchase of stock-in-trade amounted to Nil, ₹34.70 lakhs and Nil for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively accounted for Nil, 0.77% and Nil, of the total income, respectively.

Changes in inventories of finished goods and work-in-process

Change in inventories of finished goods and work-in-process amounted to ₹(91.72) lakhs, ₹4.63 lakhs and ₹(4.55) lakhs for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively accounted for (1.57)%, 0.10%, and (0.10)% of the total income, respectively.

Employee benefits expense

Employee benefits expenses for amounted to ₹248.39 lakhs, ₹164.90 lakhs and ₹159.83 lakhs the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively accounted for 4.25%, 3.66% and 3.44% of our total income, respectively.

Manufacturing expenses

Manufacturing expenses consists of stores and spares consumption, power, fuel & gas expense, repair maintenance and freight inward, custom duty expenses and other manufacturing expenses. Manufacturing expenses amounted to ₹469.16 lakhs, ₹222.79 lakhs and ₹232.07 lakhs for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively accounted for 8.03%, 4.94% and 4.99% of our total income, respectively.

Financial costs

Finance costs consist of interest on working capital, term loan and bank processing charges, amounted to ₹163.43 lakhs, ₹142.40 lakhs and ₹71.97 lakhs for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, accounted for 2.80%, 3.16% and 1.55% of our total income, respectively.

Depreciation and amortization expenses

Depreciation and amortization expense amounted to ₹79.46 lakhs, ₹63.47 lakhs and ₹56.55 lakhs for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively accounted for 1.36%, 1.41% and 1.22% of our total income, respectively.

Administrative, selling & other expenses

Administrative, selling & other expenses consists of packing material consumed & packing expense, export freight, clearing forwarding & other expense, sales commission, advertisement & sales promotion, travelling, office & admin expenses, rent, rates & taxes, legal & professional expense, stationary & printing expense, postage & telephone, and insurance expense. Administrative, selling & other expenses amounted to ₹1,490.39 lakhs, ₹1,146.29 lakhs and ₹962.53 lakhs for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively accounted for 25.49%, 25.44% and 20.70% of our total income, respectively.

Financial Year 2025 compared to Financial Year 2024

Total Income

Our total income increased by 29.73% from ₹4,506.11 lakhs in financial year ended March 31, 2024, to ₹5,845.96 lakhs in financial year ended March 31, 2025, primarily due to reasons discussed below:

Revenue from operations

Our revenue from operations increased by 27.28% from ₹4,486.73 lakhs in financial year ended March 31, 2024, to ₹5,710.55 lakhs in financial year ended March 31, 2025, primarily due to increase in sales quantity of products to 18,815.00 Metric ton (MT) from 15,916.80 MT in FY 2023-24. Average selling price for the same increased from ₹27.99 per kg in FY 2023-24 to ₹29.96 per kg which led to increase in overall revenue from operations. Sales quantity increased by 18.20% and average sales price per kg increased by 7.04% led to higher revenue from operations during the financial year ended March 31, 2025 as compared to the financial year ended March 31, 2024. Export benefits increased to ₹ 57.51 lakhs in the financial year ended March 31, 2025 from ₹30.63 lakhs the financial year ended March 31, 2024.

Other Income

Other Income increased by ₹116.03 lakhs from ₹19.38 lakhs in financial year ended March 31, 2024, to ₹ 135.41 lakhs in financial year ended March 31,2025 primarily due to following reasons:

a) Foreign exchange gain:
The increase in foreign exchange gain from ₹14.68 lakhs to ₹46.48 lakhs in financial year ended March 31, 2025 as compared to financial year ended March 31, 2024.

b) Sales commission:
The increase in sales commission from Nil to ₹55.98 lakhs in financial year ended March 31, 2025 as compared to financial year ended March 31, 2024.

c) Profit on sale of investments:
The increase in profit on sale of investments from Nil to ₹31.68 lakhs in financial year ended March 31, 2025 as compared to financial year ended March 31, 2024.

Expenses

Total expenses increased by 24.14% from ₹3,820.00 lakhs in financial year ended March 31, 2024, to ₹ 4,742.01 lakhs in financial year ended March 31,2025 primarily due to reasons as discussed below:

Cost of materials consumed

Cost of materials consumed increased by 16.76% from ₹ 2,040.82 lakhs in financial year ended March 31, 2024, to ₹2,382.90 lakhs in financial year ended March 31, 2025, primarily due to increase in raw material consumption in line with increase in sales of products. Total production of the Company increased to 18,428.80 MT in in financial year ended March 31, 2025 from 15,613.00 MT in financial year ended March 31, 2024 which led to increase in cost of material consumed.

Purchase of stock-in-trade

Purchase of stock-in-trade decrease by 100% from ₹34.70 lakhs in financial year ended March 31, 2024 to Nil in financial year ended March 31, 2025.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress decreased by ₹96.35 lakhs from ₹4.63 lakhs in financial year ended March 31, 2024, to ₹(91.72) lakhs in financial year ended March 31, 2025, primarily due to increase in closing inventories of finished goods.

Employee benefits expenses

Employee benefits expenses increased by 50.63% from ₹164.90 lakhs in financial year ended March 31, 2024, to ₹248.39 lakhs in financial Year ended March 31, 2025, primarily due to commencement of new plant of phase one at Bavla Unit in financial year ended March 31, 2025, which led to increased employee benefit expenses proportionately.

Manufacturing expenses

Manufacturing expenses increased by 110.58% from ₹222.79 lakhs in financial year ended March 31, 2024, to ₹469.16 lakhs in financial year ended March 31, 2025, primarily due to increase in power & fuel expense from ₹59.99 lakhs to ₹130.15 lakhs and stores & spares consumed from ₹14.88 lakhs to ₹19.10 lakhs during financial year ended March 31, 2025 as compared to financial year ended March 31, 2024 due to increase in production. Further, freight inward, custom duty and other manufacturing expenses increased to ₹297.50 lakhs in during financial year ended March 31, 2025 from ₹130.82 lakhs in financial year ended March 31, 2024, primarily due to commencement of production at phase one of Bavla Unit.

Financial Costs

Finance costs increased by 14.77% from ₹142.20 lakhs in the financial year ended March 31, 2024, to ₹163.43 lakhs in the financial year ended March 31,2025, primarily due to increase in working capital and long-term borrowings during the financial year ended March 31, 2025. Interest on working capital and term loan increased to ₹113.20 lakhs in financial year ended March 31, 2025 from ₹66.82 lakhs in financial year ended March 31, 2024. Further, interest on business loans increased to ₹34.05 lakhs from ₹4.35 lakhs in financial year ended March 31, 2025 as compared to financial year ended March 31, 2024.

Depreciation and amortization expenses

Depreciation and amortization expenses increased by 25.19 % from ₹63.47 lakhs in financial year ended March 31, 2024, to ₹79.46 lakhs in financial year ended March 31, 2025, primarily due to addition in plant & machinery, factory building, electrification, furniture & fixtures, other assets of ₹2,985.05 lakhs in financial year ended March 31,2025, which led to increase in depreciation during financial year ended March 31,2025 as compared to financial year ended March 31,2024.

Administrative, selling & other expenses

Administrative, selling & other expenses increased by 30.02% from ₹1,146.29 lakhs in financial year ended March 31, 2024, to ₹1,490.39 lakhs in financial year ended March 31, 2025, primarily due to increase in, packing material consumed & packing expense from ₹311.99 lakhs to ₹399.03 lakhs, export freight, clearing forwarding & other expense from ₹681.64 lakhs to ₹996.21 lakhs, office & admin expense from ₹7.21 lakhs to ₹12.86 lakhs, postage & telephone from ₹1.25 lakhs to ₹1.47 lakhs, auditor's remuneration from ₹1.05 lakhs to ₹1.75 lakhs, and insurance expense from ₹3.20 lakhs to ₹3.82 lakhs during the financial year ended March 31,2025 as compared to the financial year March 31,2024.

Profit after tax

The profit after tax increased from ₹511.62 lakhs in financial year ended March 31, 2024, to ₹825.90 lakhs for financial year ended March 31,2025, primarily on account of increase in, revenue from operations to ₹5,710.55 lakhs from ₹4,486.73 lakhs, other income to ₹135.41 lakhs from ₹19.38 lakhs during the financial year ended March 31,2025 as compared to financial year March 31,2024. Further, with higher production and a reduction in cost of goods sold as a percentage of sales, the Company benefited from economies of scale. This led to improved profitability in financial year ended March 31,2025 compared to financial year 31,2024, supported by the commencement of phase one operations at the Bavla Unit and increased output from the existing facility.

Financial Year 2024 compared to Financial Year 2023

Total Income

Our total income decreased by 3.10% from ₹4,650.19 lakhs in financial year ended March 31, 2023, to ₹4,506.11 lakhs in financial year ended March 31, 2024, primarily due to reasons as discussed below:

Revenue from operations

Our revenue from operations decreased by 1.91% from ₹4,574.21 lakhs in financial year ended March 31, 2023, to ₹4,486.73 lakhs in financial year ended March 31, 2024, primarily due to reduced average selling price of the products from ₹34.96 per kg in financial year ended March 31,2023 to ₹27.99 per kg in financial year ended March 31,2024 which led to reduction in absolute value of sales. However, total quantity of finished goods sold increased to 15,916.80 MT in financial year ended March 31,2024 from 13,004.69 MT in financial year ended March 31,2023.

Other Income

Other Income decreased by 74.49% from ₹75.98 lakhs in financial year ended March 31, 2023, to ₹19.38 lakhs in financial year ended March 31,2024 primarily due to reduction in foreign exchange gain from ₹45.84 lakhs to ₹14.68 lakhs and interest income from ₹26.36 lakhs to ₹0.60 lakhs, during the financial year March 31,2024 as compared to financial year March 31,2023.

Expenses

Total expenses decreased by 4.64 % from ₹ 4,005.99 lakhs in financial year ended March 31, 2023, to ₹ 3,820.00 lakhs in financial year ended March 31,2024 primarily due to reasons as discussed below:

Cost of materials consumed

Cost of materials consumed decreased by 19.26% from ₹2,527.59 lakhs in financial year ended March 31, 2023, to ₹2,040.82 lakhs in financial year ended March 31, 2024, primarily due to decrease in average prices of raw materials from ₹15.79 per kg in financial year ended March 31,2023 to ₹10.60 per kg in financial year ended March 31, 2024 which led to subsequent reduction in sales price.

Purchase of stock-in-trade

Purchase of stock-in-trade increased by 100% from Nil in financial year ended March 31, 2023 to ₹34.70 lakhs in financial year ended March 31, 2024.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress decreased by ₹9.18 lakhs from ₹(4.55) lakhs in financial year ended March 31, 2023, to ₹4.63 lakhs in financial year ended March 31, 2024, primarily due to increase in closing inventories of finished goods.

Employee benefits expenses

Employee benefits expenses increased by 3.17% from ₹159.83 lakhs in financial year ended March 31, 2023, to ₹164.90 lakhs in financial year ended March 31, 2024, primarily due to increase in salaries & wages, contribution to provident fund, and staff welfare expenses.

Manufacturing expenses

Manufacturing expense decreased by 4.00% from ₹232.07 lakhs in financial year ended March 31, 2023, to ₹222.79 lakhs in financial year ended March 31, 2024, primarily due to decrease in freight inward, custom duty and other expenses from ₹138.55 lakhs in financial year ended March 31,2023 to ₹97.26 lakhs in financial year ended March 31,2024.

Financial costs

Finance costs increased by 97.86% from ₹71.97 lakhs in the financial year ended March 31, 2023, to ₹142.40 lakhs in the financial year ended March 31,2024, primarily due to increase in working capital and long-term borrowings during the financial year ended March 31, 2024. Interest on working capital and term loan increased to ₹66.82 lakhs in financial year ended March 31, 2024 from ₹30.65 lakhs in financial year ended March 31, 2023. Further, bank charges & loan processing charges increased to ₹46.25 lakhs in financial year ended March 31, 2024 from ₹9.52 lakhs in financial year ended March 31, 2023.

Depreciation and amortization expenses

Depreciation and amortization expenses increased by 12.24 % from ₹56.55 lakhs in financial year ended March 31, 2023, to ₹63.47 lakhs in financial year ended March 31, 2024, primarily on account of addition in plant & machinery, vehicles, furniture & fixtures, other assets of ₹178.09 lakhs in financial year March 31,2023. In financial year ended March 31,2024, full year depreciation was calculated which led to increase in depreciation.

Administrative, selling & Other expenses

Administrative, selling and other expenses increased by 19.09% from ₹962.53 lakhs in financial year ended March 31, 2023, to ₹1,146.29 lakhs in financial year ended March 31, 2024, primarily due to increase in, packing material consumed & packing expense from ₹277.54 lakhs to ₹311.99 lakhs, export freight, clearing forwarding & other expense from ₹547.25 lakhs to ₹681.64 lakhs, office & admin expense from ₹6.32 lakhs to ₹7.12 lakhs, travelling, conveyance & vehicle expenses from ₹33.54 lakhs to ₹44.20 lakhs, legal & professional charges from ₹7.89 lakhs to ₹29.13 lakhs, rent, rates & taxes from ₹14.07 lakhs to ₹21.46 lakhs and auditor remuneration from ₹0.90 lakhs to ₹1.05 lakhs during the financial year ended March 31,2024 as compared to the financial year March 31,2023.

Profit after tax

The profit after tax increased from ₹460.21 lakhs in financial year ended March 31, 2023, to ₹511.62 lakhs for financial year ended March 31,2024, primarily due to decrease in, cost of raw materials consumed from ₹2,527.59 lakhs to ₹2,040.82 lakhs, manufacturing expenses from ₹232.07 lakhs to ₹222.79 lakhs. Further, with higher production and a reduction in cost of goods sold as a percentage of sales, the Company benefited from economies of scale. This led to improved profitability in financial year ended March 31,2024 compared to financial year 31,2023.

SELECTED RESTATED STATEMENT OF ASSETS AND LIABILITIES

The table below sets forth the principal components of our total assets, equity and liabilities as at the periods indicated in the table below:

(₹ in lakhs)

Particulars	March 31,2025	March 31,2024	March 31,2023
Total Shareholder’s funds	2,586.33	1,760.43	1,248.81
Total Non-Current Liabilities	1,280.94	1,377.67	193.75
Total Current Liabilities	2,737.09	2,130.52	1,314.17
Total Equity and Liabilities	**6,604.36**	**5,268.62**	**2,756.73**
Total Non-current Assets	4,476.27	2,915.82	1,037.20
Total Current Assets	2,128.09	2,352.80	1,719.53
Total Assets	**6,604.36**	**5,268.62**	**2,756.73**

Our shareholder's fund increased from ₹1,248.81 lakhs as at March 31, 2023, to ₹1,760.43 lakhs as at March 31, 2024, and to ₹2,586.33 lakhs as on March 31, 2025. Increase in fiscal 2024 and fiscal 2025 was primarily on account of profit after tax for the financial year ended March 31, 2024, amounting to ₹511.62 lakhs and profit after tax for the financial year ended March 31, 2025, amounting to ₹825.90 lakhs.

Our total non-current liabilities increased from ₹193.75 lakhs as at March 31, 2023 to ₹1,377.67 lakhs as at March 31, 2024 primarily on account of increase in long term borrowings from ₹105.92 lakhs as at March 31, 2023 to ₹ 1,299.26 lakhs as at March 31, 2024 and increase in long term provisions from ₹12.16 lakhs as at March 31, 2023 to ₹14.62 lakhs as at March 31, 2024. Our total non-current liabilities decreased to ₹1,280.94 lakhs as at March 31, 2025, which was primarily on account of decrease in long term borrowings from ₹1,299.26 lakhs to ₹1,150.78 lakhs. However, the deferred tax liabilities increased from ₹31.01 lakhs to ₹71.65 lakhs; long term provisions increased from ₹14.62 to ₹25.73 lakhs and other long-term liabilities remained constant at ₹ 32.78 lakhs.

Our total current liabilities (i) increased from ₹1,314.17 lakhs as at March 31, 2023, to ₹2,130.52 lakhs as at March 31, 2024; (ii) increased from ₹2,130.52 lakhs as at March 31, 2024, to ₹2,737.09 lakhs as on March 31, 2025. The short term borrowings increased from ₹456.60 lakhs as on March 31, 2023 to ₹1,134.79 lakhs as on March 31, 2024 and further increased to ₹1,387.25 lakhs as on March 31, 2025; Trade payables increased from ₹601.52 lakhs as on March 31, 2023 to ₹707.32 lakhs as on March 31, 2024 and further increased to ₹1,041.19 lakhs as on March 31, 2025; Other current liabilities increased from ₹56.64 lakhs as on March 31, 2023 to ₹89.58 lakhs as on March 31, 2024 but decreased to ₹62.79 lakhs as on March 31, 2025; Short term provisions decreased from ₹199.41 lakhs as on March 31, 2023 to ₹198.83 lakhs as on March 31, 2024 but then increased to ₹245.86 lakhs as on March 31, 2025.

Our total non-current assets increased from ₹1,037.20 lakhs as at March 31, 2023, to ₹2,915.82 lakhs as at March 31, 2024 and further increased to ₹4,476.27 lakhs as at March 31, 2025. Increase in non-current assets was primarily on account of increase in property, plant & equipment from ₹846.51 lakhs as at March 31, 2023 to ₹1,040.79 lakhs as at March 31, 2024 and further to ₹4,125.81 lakhs as at March 31, 2025; non-current investments remained constant at ₹63.96 lakhs as at March 31, 2023 and March 31, 2024 but decreased to ₹ 61.17 lakhs as at March 31, 2025; increase in long term loans and advances from ₹256.94 lakhs as at March 31, 2023 to ₹274.37 lakhs as at March 31, 2024 and decrease to ₹136.18 lakhs as at March 31, 2025; and increase in other non-current assets from ₹11.60 lakhs as at March 31, 2023 to ₹25.66 lakhs as at March 31, 2024 and decrease to ₹22.45 lakhs as at March 31, 2025.

Our total current assets increased from ₹1,719.53 lakhs as at March 31, 2023, to ₹2,352.80 lakhs as at March 31, 2024, ₹2,128.09 lakhs as at March 31, 2025. The increase was primarily on account of the increase in trade receivables from ₹1,078.78 lakhs as at March 31, 2023, to ₹1,188.70 lakhs as at March 31, 2024, and ₹1,567.93 lakhs as at March 31, 2025. The inventories increased from ₹56.93 lakhs as at March 31, 2023, to ₹62.29 lakhs as at March 31, 2024, then increased to ₹233.99 lakhs as at March 31,2025. The short-term loans and advances increased from ₹577.96 lakhs as at March 31, 2023, to ₹952.56 lakhs as at March 31, 2024 and then decreased to ₹314.91 lakhs as at March 31,2025.

Cash flows

The following table sets forth our cash flows for the period indicated:

(₹ in lakhs)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net cash flow from/ (used in) operating activities	1,532.43	347.38	312.24
Net cash flow from/ (used in) investing activities	(1,610.96)	(1,933.13)	(541.72)
Net cash flow from/ (used in) financing activities	(59.46)	1,729.14	229.48
Net increase/decrease) in cash and cash equivalents	**(137.99)**	**143.39**	**-**
Cash and cash equivalents at the beginning of the year	149.25	5.86	5.86
Cash and cash equivalents at the end of the year	**11.26**	**149.25**	**5.86**

Operating Activities

Financial Year 2024-25

Our net cash generated from operating activities was ₹1,532.43 lakhs for the financial year ended March 31, 2025. Our operating profit before changes in working capital changes was ₹1,328.99 lakhs which was primarily adjusted against increase in trade receivables, trade payables, inventories, other current liabilities and long-term provisions by ₹379.23 lakhs, ₹333.88 lakhs, ₹171.69 lakhs, ₹26.79 lakhs and ₹3.23 lakhs, respectively and decrease in short-term loans and advances, other non-current assets and short-term provision by ₹659.42 lakhs, ₹3.21 lakhs and ₹3.17 lakhs, respectively.

Financial Year 2023-24

Our net cash generated from operating activities was ₹347.38 lakhs for the financial year ended March 31, 2024. Our operating profit before changes in working capital changes was ₹894.24 lakhs which was primarily adjusted against increase in trade receivables, trade payables, inventories, short-term loans and advances, other non-current assets and long term provisions by ₹109.92 lakhs, ₹105.79 lakhs, ₹5.37 lakhs, ₹422.15 lakhs, ₹14.06 lakhs and ₹0.69 lakhs, respectively and decrease in other current liabilities and short-term provisions by ₹32.95 lakhs and ₹0.69 lakhs , respectively.

Financial Year 2022-23

Our net cash generated from operating activities was ₹312.24 lakhs for the financial year March 31, 2023. Our operating profit before changes in working capital was ₹776.48 lakhs, which was primarily adjusted against increase in trade receivables, trade payables, short-term loans and advances, other non-current assets and long-term provisions by ₹481.90 lakhs, ₹226.33 lakhs, ₹56.40 lakhs, ₹6.30 lakhs and ₹2.40 lakhs, respectively and decrease in other current liabilities, inventories and short-term provisions by ₹13.01 lakhs, ₹9.75 lakhs and ₹0.06 lakhs, respectively.

Investing Activities

Financial Year 2024-25

Our net cash used in investing activities was ₹1,610.96 lakhs for the financial year ended on March 31, 2025. It was on the account of purchase of property, plant and equipment amounting to ₹1,784.14 lakhs which was offset by proceeds from sale of investments amounted to ₹34.48 lakhs, interest income of ₹0.46 lakhs, dividend income of ₹0.06 lakhs and reduction in long term loans and advances amounted to ₹138.18 lakhs.

Financial Year 2023-24

Our net cash used in investing activities was ₹1,933.13 lakhs for the financial year ended on March 31, 2024. It was on the account of purchase of property, plant and equipment amounting to ₹1,910.58 lakhs, increase in long term loans and advances amounting to ₹17.43 lakhs and repayment of long-term liabilities amounting to ₹6.00 lakhs which was offset by interest income and dividend income of ₹0.82 lakhs and ₹0.06 lakhs, respectively.

Financial Year 2022-23

Our net cash used in investing activities was ₹541.72 lakhs for the financial year ended March 31,2023. It was on account of purchase of property plant and equipment amounting to ₹306.25 lakhs and increase in long term loans & advances amounting to ₹242.33 lakhs which was offset by sale of property plant and equipment of ₹6.75 lakhs, interest income of ₹0.05 lakhs and dividend income of ₹0.06 lakhs.

Financing Activities

Financial Year 2024-25

Net cash used in financing activities for the financial year ended March 31,2025 was ₹59.46 lakhs which was on account of repayment of long-term borrowings of ₹69.58 lakhs, repayment of borrowings from directors and relatives amounting to ₹78.89 lakhs and incurred an interest/finance cost of ₹163.44 lakhs which was offset by proceeds from short term borrowings amounted to ₹252.45 lakhs.

Financial Year 2023-24

Net cash generated from financing activities for the financial year ended March 31,2024 was ₹1,729.14 lakhs which was on account of proceeds from long term borrowing, proceeds from short term borrowing, proceeds of borrowings from directors & relatives, amounting to ₹1,076.68 lakhs, ₹678.20 lakhs and ₹116.66 lakhs, respectively. The amount of interest paid during the year amounted to ₹142.40 lakhs.

Financial Year 2022-23

Net cash generated from financing activities for the financial year ended March 31, 2023, was ₹229.48 lakhs which was on account of proceeds from long term borrowings and short terms borrowings amounting to ₹52.09 lakhs and ₹249.34 lakhs, respectively. The amount of interest for the year amounted to ₹71.95 lakhs.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rates. In the normal course of business, we are exposed to certain market risks including interest risks.

Interest rate risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. We mitigate risk by structuring our borrowings to achieve a reasonable, competitive cost of funding. There can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Liquidity risk

Adequate and timely cash availability for our operations is the liquidity risk associated with our operations. Our Company's objective is to all time maintain optimum levels of liquidity to meet its cash and collateral requirements. We employee prudent liquidity risk management practices which inter-alia means maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

Credit Risk

We are exposed to the risk that our counterparties may not comply with their obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables.

We consider our customers to be creditworthy counterparties, which limits the credit risk, however, there can be no assurance that our counterparties may not default on their obligations, which may adversely affect our business and financial condition.

Material Frauds

There is no material frauds committed against our Company in the last three financials year.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Draft Red Herring Prospectus, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "***Risk Factors***" on page 31 of this Draft Red Herring Prospectus.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the section titled "***Risk Factors***" and chapter titled "***Management's Discussion and Analysis of Financial Position and Results of Operations***" on pages 31 and 269, respectively, of this Draft Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Future changes in the relationship between costs and revenues

Other than as described in the section titled "***Risk Factors***" and chapter titled "***Management's Discussion and Analysis of Financial Position and Results of Operations***" on pages 31 and 269 respectively, and elsewhere in this Draft Red Herring Prospectus, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation, government policies and other economic factors.

New products or Business segments

Except as disclosed in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products/ services or business segment.

Seasonality of Business

Except as mentioned in this chapter, our business is not subject to seasonal variations.

Significant Dependence on a Single or Few Suppliers or Customers

For fiscal 2025, fiscal 2024 and fiscal 2023, our top five customers accounted for 47.37%, 45.65%, and 52.47%, respectively, and our largest customer accounted for 15.10%, 11.33% and 12.88% of our revenue from operations, respectively.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions see "***Restated Financial Information***" on page 224.

Material Developments subsequent to March 31, 2025

Except as disclosed below, no circumstances have arisen since March 31, 2025, the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially or adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months:

1. The authorised share capital of the Company was increased from ₹75.00 lakhs to ₹1,700.00 lakhs vide Extraordinary General Meeting dated June 17,2025.
2. Our Company has allotted 95,40,000 Equity Shares pursuant to bonus issue in the ratio of 15:1 (i.e.,15 fully paid-up equity shares for 1 Equity Share held by shareholders) on August 22, 2025.
3. The Company has issued 13,80,200 equity shares of face value of ₹10 each at a price of ₹90.00 amounting to ₹1,242.18 lakhs on September 17,2025 on private placement basis.

FINANCIAL INDEBTEDNESS

(₹ in lakhs)

Category of Borrowings	Sanctioned Amount	Amount outstanding as on March 31,2025
A) Long-term borrowings		
Secured	**4,660.17**	**1,273.90**
Term Loans from Banks & Financial Institutions	4,570.00	1232.68
Vehicle Loans from Banks & Financial Institutions	90.17	41.22
Unsecured	**300.00**	**227.87**
Loans and Advances from related parties	-	37.77
Intercorporate Deposits	-	-
Loans and Advances from Banks & Financial Institutions	300.00	190.10
Sub Total (A)	**4,960.17**	**1,501.77**
B) Short-term borrowings		
Secured		
Working capital facilities from Banks	2,000.00	911.05
Working capital facilities from Financial Institutions	100.00	125.21
Sub Total (B)	**2,100.00**	**1,036.26**
TOTAL (A)+(B)	**7,060.17**	**2,538.03**

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Sr. No.	Name of the Lender	Nature of Borrowings	Sanctioned Amount as on March 31,2025 (₹ in lakhs)	Nature of loan (Secured/ Unsecured)	Outstanding Amount as on March 31, 2025 (₹ in lakhs)	Interest Rate p.a./Commission	Security/Margin	Period of Repayment (Months/days)
1.	State Bank of India	Loan for acquisition of Plant and Machinery-Term loan I	1,120.00	Secured	1,011.11	11.65%	Refer Appendix 1	Loan of ₹1,120 Lacs repayable in 71 monthly installment of ₹15,55,555/- each excluding Interest and 1 installment of ₹15,55,595/- excluding interest starting from June 10, 2024 to June 10,2030. (Moratorium period of 12 months from June 10,2023 to May 10,2024).
		Loan for acquisition of Plant and Machinery- Term loan II	50.00	Secured	26.90	11.65%		Loan of ₹50.00 Lacs repayable in 46 monthly installment of ₹1,10,000/- each excluding interest and 1 installment of ₹50,000/- each excluding interest starting from June 10,2023 to May 10,2027).
		Working capital - Cash credit	1,200.00	Secured	911.05	10.90%	First & exclusive charge over stock and trade receivables and other current assets of the company both present and future.	Repayable on Demand
2.	HDFC Bank Limited	Term loan-I	1,150.00	Secured	194.67	9.50%	Refer Appendix - I	Repayable in 84 monthly instalments starting from February 07,2025 including interest.
		Term loan-II	2,250.00	Secured	-	9.50%		Repayable in 84 monthly instalments
		Cash Credit	500.00	Secured	-	9.50%		Repayable on demand
		PSR	300.00	Secured	-	-		Repayable on demand
3.	HDFC Bank	Business loan	50.00	Unsecured	36.87	14.00%	Not Applicable	Repayable by 36 monthly

Sr. No.	Name of the Lender	Nature of Borrowings	Sanctioned Amount as on March 31,2025 (₹ in lakhs)	Nature of loan (Secured/ Unsecured)	Outstanding Amount as on March 31, 2025 (₹ in lakhs)	Interest Rate p.a./Commission	Security/Margin	Period of Repayment (Months/days)
	Limited							instalments of ₹1,70,889/- including interest.
4	L & T Finance Holdings Limited	Business loan	75.00	Unsecured	55.47	14.70%	Not Applicable	Repayable by 36 monthly instalments of ₹2,59,073/- including interest.
5.	Standard Chartered Bank	Working capital demand loan	100.00	Unsecured	57.84	15.00%	Not Applicable	Repayable by 24 monthly instalments of ₹4,84,867/- including interest.
6.	Kotak Mahindra Bank	Business loan	75.00	Unsecured	39.92	14.90%		Repayable by 24 monthly instalments of ₹3,60,100/- including interest.
7.	HDFC Bank Limited vehicle loan	Vehicle loan	81.17	Secured	37.21	6.85%	Hypothecation of vehicle	Repayable by 60 monthly instalments of ₹1,60,153/- including interest.
8.	HDFC Bank Limited	Vehicle loan	9.00	Secured	4.01	8.90%	Hypothecation of vehicle	Repayable by 39 monthly instalments of ₹26,660/- including interest.
9.	Oxyzo Financial Services Private Limited	Dropline overdraft - Working capital	100.00	Unsecured	125.21	15.25%	1. A demand promissory note and a letter of continuity. 2.Security cheque/s 3.NACH Mandate	Repayable on Demand
10.	Avnish Patel	Unsecured loan	-	Unsecured	12.54	-	Not Applicable	Repayable on demand
11.	Manojkumar Patel	Unsecured loan	-	Unsecured	25.23	-	Not Applicable	Repayable on demand
	Total		**7,060.17**		**2,538.03**			

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Appendix – I

<table>
<tr><th>Sr. No.</th><th>Name of Lender</th><th>Security Provided</th></tr>
<tr><td>1</td><td>State Bank of India</td><td>Primary Security:
1. Exclusive charge over stock and receivables and other current assets in the name of the company both present and future.
2. Exclusive charge by hypothecation of plant and machinery of the company (existing and proposed to be purchased)
3. Equitable mortgage of Plot No.2015, Phase III GIDC, Vatva, Ahmedabad, Gujarat admeasuring total Plot area of 1140.00 sq mt in the name of Shanti Inorgo Chem Pvt ltd.
4. Equitable mortgage of Plot No. 5/A & 5/B Sankalp Industrial Estate, Village: Chiyada, Taluka.: Bavla, Ahmedabad admeasuring total Plot area of 8601.10 sq.mt in the name of Shanti Inorgo Chem Pvt Ltd.

Personal and Corporate Guarantee:
Personal Guarantee:
1. Manojkumar Patel
2. Avnish Patel

Restrictive/Negative covenants:

The Company / Guarantors will not, without the Bank's prior permission in writing: Effect any change in the Unit's capital structure.
1. Effect any change in the Unit’s capital structure
2. Implement any scheme of expansion / modernization / diversification / renovation or acquire any fixed assets during any accounting year, except such schemes which have already been approved by the Bank.
3. Formulate any scheme of amalgamation or reconstruction.
4. Invest by way of share capital or lend or advance funds to or place deposits with any other concern, including sister / associate / family / subsidiary/ group concerns. However, normal trade credit or security deposits in the normal course of business or advances to employees can be excluded.
5. Enter into borrowing arrangements either secured or unsecured with any other bank, Financial Institution, company or person.
6. Undertake guarantee obligations on behalf of any other company, firm or person.
7. Declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligations.
8. Effect any drastic change in their management setup.
9. Effect any change in the remuneration payable to the Directors / Partners, etc. either in the form of sitting fees or otherwise.
10. Pay guarantee commission to the guarantors whose guarantees have been stipulated I furnished for the credit limits sanctioned by the Bank.
11. Create any further charge, lien or encumbrance over the assets and properties of the Unit / Guarantors to be charged I charged to the Bank in favour of any other bank, Financial Institution, firm or person.
12. Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank.
13. Undertake any trading activity other than the sale of produce arising out of its own manufacturing/trading operations.
14. Open any account with any other bank. If already opened, the details thereof is to be given immediately and a confirmation to this effect given to the Bank.</td></tr>
<tr><td>2.</td><td>HDFC Bank Limited</td><td>Primary:
Plant and Machinery, Stock, Debtors, Margin FD 25%, Margin FD 75%, Export Stock, Export Debtors</td></tr>
</table>

Sr. No.	Name of Lender	Security Provided
		Collateral: Personal guarantees of Avanishkumar Manojkumar Patel and Manojbhai Jayantibhai Patel, margin FD 25%, margin FD 75% **Property Details:** 1. Industrial Property: Block No. 321, Plot No.6, Sankalp Industrial Estate, Bavla - 382220, Ahmedabad 2. Industrial Property: Block No. 321, Plot No.7, Sankalp Industrial Estate, Bavla - 382220, Ahmedabad. **Restrictive/Negative covenants:** The Borrower shall not, without the prior written consent of the Bank: i. Create or permit to subsist any Encumbrance over all or any of the present or future properties, assets (whether movable or immovable, tangible or intangible) or revenues or receivables of the Borrower including the Secured Assets in favour of any persons. ii. Create, incur or assure any further borrowings, accept any deposits, whether secured or unsecured from any person whether bank or financial institution or otherwise or assume guarantee or stand as surety, endorse or in any manner become directly or contingently liable for or in connection with the Obligation of any person or issue any letter of comfort on behalf of any person (including any group companies). iii. Allow its proprietor/ partner/ promoter, as the case may be, to withdraw the capital invested by them in the proprietary concern/ partnership firm/ company, as the case may be, during the currency of this Facility. iv. Pay any monies by way of interest or any other obligations under any unsecured facilities from any bank or financial institution or otherwise so long as there are any monies owed by and due from the Borrower to the Bank. v. Voluntarily or involuntarily sell, transfer, grant, lease or otherwise dispose of or deal with; all or substantially all of its properties or assets or any division thereof in favour of any persons. vi. Invest by way of share capital or in any other manner in any other person, entity or concern or lend or advance funds to or place deposits with any other concern (including group companies) or issue guarantee or stand surety for any person. vii. Bring about any change, whether directly or indirectly, in the management and control of the Borrower, and in the event the Bank gives its consent to the Borrower to carry out such change, the Bank reserves the right to review the terms of the Facility. viii. Induct a person, into its Board of Directors (where the Borrower is a Company), who is a promoter or director on the Board of a company which has been identified as a wilful defaulter or a person who has been declared as a wilful defaulter by any Bank/Financial Institution. In case such a person is already a member of the Board of Directors, the Borrower would take expeditious and effective steps for the removal of that person from the Board of Directors. ix. Withdraw from its business, any unsecured loans brought in by directors/ partners/ proprietor/ co-parceners, relatives and friends (as the case may be), during the tenure of this Facility. x. formulate or permit or effect, any buy-back, de-merger, reduction in capital, sale of any undertaking, reorganization, scheme, arrangement or compromise with its creditors or shareholders, or any scheme of amalgamation or reconstruction; provided that this provision shall not prohibit the repurchase of stock of former employees, directors or consultants pursuant to stock repurchase agreements. xi. Effect or permit a) the winding-up or dissolution of the Borrower; or b) the appointment of a liquidator, administrator, trustee or receiver or similar

Sr. No.	Name of Lender	Security Provided
		officer or institution over the Borrower or the whole or any part of their undertaking, assets and/or properties; or c) in the event the Borrower is a partnership firm, the retirement of any of the partners. xii. Subject to the other provisions of this Agreement, amend, effect any amendment or allow any amendment to be made to the constitutional documents of the Borrower where such amendment could negatively impact the payment of any Obligations. xiii. Seek the release of Security created by the Borrower and where applicable, shall ensure that the Security Provider shall not seek the release of the Security created by him, so long as there are any outstandings owed by any entity which may be a related party or an affiliate of the Borrower, to the Bank even after all Obligations have been met by the Borrower. xiv. Effect any change in the borrower's capital structure or share holding pattern or effect any change in the management set up (including resignation of promoter directors) or ownership interest structure where the shareholding by the existing promoter(s) or capital control or ownership interest of the partners including managing partner (as the case may be), directly or indirectly, legally or beneficially, gets diluted below the present level in any manner whatsoever; xv. Undertake any new project, implement any scheme of expansion/diversification or capital expenditure or acquired fixed assets. xvi. declare any dividend if any installment towards principal or interest remains unpaid on its due date and/or except out of profits relating to that year after making all due and necessary provisions and provided further that such distribution may be permitted only if no event 'of default I breach in financial covenant is subsisting in any repayment obligations to the Bank xvii. Enter into any contractual obligation of a long term nature or which, in the assessment of the Bank, is detrimental to Bank's interest. xviii. Change the practice with regard to remuneration of Directors by means of ordinary, remuneration or commission, scale of sitting fees etc. except where mandated by any legal or regulatory provisions. xix. Undertake any trading activity other than the sale of products arising out of its own manufacturing operations. (Not applicable in case finance is for trading activity only). xx. repay monies brought in by the Promoters I Directors I Principal Shareholders and their friends and relatives by way of deposits, loans and advances. Further, the rate of interest if any, payable on such deposits /loans/ advances should be lower than the rate of interest charged by the Bank on its term loan and payment of such interest will be subject to regular repayment of loans/ facilities granted/ deferred payment guarantees executed by the Bank or other repayment obligations, if any, due from the borrower to the Bank and payment of interest and other monies when due to Bank. xxi. The Borrower shall not pay any commission to the guarantors (if any) for guaranteeing the Loan sanctioned by the Bank to the Borrowers. xxii. The Borrower shall not approach the capital market for mobilizing additional resources either in the form of debt or equity.

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SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except, as stated in this section, there are no outstanding (i) criminal proceedings (including first information reports, whether cognizance has been taken or not, initiated by or against our Company, Directors, Promoters, key managerial personnel, senior management); (ii) outstanding actions taken by regulatory or statutory authorities; (iii) outstanding disciplinary action including penalties imposed by SEBI or Stock Exchanges against the Promoters in the last five (5) financial years, including outstanding action; (iv) Claims related to direct and indirect taxes; or (v)Material Litigation (as defined below); in each case involving our Company, our Promoters or our Directors or Group Company. For the purpose of this section our Company, Promoters, Directors, Group Company, Key Managerial Personnel and Senior Management Personnel shall be called relevant parties ("**Relevant Parties**").*

(a) the monetary amount of the claim made by or against the Company, its subsidiary, Promoters, Directors in any such pending litigation is equal to or in excess of (i) 2 (two) per cent of turnover, as per the last audited financial statements; (amounting to ₹114.21 lakhs) (ii) 2 (two) per cent of net worth, as per the last audited financial statements of the Company (amounting to ₹ 51.81 lakhs) or (iii) 5 (five) per cent of the average absolute value of profit or loss after tax, as per the last three audited consolidated financial statements (amounting to ₹30.44 lakhs); whichever is lower for a complete financial year, as included in the Issue Documents; or

(b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; or

(c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company .

Further, it is clarified that for the purposes of the above, pre-litigation notices received by any of the Relevant Parties, from third parties (other than show cause notices issued by statutory/regulatory/tax authorities or notices threatening criminal action or the first information reports) have not, and shall not, unless otherwise decided by our Board, be considered as material litigation until such time that such Relevant Party, as the case may be, is impleaded as a defendant/s in proceedings before any judicial/arbitral forum.

Further in terms of the Materiality Policy, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Issue Documents, if amounts due to such creditors is following under the below criteria is equal to or exceeds, an amount which is lesser of:

(a) 2% of turnover, as per the last audited financial statements of the listed entity;

(b) 2% of net worth, as per the last audited financial statements of the listed entity, except in case the arithmetic value of the net worth is negative; and

(c) 5% of the average of absolute value of profit or loss after tax, as per the last three audited financial statements of the listed entity included in such Issue Document, as disclosed in the Issue Documents.

Accordingly, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds ₹ 30.44 lakhs.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined in a particular litigation disclosure pertain to that litigation only.

1. LITIGATION INVOLVING OUR COMPANY

(a) Litigation proceedings against our Company:

(i) Criminal Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Company.

(ii) **Civil Proceedings:**

As on the date of this Draft Red Herring Prospectus, there are no material civil litigations against our Company.

(iii) **Outstanding actions by Statutory or Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding action by statutory or regulatory authorities initiated against our Company.

(iv) **Disciplinary action taken by SEBI or Stock Exchanges**

As on the date of this Draft Red Herring Prospectus, no disciplinary action by the SEBI or the Stock Exchanges have been initiated against our Company.

(v) **Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other material litigations initiated against our Company.

(b) **Litigation proceedings by our Company:**

(i) Criminal Proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Company.

(ii) Material Civil Proceedings

As on the date of this Draft Red Herring Prospectus, there are no material civil litigation which have been initiated by our Company.

2. LITIGATION INVOLVING OUR PROMOTERS

(a) **Cases filed against our Promoters:**

(i) **Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Promoters.

(ii) **Material Civil Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil proceedings initiated against our Promoters.

(iii) **Outstanding actions by Statutory or Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Promoters.

(iv) **Disciplinary action against our Promoters by SEBI or any stock exchange in the last five (5) Financial Years.**

No disciplinary action, including penalty imposed by SEBI or stock exchanges has been initiated against our Promoters in the last five (5) Fiscals from the date of this Draft Red Herring Prospectus including any outstanding action.

(v) **Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other material litigations initiated against our Promoters.

(b) **Cases filed by our Promoters:**

(i) **Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoters.

(ii) **Material Civil Litigations**

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Promoters.

3. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS)

(a) **Cases filed against our Directors:**

(i) **Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Directors.

(ii) **Civil Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil proceedings initiated against our Directors.

(iii) **Actions taken by Statutory or Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Directors.

(iv) **Disciplinary action against our Promoters by SEBI or any stock exchange in the last five (5) Financial Years.**

No disciplinary action, including penalty imposed by SEBI or stock exchanges has been initiated against our Directors in the last five (5) Fiscals from the date of this Draft Red Herring Prospectus including any outstanding action.

(v) **Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other material litigations initiated against our Directors.

(b) **Cases filed by our Directors:**

(i) **Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

(ii) **Material Civil Litigations**

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Directors.

4. LITIGATION INVOLVING OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

(a) **Cases filed against our Key Managerial Personnel and Senior Management Personnel**

(i) **Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Key Managerial Personnel and/or Senior Management Personnel.

(ii) **Outstanding actions by Statutory or Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding action by statutory or regulatory authorities initiated against our Key Managerial Personnel and/or Senior Management Personnel.

5. MATERIAL LITIGATION INVOLVING OUR GROUP COMPANIES

As on the date of this Draft Red Herring Prospectus, our Group Companies is not involved in any litigation which has or may have a material impact on our Company.

6. TAX PROCEEDINGS AGAINST OUR COMPANY, PROMOTERS AND DIRECTORS

Set out herein below are details of claims relating to direct and indirect taxes involving our Company, Promoters and Directors:

(₹ in Lakhs)

Nature of claim	Number of claims	Amount involved
Company		
Direct tax	4	7.64*
Indirect tax	Nil	Nil
Promoters		
Direct tax	Nil	Nil
Directors**		
Direct tax	Nil	Nil

** Outstanding demand amount is the total outstanding demand amount for the years 2018 and 2021, excluding the accrued interest.*

***Excluding our Promoters who are also Directors.*

7. OUTSTANDING DUES TO CREDITORS

As on the date of March 31, 2025, our Company has ₹ 428.86 lakhs payable or outstanding towards micro, small and medium enterprises and other creditors.

In terms of the Materiality Policy, the lowest of the following is considered as materiality threshold in terms of Regulation 30(4) of Listing Regulations for determining Material Creditors of our Company:

(a) Two (2) per cent of turnover, as per the last audited financial statements of the Issuer.

(b) Two (2) per cent of net worth, as per the last audited financial statements of the Issuer, except in case the arithmetic value of the net worth is negative.

*(c) Five (5) per cent of the average of absolute value of profit or loss after tax, as per the last three (3) audited financial statements of the Issuer included in such Issue Document, as disclosed in the Issue Documents. ("**Material Creditor**")*

Based on the criterion, creditor of our Company, shall be considered to be material for the purpose of disclosure in this Draft Red Herring Prospectus, if amounts due to such creditor by our Company is equal to, or in excess of ₹30.44 lakhs as at the end of the latest fiscal year in the Restated Financial Information.

The details of amounts outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under 247 Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2025, by our Company, are set out below:

(₹ in Lakhs)

Particulars	**No. of creditors**	**Amount**
Dues to micro, small and medium enterprises (Other Than Material Creditors)	73	184.86
Dues to Material Creditor(s) – MSME	5	244.00
Dues to Material Creditor(s) – Other than MSME	5	372.46
Dues to other creditors	66	239.87
Total outstanding dues to creditors	**149**	**1,041.19**

As per our Materiality Policy, as at March 31, 2025, we had five (5) material creditor classified as MSME and five (5) material creditor classified as non-MSME to whom an aggregate amount of ₹244.00 lakhs and ₹372.46 lakhs was outstanding, respectively. The details pertaining to outstanding dues to the Material Creditors, along with names and amounts involved for each such material creditors are available on the website of our Company at https://shantiinorganics.com

It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, https://shantiinorganics.com would be doing so at their own risk

MATERIAL DEVELOPMENT SINCE MARCH 31, 2025

Other than as stated in the section entitled "***Management's Discussion and Analysis of Financial Position and Results of Operations – Material Developments subsequent to March 31, 2025***" on page 279 of this Draft Red Herring Prospectus, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

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GOVERNMENT AND OTHER STATUTORY APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section "***Risk Factors***" *on page 31 of this Draft Red Herring Prospectus, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see* "***Key Regulations and Policies***" *on page 186 of this Draft Red Herring Prospectus*.

*For Issue related approvals, see "**Other Regulatory and Statutory Disclosures**" on page 296 this Draft Red Herring Prospectus, for incorporation details of our Company, see "**History and Certain Corporate Matters**" on page 199 this Draft Red Herring Prospectus*

Our Company was converted to a public limited company and the name of our Company changed to 'Shanti Inorgo Chem (Guj) Limited'. Thereafter, name of the Company was changed from 'Shanti Inorgo Chem (Guj) Limited' to 'Shanti Inorganics Limited' and we received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Centre dated May 06, 2025. The CIN of our Company is U24100GJ2010PLC059218. Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

I. **Material approvals obtained in relation to the Issue**

a. The Board of Directors has, pursuant to a resolution passed at its meeting held on September 15, 2025, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.

b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on September 16, 2025, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

c. The Company has obtained the in-principle listing approval from the EMERGE Platform of NSE, dated [●] bearing reference number [●].

II. **Material approvals obtained in relation to our business and operations**

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. **Incorporation details of our Company**

a. The Corporate Identity Number of our company is U24100GJ2010PLC059218.

b. Certificate of incorporation dated January 13, 2010, from the Registrar of Companies, Gujarat, issued to our Company under the Companies Act, 1956, in the name of *'Shanti Inorgo Chem (Guj) Private Limited'*.

c. A Fresh Certificate of Incorporation dated January 27, 2025, has been issued by the Registrar of Companies, Central Registration Centre to our Company under the Companies Act, 2013, pursuant to conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from *'Shanti Inorgo Chem (Guj) Private Limited'* to *'Shanti Inorgo Chem (Guj) Limited'*.

d. A Fresh Certificate of Incorporation dated May 06, 2025, has been issued by the Registrar of Companies, Central Registration Centre to our Company under the Companies Act, 2013, pursuant to change in the name of our Company from *'Shanti Inorgo Chem (Guj) Limited' to 'Shanti Inorganics Limited'.*

B. Tax related approvals obtained of our Company

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number	AANCS7800E	Income Tax Department	May 22, 2025	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	AHMS18379E	Income Tax Department	July 1, 2025	Valid till cancelled
3.	Professional Tax Registration Certification (Registered Office)	PRC014400777	Ahmedabad Municipal Corporation, Mahanagar Seva Sadan, Ahmedabad	June 16, 2025	Valid till cancelled
4.	Professional Tax Enrolment Certification (Office)	PEC010676095741	Ahmedabad Municipal Corporation, Ahmedabad	June 12, 2025	Valid till cancelled
5.	Professional Tax Enrolment Certification (Registered Office)	PEC014400852	Ahmedabad Municipal Corporation,	June 18, 2025	Valid till cancelled
6.	GST Registration Certificate	24AANCS7800E2ZE	Goods and Services Tax Department	June 03, 2025	Valid till cancelled

C. Regulatory & Labour / Employment related approvals obtained by our Company:

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
1.	Registration under Employees' Provident Fund and Miscellaneous Provisions Act, 1952	GJVAT0070129000	Employees Provident Fund Organization	August 27, 2025	Valid till Cancelled
2.	ESIC Registration	37-23065-304	Employees' State Insurance Corporation	July 22, 2010	Valid till Cancelled
3.	UDYAM Registration Certificate	UDYAM-GJ-01-0539646	Ministry of Micro, Small and Medium Enterprises, Government of India	August 13, 2025	Valid till cancelled
4.	Legal Entity Identifier	335800GKMGMFCJZ8D328	LEI Registrations India	December 29, 2024	December 29, 2026
5.	Importer-Exporter Code	0808001965	Ministry of Commerce and Industry	June 09, 2025	Valid till cancelled
6.	Certificate of Registration for ISO 9001:2015 (Quality Management System)	14687-Q15-001	Alcumus ISOQAR Limited	August 05, 2025	July 28, 2028
7.	Certificate of Compliance (Compliant of	UQ - 2025052326	UK Certification & Inspection Limited	May 23, 2025	May 22, 2028

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
	HACCP Requirements)				
8.	Certificate of Compliance (Halal Certification)	UQ-2023022729	UK Certification & Inspection Limited	July 7, 2025	February 26, 2026
9.	Certificate of Compliance (Kosher Certificate)	UQ-2025013021	UK Certification & Inspection Limited	July 5, 2025	January 29, 2028
10.	Certificate of Compliance (NSF Registration Guidelines)#	C0757533	NSF International, USA	April 10, 2023	Valid till cancelled
11.	Registration under Gujarat Shops and Establishment (Regulations of Employment and Conditions of Services) Act, 2019	PI/GRDW/20016459/0277319 (GURUDWARA)	Amdavad Municipal Corporation	June 26, 2025	Valid till cancelled

#The approvals are in the previous name of the Company i.e. Shanti Inorgo Chem (Guj) Private Limited. The Company is in the process of changing its name to Shanti Inorganics Limited, in respective approvals.

D. **Approval in relation to our factory outlets**

List of material approvals for the factory outlets of our Companies as on the date of this Draft Red Herring Prospectus:

Sr. No	Location of the Factory	Registration / License Name	Registration / License No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
1.	Manufacturing Unit – I	License to work a factory (Factory License)	1385/24114998/7755	Directorate Industrial Safety & Health, Gujarat State	August 30, 2025	December 31, 2030
		Consolidated Consent and Authorization under Section 25 of the water Act 1974 and Section 21 of Air Act, 1981 and Environment Protection Act, 1986#	GPCB/ABC/CCA/VT-39C27/ID-13717/785778	Gujarat Pollution Control Board	March 11, 2024	June 30, 2028
		Building Plan Approval	No./GIDC/R.M./ABAD/368	Gujarat Industrial Development Corporation, Vatwa	September 12, 2013	Until Cancelled
2.	Manufacturing Unit II – Phase I	License to work a factory (Factory License)	11610/20119/2024	Directorate Industrial Safety & Health, Gujarat State	September 1, 2025	December 31, 2027

Sr. No	Location of the Factory	Registration / License Name	Registration / License No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
		Certificate for use of a Boiler	GT-13448	Gujarat Boiler Inspection Department	March 5, 2025	March 5, 2026
		Approval of Electrical Installation Act, 1979	No/EI/Ahm-Plan/119312/2024	Office of the Electrical Inspector, Ahmedabad	May 27, 2024	Until Cancelled
		Registration of Generation Sets	A/DGS/DGR/AHM/ 0004481-03-2025	Commissioner of Electricity Duty, Ahmedabad	March 3, 2025	Until Cancelled
		Consent to Establish under Section 25 of the water Act 1974 and Section 21 of Air Act, 1981 and Environment Protection Act, 1986#	CTE NO.126809	Gujarat Pollution Control Board	July 15, 2023	November 22, 2029
		Consolidated Consent and Authorization under Section 25 of the Water Act 1974 and Section 21 of Air Act, 1981 and Environment Protection Act, 1986#	AWH-143558	Gujarat Pollution Control Board	June 13, 2025	March 31, 2026
		Lay-out plan for Non-Agricultural purposes Approval opinion	N.A.B.P./CHIYADA /BAVLA/2023/268	Town Planning & Valuation Department	February 14, 2023	Until Cancelled

#*The approvals are in the previous name of the Company i.e. Shanti Inorgo Chem (Guj) Private Limited. The Company is in the process of changing its name to Shanti Inorganics Limited, in respective approvals.*

III. Intellectual Property

As on the date of this DRHP, there are no trademarks registered in the name of the Company. For details, see *"**Risk Factors – Our Company's logo is not registered as on date of the Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.**"* on page 47.

IV. **Pending Approvals**

a. Applications Made by the Company

Applications made by the Company for change of name from private to public for which the approval is awaited are as follows:

1. Corrigendum application to Gujarat Industrial Development Corporation for Manufacturing Unit I.

Applications made by the Company for obtaining registration and approvals are as follows:

1. FSSAI Registration with application number 10250328107145600;

2. Amendment application to amend Consent to Establish under Section 25 of the water Act 1974 and Section 21 of Air Act, 1981 and Environment Protection Act, 1986 obtained for Manufacturing Unit II - Phase I from GPCB^; and

3. The Company has made the application for the registration of the trademark under the Trademarks Act. The details of the same are as under:

Date of Application	Trademark Holder	Application No.	Class of Registration	Trademark	Status
September 25, 2025	Shanti Inorganics Limited	7256835	1	"SHANTI"	In Process
September 25, 2025	Shanti Inorganics Limited	7256836	1		In Process

^Our capitalisation and utilisation limits as prescribed in Consent to Establish dated July 15, 2023, obtained for Manufacturing Unit II – Phase I shall not be breached by our Proposed Project on Manufacturing Unit II – Phase II. However, vide the amendment application our Company has applied for amendment in the Consent to Establish approval so as to also include Plot No. 6 and Plot No. 7.

b. Applications yet to be made by the Company in relation to Proposed Project:

At various stages of our Proposed Project we shall obtain/apply for the following government approvals–

Sr. No	Registration / License Name	Stage at which approvals are required	Issuing Authority
1.	Approval factory/ building plan layout	Prior to commencement of civil works	Town Planning & Valuation Department
2.	Consent to operate	After completion of plant construction and trial production	Gujarat Pollution Control Board
3.	License to work as a factory (Factory License)	Upon completion of factory set up	Directorate Industrial Safety & Health, Gujarat State
4.	Approval of Electrical Installation Act, 1979	Upon completion of factory set up	Office of the Electrical Inspector, Ahmedabad
5.	Registration of Generation Sets	Upon completion of factory set up	Commissioner of Electricity Duty, Ahmedabad

Further, in relation to government approvals in relation to Proposed Project, please see "***Risk Factor - Our proposed project of capital expenditure relating towards setting up a new facility for manufacturing of sodium meta bisulphite, sodium bisulphite powder and ammonium bisulphite for phase II of Manufacturing Unit - II are subject to the risk of unanticipated delays in implementation and cost overruns***, on page 37.

As on the date of this Draft Red Herring Prospectus, our Company has one registered and valid domain name, i.e., https://shantiinorganics.com.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

1. Our Board of Directors has authorised the Issue by a resolution passed in their meeting held on September 15, 2025.

2. Our Shareholders have approved and authorised the Issue by way of a special resolution passed at their Extra Ordinary General Meeting held on September 16, 2025.

3. This Draft Red Herring Prospectus was approved by our Board through its resolution in its meeting dated September 26, 2025.

In-principle Listing Approval

Our Company has received in-principle approval from NSE for listing of our Equity Shares on the EMERGE platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue pursuant to their letter dated [●], 2025.

Prohibition by the SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group and the persons in control of our Company, as applicable, have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoter, directors or persons in control have been debarred from accessing the capital markets under any order or direction passed by SEBI or any other authority.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.

Neither our Promoters nor any of our Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

As on the date of this Draft Red Herring Prospectus, our Company, our Promoters, and the members of the Promoter Group severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent in force and as applicable as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI ICDR Regulations, as we are an Issuer whose post issue paid-up capital is more than ₹10 crores and will be less than ₹25 crores and we can issue Equity Shares to the public and propose to list the same on the EMERGE platform of NSE.

We further confirm that:

I. In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue shall be 100% underwritten and the Book Running Lead Manager to the Issue will underwrite minimum 15% of the Total Issue Size.

II. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed Allottee's in the issue will be greater than or equal to 200 (two hundred), otherwise, the entire application money will be refunded within 2 (two) days of such intimation. If such money is not repaid within 2 (two) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 2 (two) days, be liable to repay such application money, with interest at the rate of 15% (fifteen percent) per annum. Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

III. In accordance with Regulation 246 the SEBI ICDR Regulations, we shall also ensure that we submit the soft copy of Red Herring Prospectus through the BRLM immediately upon registration of the Red Herring Prospectus with the Registrar of Companies. However, SEBI will not issue any observation on the issue documents. Further, in terms of Regulation 246(3) of the SEBI ICDR Regulations, the Book Running Lead Manager shall submit to the Designated Stock Exchange a due diligence certificate as per the format prescribed by SEBI, along with a site visit report of the Issuer prepared by the BRLM, the Red Herring Prospectus and Prospectus.

IV. In accordance with Regulation 261 of the SEBI ICDR Regulations, we confirm that we will enter into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE EMERGE.

In terms of Regulation 229(3) of the SEBI ICDR Regulations, we confirm that we have fulfilled the eligibility criteria for EMERGE platform of NSE Limited, which are as follows:

(a) The Company was incorporated on January 13, 2010, with the Registrar of Companies, Gujarat, under the Companies Act, 1956 in India.

(b) As on the date of this Draft Red Herring Prospectus, our Company has a total paid up share capital of ₹ 1,155.62 lakhs comprising 1,15,56,200 equity shares of face value of ₹10 each and the post Issue paid up share capital will be of ₹ [●] comprising of [●] equity shares of face value of ₹10 each which is below ₹2,500.00 lakhs.

(c) Our Company was incorporated as "*Shanti Inorgo Chem (Guj) Private Limited*" as a private limited company in Ahmedabad, Gujarat under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated January 13, 2010, issued by the Registrar of Companies, Gujarat. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on January 27, 2025, and the name of our Company changed from "Shanti Inorgo Chem (Guj) Private Limited" to "*Shanti Inorgo Chem (Guj) Limited*". A fresh certificate of incorporation consequent upon conversion from a private limited company to public limited company dated March 1, 2025, was issued by the Registrar of Companies, Central Processing Centre. Further, pursuant to resolutions passed by our Board of Directors in their meeting held on April 4, 2025, and shareholder's resolution passed on April 5, 2025, our Company's name was further changed from "*Shanti Inorgo Chem (Guj) Limited*" to *"Shanti Inorganics Limited"* and a fresh certificate of incorporation dated May 6, 2025, was issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U24100GJ2010PLC059218. For further details in respect of our Company, please refer to "***History and Certain Corporate Matters***" on page 199 this Draft Red Herring Prospectus.

(d) The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations of ₹ 1 crore from operations for any 2 out of 3 financial years preceding the application and its net-worth should be positive.

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement:

(₹ in lakhs)

Description	Years Ended March 31		
	2025	**2024**	**2023**
Profit before Tax	1,103.95	686.11	644.20
Add: Finance Cost	163.43	142.40	71.97
Add: Depreciation and Amortisation Expense	79.46	63.47	56.55
Less: Other Income	(135.41)	(19.38)	(75.98)
Restated Operating Profit / (Loss)	**1,211.43**	**872.60**	**696.74**
Net worth#	**2,586.33**	**1,760.43**	**1,248.81**

 # For the purposes of the above, "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation, each as applicable for the Company on a restated basis.

(e) The Company has positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.

(₹ in lakhs)

Description	Years Ended March 31		
	2025	**2024**	**2023**
Cash flow from operations(1)	1,532.43	347.38	312.24
Less : Purchase of Fixed Assets(2)	(1,784.14)	(1,910.58)	(299.50)
Add : Net Borrowings(3)	103.98	1,871.54	301.43
Less : Interest Expense (net of tax)(4)*	(122.27)	(106.19)	(51.41)
Free Cash to Equity	**(270.00)**	**202.15**	**262.76**

(1) Cash flow from operations is calculated as cash generated from operating activities less income tax paid, as per restated financial statements
(2) Purchase of Fixed Assets is calculated as purchase of property, plant, and equipment (PPE) (including capital work in progress (CWIP)) (–) sale proceeds of PPE and CWIP (if any) (+) Capital Advances (if any).
(3) Net Borrowings is calculated as proceeds from long-term borrowings (-) repayments of long-term borrowings (+) proceeds from short-term borrowings (-) repayments of short-term borrowings
(4) Interest expense (net of tax) is calculated as interest expense on total (i.e., Long term as well as short term) borrowings (x) (1 – effective tax rate). Effective tax rate is calculated as [1-(profit after tax / profit before tax)]
**These figures includes, along with interest on borrowings, finance charges paid for availing credit facilities*

The above calculations are certified by M/s S.N. Shah & Associates, Chartered Accountants by way of their certificate dated September 26, 2025.

(f) Our Company has not been referred to the Board of Industrial and Financial Reconstruction ("**BIFR**").

(g) There is no winding up petition against the Company, which has been admitted by a Court of competent jurisdiction, or a liquidator has not been appointed.

(h) There has been no change in the Promoters of the Company in the preceding one year from date of filing application to NSE for listing on NSE EMERGE.

(i) Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories.

(j) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant Company.

(k) Our Company has a website https://shantiinorganics.com.

(l) The BRLM involved in this issue has not had any instances of their IPO draft offer documents filed with the Exchange being returned in the past 6 months from the date of this Draft Red Herring Prospectus.

(m) The Company has not made any application to the Stock Exchange in last 6 complete months for listing of its securities.

(n) Offer For Sale (OFS) by selling shareholders in the Issue shall not exceed 20% of the total issue size and selling shareholders cannot sell more than 50% of their holding - Not Applicable since there is no Offer for Sale in this Issue.

(o) SME issues shall not be permitted, where objects of the issue consist of repayment of loan from Promoters, Promoter Group or any related party, from the issue proceeds, whether directly or indirectly – Not Applicable since the Net Proceeds from the Issue shall be utilised for repayment to financial institutions.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

(a) The Draft Red Herring Prospectus will be filed with NSE and our Company will make an application to NSE for listing of its Equity Shares on the EMERGE Platform of NSE. NSE will be the Designated Stock Exchange.
(b) Our Company has entered into an agreement dated May 20, 2025 with NSDL and agreement dated July 4, 2025 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
(c) The entire pre-issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
(d) The entire Equity Shares held by the Promoters are in dematerialized form.
(e) The entire fund requirements are to be financed from the Net Fresh Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue. For further details, please refer the chapter titled "***Objects of the Issue***" on page 105 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

(a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
(b) None of our Promoter or Directors are promoters or directors of any other companies which are debarred from accessing the capital markets by the SEBI.
(c) Neither our Company nor our Promoters or Directors are a wilful defaulters or fraudulent borrowers.
(d) None of our Promoters or Directors is a fugitive economic offender.
(e) There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the Company.

Further, in accordance with Regulation 268(1) of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to 200 (two hundred), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within 2 (two) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 2nd (second) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

As per Regulation 229 (4) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

"In case of an issuer, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document": ***Not Applicable***

As per Regulation 229 (5) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

"In cases where there is a complete change of promoter of the issuer or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file draft offer document only after a period of one year from the date of such final change(s)": ***Not Applicable***

As per Regulation 229 (6) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

"An issuer may make an initial public offer, only if the issuer had minimum operating profits (earnings before interest, depreciation and tax) of ₹1 crore from operations for at least two out of the three previous financial years" Our Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹ 1 Crore from operations for at least two out of three previous financial years preceding the application date as per the Restated Financial Statements – Calculation as mentioned in above point (h).

As per Regulation 230(1) of the SEBI ICDR Regulations, our Company has ensured that:

(f) The Draft Red Herring Prospectus will be filed with NSE and our Company will make an application to NSE for listing of its Equity Shares on the EMERGE platform of NSE. NSE will be the Designated Stock Exchange.

(g) Our Company has entered into an agreement dated May 20, 2025 with NSDL and agreement dated July 04, 2025 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.

(h) The entire pre-issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.

(i) The entire Equity Shares held by the Promoters are in dematerialized form.

(j) The entire fund requirements are to be financed from the Net Fresh Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue. For further details, please refer the chapter titled "***Objects of the Issue***" on page 105 of this Draft Red Herring Prospectus.

(k) The size of offer for sale by selling shareholders shall not exceed twenty per cent of the total issue size: **Not Applicable**;

(l) The shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders' pre-issue shareholding on a fully diluted basis: **Not Applicable;**

(m) The objects of the Issue do not consist of repayment of loan taken from Promoters, Promoter Group or any related party, from the Issue Proceeds, directly or indirectly. For further details, please refer the chapter titled "***Objects of the Issue***" on page 105 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Other Disclosures:

We further confirm that:

(a) Neither the stock exchange nor any regulatory authority has taken any material regulatory or disciplinary action in respect of our Promoter in the past one year.
(b) Neither our Company nor our Promoters has defaulted in payment of interest and/or principal to debenture/bond/fixed deposit holders, banks, FIs during the past three years.
(c) There are no litigations record against our Company, Promoters, Directors, KMP and SMP except as

disclosed on page 286 in section "***Outstanding Litigation and Material Developments***".

(d) There are no criminal cases/investigation/offences filed against any Director of our Company.

Compliance with Part A of Schedule VI of The SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER BEING, VIVRO FINANCIAL SERVICES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND / OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Section 26 and Section 32 of the Act.

Disclaimer from our Company and the Book Running Lead Manager

Our Company and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website https://shantiinorganics.com would be doing so at his or her own risk.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on September 26, 2025, and the Underwriting Agreement dated [●] entered into between our Company, and Underwriter, and the Market Making Agreement dated [●] entered into among our Company, Book Running Lead Manager and Market Maker.

All information will be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Company, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Company, and our affiliates or associates for which they have received and may in future receive compensation.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares issued hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Ahmedabad, Gujarat, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be issued or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "**Securities Act**") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus will be submitted to the EMERGE platform of NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, will be included in the Red Herring Prospectus and Prospectus prior to the filing with the RoC.

Filing

The Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed with EMERGE platform of NSE Limited ("**NSE Emerge**") in terms of Regulation 246(2) of SEBI ICDR Regulations.

This Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on this Draft Red Herring Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of this Draft Red Herring Prospectus will be available on website of the Company https://shantiinorganics.com; Book Running Lead Manager www.vivro.net; and Stock Exchange www.nseindia.com.

A copy of the Red Herring Prospectus, along with the material contracts and documents is required to be filed under Section 26 & 32 of the Companies Act, 2013 with the RoC and a copy of the Prospectus is required to be filed under Section 26 of the Companies Act, 2013 with the RoC through the electronic portal at http://www.mca.gov.in.

Listing

Application will be made to NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The EMERGE platform of NSE has given its in-principle approval for using its name in our Issue Documents vide its letter [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE platform of NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within 2 (two) days after our Company becomes liable to repay it (i.e., from the date of refusal or within 15 (fifteen) Working Days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of the 2nd (second) day, be liable to repay the money, with interest at the rate of 15% (fifteen percent) per annum on the application money, as prescribed under Section 40 of the Companies Act.

Our Company will ensure that all steps for completion of necessary formalities for listing and commencement of trading at the EMERGE platform of NSE mentioned above are taken within 3 (three) Working Days from the Issue Closing Date.

Consents

Consents in writing of (a) Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditors, Chartered Engineer, Banker to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Legal Counsel to the Issue, Banker & Sponsor Bank to the Issue*, Monitoring Agency*, Underwriter to the Issue* and Market Maker to the Issue* to act in their respective capacities have been obtained as required under Section 26 of the Companies Act and will be filed along with a copy of the Prospectus with the RoC and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

**The consents will be taken while registering the Red Herring Prospectus with RoC.*

Experts

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

1. Our Company has received written consent dated September 26, 2025, from our Statutory Auditor, M/s S. N. Shah & Associates, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 20, 2025, on our Restated Financial Statements; and (ii) their report dated September 26, 2025 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus; and (iii) various certificates issued by them in relation to this Issue and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

2. Our Company has received written consent dated September 26, 2025 from Dhyanam Vyas & Associates, Practicing Company Secretaries, to include their name as required under Section 26(1) of the Companies Act 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in their capacity as our Practicing Company Secretary; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

3. Our Company has received a written consent dated September 20, 2025 from S. K. Patel, an Independent Chartered Engineer, to include his name as an "expert" as defined under section 2(38) and 26(5) of the Companies Act, 2013 to the extent and in his capacity as the independent chartered engineer and in respect of the certificate issued by him and included in this Draft Red Herring Prospectus.

Particulars regarding Public or Rights Issues during the last 5 (Five) years and performance vis-à-vis objects

Except as disclosed in the section titled ***"Capital Structure – History of Equity Share capital of our Company"*** on page 92 of this Draft Red Herring Prospectus, our Company has not undertaken a public or rights issue as defined under the SEBI ICDR Regulations, in the 5 (five) years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

For a detailed description, please refer to section "***Capital Structure***" on page 91 of this Draft Red Herring Prospectus.

Particulars in regard to the Issuer and other Listed Group Companies/ Subsidiaries/ Associates which made any capital issue during the last three years

Except as disclosed below, our Company and other Listed Group Companies/ Subsidiaries/ Associates either has undertaken a public or rights issue or made any dividend payment during the last three years:

Name of the Company	Bodal Chemicals Limited
Year of Issue	N.A.
Type of Issue (public/rights/composite)	N.A.
Amount of issue	N.A.
Date of closure of issue	N.A.
Date of allotment and date of credit of securities to the demat account	N.A.
Date of completion of the project, where object of the issue was financing the project	N.A.
Rate of dividend paid	1) ₹0.10 (i.e. 5%) per equity share on the equity share of ₹2.00/- each for the financial year 2022-23, amounting to ₹12.58 million to the members whose names appear in register of members as on Book Closure i.e. 23rd September 2023 to 28th September 2023 of Bodal Chemicals Limited. 2) ₹0.80 (i.e. 40%) per equity share on the equity share of ₹2.00/- each for the financial year 2021-2022, amounting to ₹97.99 million to the members whose names appear in register of members as on record date i.e. 24th September 2022 of Bodal Chemicals Limited.

Commission or Brokerage on Previous Issues in last 5 (five) years

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of the Equity Shares in the 5 (Five) years preceding the date of this Draft Red Herring Prospectus.

Particulars regarding Public or Rights Issues during the last 5 (five) years and performance vis-à-vis objects by our Company/ Listed Subsidiaries/ Listed Promoters

Except as disclosed in the section titled ***"Capital Structure – History of Equity Share capital of our Company"*** on page **Error! Bookmark not defined.** of this Draft Red Herring Prospectus, our Company has not undertaken a public or rights issue as defined under the SEBI ICDR Regulations, in the 5 (five) years preceding the date of this Draft Red Herring Prospectus. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiary or listed promoters.

Previous issues of Equity Shares otherwise than for cash

For a detailed description, please refer to section "***Capital Structure***" on page 91 of this Draft Red Herring Prospectus.

Capital issue during the previous 5 (Five) years by our Company/Subsidiaries

Except as disclosed in the section titled "***Capital Structure***" on page 91 of this Draft Red Herring Prospectus, our Company has not made any capital issues during the previous 5 (Five) years.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Price information of past issues handled by the BRLM

Price information of past issues (during the three preceding Financial Years) handled by Vivro Financial Services

Private Limited.

Sr. No.	Issuer Name	Issue Size (in Crore.)	Issue Price (in ₹)	Listing Date	Opening Price on Listing Date (in ₹)	% Change in closing price, (% change in closing benchmark) - 30th calendar day from listing	% Change in closing price, (% change in closing benchmark) - 90th calendar day from listing	% Change in closing price, (% change in closing benchmark) - 180th calendar day from listing
A.	**Main Board IPOs**							
Nil								
B.	**SME IPOs**							
1.	Sattva Engineering Construction Limited	37.37	75	September 03, 2025	95.10	Not Applicable	Not Applicable	Not Applicable
2.	FlySBS Aviation Limited	102.53	225	August 08, 2025	427.50	191.52% [+1.55%]	Not Applicable	Not Applicable
3.	Spunweb Nonwoven Limited	60.97	96.00	July 21, 2025	151.00	+52.19% [+0.24%]	Not Applicable	Not Applicable
4.	Eleganz Interiors Limited	78.07	130.00	February 14, 2025	122.00	-23.54% [-2.32%]	+10.58% [+7.58%]	-0.77% [+6.80%]
5.	Fabtech Technologies Cleanrooms Limited	27.74	85.00	January 10, 2025	161.50	+278.53% [+0.62%]	+287.18% [-4.56%]	+358.65% [+8.19%]
6.	Ganesh Infraworld Limited	98.57	83.00	December 06, 2024	165.55	+102.41% [-2.73%]	+58.31% [-9.48%]	+118.55% [-0.55%]
7.	Shiv Texchem Limited	101.35	166.00	October 15, 2024	239.00	+57.95% [-5.05%]	+84.79 [-5.43]	+37.41% [-8.14%]
8.	Bondada Engineering Limited	42.72	75.00	August 30, 2023	142.50	+123.07% [+0.65%]	+492.33% [+1.36%]	+1,114.73% [+12.38%]

Source: Price Information www.bseindia.com and www.nseindia.com and Issue Information from Prospectus of respective companies.

Note:

1. *The BSE SENSEX and Nifty 50 are considered as the Benchmark Index.*
2. *"Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30th/90th/180th Calendar days from listing.*
3. *"Closing Benchmark" on the listing day of script is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30th/90th/180th Calendar days from listing. Although it shall be noted that for comparing the script with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for script in the manner provided in Note No. 4 below.*
4. *In case 30th/90th/180th day is not a trading day, closing price on BSE or NSE of the previous trading day for the script has been considered, however, if script is not traded on that previous trading day then last trading price has been considered.*

Summary statement of price information of past issues (during the preceding three financial years) handled by Vivro Financial Services Private Limited.

F.Y.	Total no. of IPOs	Total amount of funds raised (₹Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%
(a)	**Main Board IPOs**													

F.Y.	Total no. of IPOs	Total amount of funds raised (₹Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%
2025-26														
2024-25							N.A.							
2023-24														
(b) SME IPOs														
2025-26	3	198.89	N.A.	N.A.	N.A.	2	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2024-25	4	305.73	-	-	1	3	-	-	N.A.	N.A.	1	3	N.A.	N.A.
2023-24	1	42.72	-	-	-	1	-	-	-	-	-	1	-	-

N.A. – Not Applicable

Notes:
1. *Issue opening date is considered for calculation of total number of IPOs in the respective financial year.*
2. *Source: www.bseindia.com and www.nseindia.com*

Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances relating to the Issue, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Application Form was submitted, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID, date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant must enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to the Application submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

In terms of SEBI ICDR Master Circular and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for a delay beyond this period of 15 days. Further, the investors must be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the event of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for the stipulated period. In an event there is a delay in redressal of the investor grievance, the Book Running Lead Manager will compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

For helpline details of the Book Running Lead Manager pursuant to SEBI ICDR Master Circular, see "***General Information – Book Running Lead Manager to the Issue***" on page 79 of this Draft Red Herring Prospectus.

Further, the Applicant must also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Anchor Investors are required to address all grievances in relation to the Issue to the Book Running Lead Manager.

The Registrar to the Issue will obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicant. Our Company, the Book Running Lead Manager and the Registrar to the Issue accepts no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre- Issue or Post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Our Company will obtain authentication on the SCORES and will comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014, in, in relation to redressal of investor grievances through SCORES.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Issue for redressal of routine investor grievances will be seven Working Days from date of receipt of the complaint. In case of non routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Abhik Jain as the Company Secretary and Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue related problems, at the address set forth hereunder:

Abhik Jain

Plot No.-2015, Phase III GIDC, Vatva,
Ahmedabad - 382445, Gujarat, India.
Telephone: +91-97277 52562
E-mail: cs@shantiinorganics.com

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Further, our Company has constituted a Stakeholders' Relationship Committee, which is responsible for review and redressal of grievances of the security holders of our Company. For details, see "***Our Management***" on page 203 of this Draft Red Herring Prospectus.

Other confirmations

Any person connected with the Issue will not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

Conflict of interest between the suppliers of raw materials and third-party service providers

There is no conflict of interest between the third-party service providers (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Senior Management Personnel, Directors and the Group Companies and its directors.

Conflict of interest between the lessor of the immovable properties of the Company

There is no conflict of interest between the lessor of the immovable properties (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Senior Management Personnel, Directors and Group Companies and its directors.

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

As on the date of this Draft Red Herring Prospectus, our Company has not been granted by SEBI, any exemption from complying with any provisions of securities laws.

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this Issue will be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI LODR Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and/or other authorities, as in force on the date of the issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and/or any other authorities while granting its approval for the Issue.

*SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Individual Investors who apply for Minimum Application Size through intermediaries from January 1, 2019. The UPI Mechanism for Individual Investors who apply for Minimum Application Size applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Individual Investors who apply for Minimum Application Size through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days was applicable until further notice pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("**UPI Phase II**"). Thereafter, the final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and made effective on a voluntary basis for all issues opening on or after September 1, 2023, and on a mandatory basis for all issues opening on or after December 1, 2023 ("**T+3 Notification**"). Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Notification.*

THE ISSUE

The Issue comprises of a Fresh Issue and the expenses of the Issue shall be borne by our Company.

For details of the Issue-related expense, see "***Objects of the Issue – Estimated Issue related expenses***" on page 117 of this Draft Red Herring Prospectus

AUTHORITY FOR THE PRESENT ISSUE

This Issue is authorized by a resolution of our Board passed at their meeting held on September 15, 2025, which was subject to approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act. The shareholders on September 16, 2025 at the Extra Ordinary General Meeting of our Company authorized the issue by a special resolution.

RANKING OF EQUITY SHARES

The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being issued pursuant to the Issue will be subject to the provisions of the Companies Act, SEBI LODR Regulations, SEBI ICDR Regulations, SCRA read with SCRR, the Memorandum and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment/transfer in accordance with the provisions of the Companies Act and the Articles of Association. For further details, please refer to chapter "***Description of Equity Shares and Terms of Articles of Association***" on page 367 of this Draft Red Herring

Prospectus.

MODE OF PAYMENT OF DIVIDEND

Our Company will pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act, 2013, the Memorandum and Articles of Association, the Dividend Policy and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. The declaration of dividends will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. Dividends, if any, declared by our Company after the date of Allotment will be payable to the transferee who has been Allotted Equity Shares in the Issue, for the entire year. For more information, see "***Dividend Policy***" and "***Description of Equity Shares and Terms of Articles of Association***" on pages 223 and 367 respectively, of this Draft Red Herring Prospectus.

FACE VALUE, ISSUE PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●]/- per Equity Share and at the higher end of the Price Band is ₹ [●]/- per Equity Share. The Anchor Investor Issue Price is ₹ [●]/- per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLM, published by our Company in all edition of [●] (a widely circulated English national daily newspaper) and all edition of [●] (a widely circulated Hindi national daily newspaper) and Gujarati edition of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located) at least two Working Days prior to the Bid/Issue Opening Date, and shall be made available to the NSE Emerge platform for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares Issued by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with disclosure and accounting norms

Our Company will comply with all disclosures and accounting norms as specified by the SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to all statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI LODR Regulations and our Memorandum and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see "***Description of Equity Shares and Terms of Articles of Association***" on page 367 of this Draft Red Herring Prospectus.

ALLOTMENT ONLY IN DEMATERIALISED FORM

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares will be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares will only be in dematerialized form on the dematerialized segment of the Stock Exchange.

In this context, our Company has executed 2 (Two) separate agreements amongst the Depositories and the Registrar to the Issue as follows:

- Tripartite Agreement dated May 20, 2025, between our Company, NSDL and the Registrar to the Issue.
- Tripartite Agreement dated July 4, 2025, between our Company, CDSL and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made thereunder, and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate shall be in dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, the minimum application size in terms of a number of specified securities will not be less than two lots per Application, provided that the minimum application size shall be above ₹2 lakhs. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares of the face value of ₹10/- each and the same may be modified by the NSE Emerge from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares of the face value of ₹ 10/- each subject to a minimum allotment of [●] Equity Shares of the face value of ₹10/- each to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

For further details, see "***Issue Procedure***" on page 325 of this Draft Red Herring Prospectus.

MINIMUM NUMBER OF ALLOTTEES

In accordance with Regulation 268(1) of the SEBI ICDR Regulations, the minimum number of allottees in this Issue must be two hundred (200) shareholders. In case the minimum number of prospective allottees is less than two hundred (200), no allotment will be made pursuant to this Issue and the monies collected will be refunded within two (2) Working Days of closure of the Issue.

JOINT HOLDERS

Subject to provisions of the Articles of Association, where two or more persons are registered as holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

JURISDICTION

The competent courts/authorities in Ahmedabad, Gujarat, India will have exclusive jurisdiction for the purpose of this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933 ("Securities Act") and may not be issued or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being issued and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and applicable laws of the jurisdiction where the Issue occurs.

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

NOMINATION FACILITY TO INVESTORS

In accordance with Section 72(1) and 72(2) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the sole or first applicant, along with other joint applicants, may nominate any one person in whom, in the event of the death of the sole applicant or in case of joint applicants, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72(3) of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance with Section 72(4) of the Companies Act, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating a nominee. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or at the offices of the Registrar and Transfer Agents of our Company.

In accordance with the Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, must upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other money payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with the Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, he/she is requested to inform their respective Depository Participant.

RESTRICTIONS, IF ANY ON THE TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided in "***Capital Structure***" on page 91 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "***Description of Equity Shares and Terms of Articles of Association***" on page 367 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, that may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for does not exceed the applicable limits under laws or regulations.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

APPLICATION BY ELIGIBLE NRIs, FPIs or VCFs REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be Issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("**FDI**") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

PRE – ISSUE ADVERTISEMENT AND PRICE BAND ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, Regulation 250(4) and Regulation 264(1), our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre- Issue advertisement and price band advertisement, in the form prescribed by the SEBI Regulations, in all edition of [●] (a widely circulated English national daily newspaper) and all edition of [●] (a widely circulated Hindi national daily newspaper) and Gujarati edition of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located). In the pre-Issue and price band advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 and regulation 264 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations. The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make independent investigations and ensure that the number of Equity Shares applied for does not exceed the applicable limits under laws and regulations.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Book Running Lead Manager, reserves the right to not proceed with the Issue, in whole or in part thereof, after the Issue Opening Date but before the Allotment. In such an event, our Company will issue a public notice in the newspapers in which the pre-Issue and price band advertisement are published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, will notify the SCSBs and the Sponsor Bank (in case of bidders who applies using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants and the Escrow Collection Bank to release the application amounts to the Investors, within one (1) Working Day from the date of receipt of such notification. Our Company will also inform the same to the Stock Exchange on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with the Issue, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON(1)	**[●]**
BID/ISSUE CLOSES ON(2)(3)	**[●]**

(1)Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period will open one Working Day prior to the Bid/Issue Opening Date.
(2)Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulation.
(3)UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Date.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]*
Issue Closing Date	[●]**
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Refunds for Anchor Investors/unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat account of the Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

Note –
**Our Company may in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period will open one Working Day prior to the Bid/Issue Opening Date.*
***Our Company may, in consultation with the Book Running Lead Manager consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulation.*

In case of any delay in unblocking amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular and the SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the agreements to be entered into between our Company with the relevant intermediaries, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation of compliance with SEBI ICDR Master Circular.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

In terms of the SEBI ICDR Master Circular, Our Company shall within two days from the closure of the Issue, refund the subscription amount received in case our Company fails to obtain listing or trading permission from the Stock Exchange for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the Issue Procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Issue Period (except the Bid/Issue Closing Date)	
Submission and revision of Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Issue Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Individuals Investors, other than QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/Revision/Cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories#	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 4.00 p.m. IST on Bid/Issue Closing Date
Upward revision of Bids by Individual Investors who apply for Minimum Application Size	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/Issue Closing Date

** UPI mandate end time is at 5:00 p.m. on the Bid/Issue Closing Date.*

 # QIBs and Non-Institutional Bidders could neither revise their bids downwards nor cancel/withdraw their Bids.

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders and

ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual Investors who apply for Minimum Application Size

On Bid/Issue Closing Date, an extension of time could have been granted by the Stock Exchange only for uploading Bids received by Individual Investors who apply for Minimum Application Size, after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/Issue Opening Date until the Bid/Issue Closing Date by obtaining the same from the Stock Exchange. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and, Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, shall be rejected.

Due to the limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and in any case no later than 12:00 pm on the Bid/Issue Closing Date. Any time mentioned in the Red Herring Prospectus is IST. Bidders were cautioned that, in the event, that a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bids may not get uploaded due to lack of sufficient time. Bids and any revision in Bids shall be accepted only during Working Days. The Designated Intermediaries could modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange sent the bid information to the Registrar to the Issue for further processing.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum Application Form, for a particular Bidder, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs/RTAs/DPs/stock brokers, as the case may be, for the rectified data. Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares. In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In case of force majeure, banking strike or similar circumstances, our Company is in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of Syndicate Members by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of the Price Band, the Bid Lot shall remain the same.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue Size shall be achieved before our Company proceeds to get the Basis of Allotment approved by the Designated Stock Exchange.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the Stock Exchange where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from Stock Exchange rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the second day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our Issue will be one hundred per cent underwritten. For details of underwriting arrangement, kindly refer to the chapter titled "***General Information***" on page 77 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, as amended our Company shall ensure that the minimum application size shall not be less than two lots. Provided that the minimum application size shall be above ₹2 lakhs.

Further, in accordance with Regulation 268 of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 200 (two hundred).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO THE MAIN BOARD

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from the SME platform to the main board. The migration policy of NSE was intimated vide circular Download Ref. No.: NSE/SME/26110 dated March 10, 2014, further revised vide circular Download Ref. No. NSE/SME/37551 dated April 18, 2018, NSE/SME/47077 dated January 21, 2021, NSE/SME/56427 dated April 20, 2023 and NSE/SME/61057 dated March 07, 2024 which is effective from April 01, 2024. NSE has further reviewed and revised the migration policy vide Circular No. NSE/CML/67671 dated April 24, 2025 which is effective from May 1, 2025, from NSE EMERGE platform to NSE Main Board as follows:

a) the paid-up equity capital of the company shall not be less than ₹10 crores and the average capitalisation of the company's equity shall not be less than ₹100 crores**;
***Explanation for this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange for 3 months preceding the application date) and the Post Issue number of equity shares.*

b) the Company's revenue from operations be greater than ₹100 Crores in last financial year and should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for atleast 2 out of 3 financial years preceding the migration application;

c) the company should have been listed on the SME platform of the Exchange for at least 3 years;

d) no proceedings have been admitted under the Insolvency and Bankruptcy Code ("**IBC**") against the issuer and Promoting companies;

e) the company has not received any winding up petition admitted by NCLT/ IBC;

f) the net worth* of the company should be at least ₹75 crores;
**Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.*

g) promoter and promoter group shall be holding at least 20% of the Company at the time of making application. Further, as on date of application for migration the holding of Promoter' should not be less than 50% of shares held by them on the date of listing; and

h) total number of public shareholders on the last day of preceding quarter from date of application should be at least 500.

The company desirous of listing its securities on the main board of the Exchange should satisfy additional Exchange requirements, as stated under:

a) there shall be no material regulatory action in the past 3 years like suspension of trading against the applicant company and promoter by any Exchange;

b) there shall be no debarment of company/promoter, subsidiary company by SEBI;

c) there shall be no disqualification/debarment of director of the company by any regulatory authority;

d) the applicant company has no pending investor complaints in SCORES;

e) there shall be a cooling-off period of two months from the date the security comes out of the trade-to-trade category or any other surveillance action imposed by other exchanges where the security is actively listed; and

f) there shall be no default in respect of payment of interest and /or principal to the debenture/bond/fixed deposit holders by the applicant, promoter/ subsidiary company.

MARKET MAKING

The Equity Shares Issued through this Issue are proposed to be listed on NSE Emerge, wherein the Market Maker to this Issue will ensure compulsory Market Making through the registered Market Makers of NSE for a minimum period of 3 years from the date of listing on NSE Emerge. For further details of the agreement entered into between our Company, the Book Running Lead Manager and the Market Maker please refer to the section *"**General Information - Details of the Market Making Arrangement for the Issue**"*, on page 87 of this Draft Red Herring Prospectus.

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ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations, whereby, an Issuer whose post Issue paid-up capital is more than ₹1,000 lakhs and up to ₹2,500 lakhs, may issue shares to the public and propose to list the same on the NSE EMERGE. For further details regarding the salient features and terms of such an issue please refer to the chapter titled "***Terms of the issue***" and "***Issue Procedure***" on pages 309 and 325, respectively of this Draft Red Herring Prospectus.

Initial Public Offer of fresh Issue up to 50,00,000 Equity Shares of face value of ₹10/- each (the "**Equity Shares**") of Shanti Inorganics Limited *(Formerly known as 'Shanti Inorgo (Chem) Guj Limited' and 'Shanti Inorgo (Chem) Guj Private Limited')* for cash at a price of ₹ [●] per Equity Share (the "**Issue Price**"), aggregating to ₹ [●] lakhs (the "**Issue**"). Out of the total Issue, [●] Equity Shares aggregating to ₹ [●] lakhs will be reserved for subscription by market maker ("**Market Maker Reservation Portion**"). The Issue less the market maker reservation portion i.e. Issue of [●] Equity Shares at an Issue Price of ₹ [●] /- per equity share aggregating to ₹ [●] lakhs are hereinafter 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 issue is being made by way of Book Building Process:

Particulars of the Issue	Market Maker Reservation Portion	QIBs(1)	Non-Institutional Applicants	Individual Investors
Number of Equity Shares available for allocation(2)	[●] Equity Shares of face value of ₹10/- each	[●] Equity Shares of face value of ₹ 10/- each	[●] Equity Shares of face value of ₹ 10/- each available for allocation or offer less allocation to QIB Bidders and Individual Investors	[●] Equity Shares of face value of ₹ 10/- each available for allocation or offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Issue Size available for allocation	[●] % of the Issue Size	Not more than 50.00% of the Net Issue Size shall be available for allocation to QIBs. However, up to 5.00% of the net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one-third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only. The unsubscribed portion in the Mutual Fund Portion is available for allocation to other QIBs.	Not less than 15.00% of the Issue shall be available for allocation.	Not less than 35.00% shall be available for allocation.

Particulars of the Issue	Market Maker Reservation Portion	QIBs[1]	Non-Institutional Applicants	Individual Investors
Basis of Allotment	Firm Allotment	(1) Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares of face value of ₹ 10/- each shall be available for allocation on a Proportionate basis to Mutual Funds only; and; (b) [●] Equity Shares of face value of ₹ 10/- each shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above (2) [●] Equity Shares of face value of ₹ 10/- each may be allocated on a discretionary basis to Anchor Investors. For further details please refer to the section titled "***Issue Procedure***" on page 325 this Draft Red Herring Prospectus.	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on proportionate basis as follows – (a) One-third of the Non-Institutional Category will be made available for allocation to Bidders with an application size of more than two lots and up to lots equivalent to not more than ₹10 lakhs. (b) Two third of the portion available to Non-Institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs. (c) any unsubscribed portion in either of the subcategories specified in clauses (a) or (b), may be allocated to Applicants in	Allotment to each Individual Investors shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Individual Investors portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For details see, "***Issue Procedure***" on page 325 this Draft Red Herring Prospectus.

Particulars of the Issue	Market Maker Reservation Portion	QIBs[1]	Non-Institutional Applicants	Individual Investors
			the other subcategory of Non-Institutional Investors.	
Mode of Application	Only through the ASBA Process	ASBA Process only (except in case of Anchor Investors)	ASBA Process only (including UPI mechanism to the extent of Bids up to ₹ 5,00,000/-)	ASBA Process only (Including the UPI Mechanism)
Minimum Application Size	[●] Equity Shares of face value of ₹10/- each in multiple of [●] Equity Shares of face value of ₹10/- each	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹10/- each that the Application size exceeds 2 (two) lots	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹10 each such that the Minimum Application Size shall be two lots per application Provided that the Application size exceeds 2 (two) lots	Such number of Equity Shares in multiple of [●] Equity Shares of face value of ₹10 each, such that the Application size does not exceed 2 (two) lots
Maximum Application Size	[●] Equity Shares of face value of ₹10/- each	Such number of Equity Shares and in multiples of [●] Equity Shares of face value of ₹10 each not exceeding the size of the Net Issue (excluding the Anchor Portion), subject to applicable limits to each Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares face value of ₹10 each not exceeding the size of the Net Issue (excluding the QIB portion), subject to limits as applicable to the Bidder.	Not more than 2 (two) lots
Mode of Allotment	Compulsory in dematerialised form			
Bid & Allotment Lot	A minimum [●] Equity Shares of face value of ₹10 each and in multiples of [●] Equity shares of face value of ₹10 each for QIBs and NIIs. For Individual Investors allotment shall not be less than Minimum Application Size.			
Trading Lot	[●] Equity Shares of face value of ₹ 10/- each and in multiples thereof, however, the Market Maker may accept odd lots if any in the market as required under the	[●] Equity Shares of face value of ₹ 10/- each and in multiples thereof		

Particulars of the Issue	Market Maker Reservation Portion	QIBs[1]	Non-Institutional Applicants	Individual Investors
	SEBI ICDR Regulations			
Who can apply[(3)(4)(5)]	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013 ("**Companies Act**"), scheduled commercial banks, Mutual Funds, Foreign Portfolio Investors ("**FPIs**") (other than individuals, corporate bodies and family offices), Venture Capital Funds ("**VCFs**"), Alternate Investment Funds ("**AIFs**"), Foreign Venture Capital Investors ("**FVCIs**") registered with Securities and Exchange Board of India ("**SEBI**"), multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with Insurance Regulatory and Development Authority of India ("**IRDAI**"), provident funds (subject to applicable law) with minimum corpus of ₹25,00,00,000, pension funds with minimum corpus of ₹25,00,00,000, registered with the Pension Fund Regulatory and Development Authority established under subsection (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment	Resident Indian individuals, Eligible Non-Resident Individuals ("**NRIs**"), Hindu Undivided Families ("**HUFs**") (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are recategorized as Category II FPIs and registered with SEBI.	Resident Indian Individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars of the Issue	Market Maker Reservation Portion	QIBs(1)	Non-Institutional Applicants	Individual Investors
		Fund set up by the Government of India ("**GoI**") through		
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be paid by the Anchor Investors at the time of submission of their Bids **In case of all other Bidders:** Full application amount will be blocked by the SCSBs in the bank account of the Applicant including UPI ID in case of UPI Bidders, that is specified in the Application Form at the time of submission of the Application Form.			

Note: *SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, the Stock Exchange shall, for all categories of investors viz. QIBs, NIIs and Individual Investors and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book-building platform only with a mandatory confirmation on the application monies blocked.*

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

*(1) Our Company may, in consultation with the Book Running Lead Manage, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price. For further details, refer to "**Issue Procedure**" on page 325 this Draft Red Herring Prospectus.*

(2) In terms of Rule 19(2)(b) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, this is the Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through the Book Building Process, wherein allocation to the public shall be as per Regulation 253 of the SEBI ICDR Regulations.

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and that the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form contained only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

(5) Bidders are required to confirm and are deemed to have represented to our Company, the Underwriter, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Kindly Note:

1. *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*
2. *SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Prince (in ₹)	Lot Size (No. of shares)
Up to 14	10000
More than 14 up to 18	8000
More than 18 up to 25	6000
More than 25 up to 35	4000
More than 35 up to 50	3000
More than 50 up to 70	2000
More than 70 up to 90	1600
More than 90 up to 120	1200
More than 120 up to 150	1000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400

Issue Prince (in ₹)	Lot Size (No. of shares)
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage the Registrar to the Issue in consultation with BRLM, our Company and NSE Emerge shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

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ISSUE PROCEDURE

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the BRLM would not be liable for any amendment, modification or change in applicable laws, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws or as specified in the Draft Red Herring Prospectus.

All Applicants should read the General Information Document for Investing in Public Issue ("**GID**") prepared and issued in accordance with the SEBI Circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, and UPI Circulars which highlight the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of the Stock Exchange, the Company and the Book Running Lead Manager, before the opening of the Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the GID for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum application size; (iii) price discovery and allocation of shares; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Issue; (vi) General Instructions (limited to instructions for completing the Application Form); (vii) Submission of Application Form; (viii) Designated Date (ix) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (x) applicable provisions of Companies Act relating to punishment for fictitious applications; (xi) mode of making refunds; and (xii) interest in case of delay in Allotment or refund.

SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Individual Investors for Minimum Application Size through intermediaries from January 1, 2019. The UPI Mechanism for Individual Investors whose application is for Minimum Application Size applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Individual Investors of Minimum Application Size through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days was applicable until further notice pursuant to SEBI ICDR Master Circular ("**UPI Phase II**"). Thereafter, the final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI ICDR Master Circular and made effective on a voluntary basis for all issues opening on or after September 1, 2023, and on a mandatory basis for all issues opening on or after December 1, 2023 ("**T+3 Notification**"). The SEBI by way of a master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, consolidated a chapter-wise framework for compliance with various obligations under the SEBI ICDR Regulations. Accordingly, subject to any circulars, clarification or notification issued by the SEBI from time to time, this Issue will be undertaken pursuant to the processes and procedures prescribed under the SEBI ICDR Master Circular, subject to any circulars, clarifications or notifications which may be issued by the SEBI.

Further, pursuant to SEBI master circular bearing reference no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025 ("**SEBI RTA Master Circular**") and SEBI ICDR Master Circular, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI ICDR Master Circular, all individual bidders in initial public offerings whose Application sizes are up to ₹500,000 shall use the UPI Mechanism for submitting their bids. Additionally, pursuant to SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by NSE EMERGE to act as intermediaries for submitting Application Forms are provided on the website of NSE at www.nseindia.com. For details on their designated branches for submitting Application Forms, please see the above-mentioned website of NSE.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the abovementioned SEBI link. The list of Stock Brokers, Depository Participants ("**DP**"), Registrar to an Issue and Share Transfer Agent ("**RTA**") that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on the website of NSE at www.nseindia.com. For details on their designated branches for submitting Application Forms, please refer the above-mentioned NSE website.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The processing fees for applications made by Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus and *Prospectus. Bidders are* advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus.

BOOK BUILT PROCEDURE

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders wherein (a) one third of the portion available to Non-Institutional Investors shall be reserved for Applicants with Application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) two third of the portion available to Non-Institutional Investors shall be reserved for Applicants with Application size of more than ₹10 lakhs; and (c) any unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to Applicants in the other sub-category of Non-Institutional Investors; and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized mode on the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicant's depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicant's PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

Investors must ensure that their Permanent Account Number ("**PAN**") is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes on February 13, 2020, and press release dated June 25, 2021, and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

AVAILABILITY OF DRAFT RED HERRING PROSPECTUS, RED HERRING PROSPECTUS, PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Draft Red Herring Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/Red Herring Prospectus/Abridged Prospectus/Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLM to the Issue, Registrar to the Issue as mentioned in the Application form.

An electronic copy of the Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and EMERGE Platform of NSE the website at www.nseindia.com.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by Individual Investors through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase is applicable from January 1, 2019, and will continue up to June 30, 2019. Under this phase, a Individual Investors applying For Minimum Application Size would also have the option to submit the Application Form with any of the intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing would continue to be six Working Days.

Phase II: This phase commenced on completion of Phase I, i.e., with effect from July 1, 2019, and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 *SEBI ICDR Master Circular*, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, *SEBI ICDR Master Circular*, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount will be continued till further notice. Under this phase, submission of the Application Form by a Individual Investors applying For Minimum Application Size through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

Phase III: The commencement period of Phase III is notified pursuant to SEBI press release bearing number 12/2023 and as per the SEBI Circular No. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, *SEBI ICDR Master Circular* where the revised timeline of T+3 days shall be made applicable in two phases i.e. (i) voluntary for all public issues opening on or after September 01, 2023; and (ii) mandatory on or after December 01, 2023. The Issue will be made under UPI Phase III of the UPI Circulars.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. Accordingly, the Issue has been undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Notification. The Issue has been advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Gujarati edition of [●] (a widely circulated Gujarati national daily newspaper, Gujarati also being the regional language of Gujarat, where our Registered Office is located), on or prior to the Bid/Issue Opening Date and such advertisement has also been made available to the Stock Exchange for the purpose of uploading on their websites.

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed [●] as the Sponsor Bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Individual Investors applying for Minimum Application Size into the UPI mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the Book Running Lead Manager will be required to compensate the concerned investor.

SEBI through its SEBI ICDR Master Circular, has prescribed. that all individual investors the bidders applying in initial public offerings opening on or after May 01, 2022, where the application amount is up to ₹ 5,00,000, shall use UPI Mechanism and. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 2,00,000 and up to ₹ 5,00,000, Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The processing fees for applications made byIndividual Investors who apply for Minimum Application Size using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40.

For further details, refer to the "General Information Document" available on the websites of the Stock Exchange and the BRLM. The General Information Document will be available on the website of the Exchange and BRLM after the filing of the Red Herring Prospectus

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of EMERGE Platform of NSE the website at www.nseindia.com at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the issue only through the ASBA process. Anchor Investors are not permitted to participate in the issue through the ASBA process. The Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

An Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the issue. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchange will validate the PAN and demat account details of Individual Investors with the Depositories. UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants. ASBA Bidders (other than Individual Investors using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders could submit the ASBA Form in the manner below:

(i) Individual Investors Bidding in the Individual Investors Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub- Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
(ii) Individual Investors authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
(iii) QIBs and NIBs (other than UPI Bidders) could submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate Members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Issue through the ASBA process.

ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

In accordance with the SEBI ICDR Master Circular, all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Red Herring Prospectus.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form(1)
Resident Indians, including resident QIBs, Non-Institutional Bidders, Individual Bidders and Eligible NRIs applying on a non- repatriation basis(2)	White
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors(3)	White

(1)*Excluding electronic Bid cum Application Form*

(2)*Electronic Bid cum Application forms will also be available for download on the website of EMERGE Platform of NSE the website at www.nseindia.com)*

(3) *Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM*

Note:

- *Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.*
- *The shares of the Company, on allotment, shall be traded on stock exchange in demat mode only.*
- *Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.*

The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals

In case of ASBA Forms, the relevant Designated Intermediaries uploaded the relevant Bid details in the electronic bidding system of the Stock Exchange. For ASBA Forms (other than through the UPI Mechanism) Designated Intermediaries (other than SCSBs) submitted/ delivered the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using the UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the Bankers to an Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the Bankers to the Issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank(s) and the Bankers to the Issue for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circulars dated June 2, 2021, and April 20, 2022.

Pursuant to NSE circular dated July 22, 2022, with reference no. 23/2022, has mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹5,00,000 and NII & QIB bids above ₹2,00,000 through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of .4:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchange and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchange platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

ELECTRONIC REGISTRATION OF BIDS

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/ Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange send the Application information to the Registrar to the Issue for further processing.

d) No category of investors shall be permitted to revise/modify their bids downwards or to cancel/withdraw their bids.

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called "**Designated Intermediaries**")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub – syndicate member)
3.	A stockbroker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('**broker**')
4.	A depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by Investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSB's	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and resubmission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

WHO CAN APPLY

Please note that, in accordance with the *SEBI ICDR Master Circular*, and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to *SEBI ICDR Master Circular*, Individual Investors who apply for Minimum Application Size in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable laws. Bidders are requested to refer to the Draft Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name

of the Karta. Applications by HUFs would be considered at par with those from individuals;

3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

4. Mutual Funds registered with SEBI;

5. Eligible NRIs on repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;

6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;

8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;

10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

11. Foreign Venture Capital Investors registered with the SEBI;

12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;

13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;

14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;

15. Provident Funds with minimum corpus of ₹25 crores and who are authorized under their constitution to hold and invest in equity shares;

16. Pension Funds with minimum corpus of ₹25 crores and who are authorized under their constitution to hold and invest in equity shares;

17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;

18. Insurance funds set up and managed by army, navy or air force of the Union of India;

19. Multilateral and bilateral development financial institution;

20. Eligible QFIs;

21. Insurance funds set up and managed by the Department of Posts, India;

22. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

23. Applications not to be made by:
    (a) Minors (except through their Guardians);
    (b) Partnership firms or their nominations;
    (c) Foreign Nationals (except NRIs);
    (d) Overseas Corporate Bodies.

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under the FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one Gujarati (Regional language) edition of newspaper with wide circulation (Gujarati being the regional language of Gujarat) where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date.

The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/Issue Period.

(a) The Bid/Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/Issue Period may be extended, if required, by an additional three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be published in one English national daily newspaper with wide circulation, one Hindi daily national newspaper with wide circulation and one Gujarati (Regional language) edition of newspaper where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

(b) During the Bid/Issue Period, Individual Investors who apply for Minimum Application Size, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

(c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels and Revision of Bids" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

(d) The Bidder/Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Buildup of the Book and Revision of Bids".

(e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip ("**TRS**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

(f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/Issue Period i.e. one Working Day prior to the Bid/Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

(g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in "***Issue Procedure - Payment into Escrow Account(s) for Anchor Investors***" on page 358 of this Draft Red Herring Prospectus.

(h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

(j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

(k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

(a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

(b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

(c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. However, bidding at the Cut-off Price is prohibited for QIB, Non-Institutional Bidders and Individual Investors and such Bids from QIB, Non-Institutional Bidders and Individual Investors shall be rejected.

(d) Individual Investors shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate.

(e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

PARTICIPATION BY ASSOCIATES OF BRLM

The BRLM shall not be entitled to subscribe to this issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM may subscribe to Equity Shares in the issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the BRLM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Draft Red Herring Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus may be obtained from the Registered Office/Corporate Office of our Company, BRLM to the issue and the Registrar to the issue as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com.

OPTION TO SUBSCRIBE IN THE ISSUE

a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.

b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.

c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable laws.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion.

In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.

2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 lakhs

3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4) Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date and be completed on the same day.

5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:

- where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, maximum of 2 (two) Anchor Investors.
- where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
- where the allocation under the Anchor Investor portion is more than ₹2,500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 (ten) Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.

6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.

7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

9) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 (ninety) days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 (thirty) days from the date of Allotment.

10) The BRLM, our Promoter, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.

    Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

APPLCATION BY INDIAN PUBLIC INCLUSING ELIGIBLE NRIs

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUF's, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares issued to the public.

PARTICIPATION BY PROMOTERS AND PROMOTER GROUP OF OUR COMPANY, BRLM, THE SYNDICATE MEMBERS AND THEIR ASSOCIATES AND AFFILIATES AND THE PERSONS RELATED THERETO

The Book Running Lead Manager shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the Book Running Lead Manager may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Applicants. Such applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Book Running Lead Manager, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the Book Running Lead Manager nor any associates of the Book Running Lead Manager, except Mutual Funds sponsored by entities which are associates of the Book Running Lead Manager or insurance companies promoted by entities which are associate of Book Running Lead Manager or AIFs sponsored by the entities which are associate of the Book Running Lead Manager or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the Book Running Lead Manager, pension funds sponsored by entities which are associate of the BRLMs, shall apply in the Issue under the Anchor Investor Portion.

Our Promoters and the members of our Promoter Group will not participate in the Issue. Further, persons related to our Promoters and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoters and members of the Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Our Promoters and members of our Promoter Group will not participate in the Issue. Further, persons related to our Promoters and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof, subject to Applicable Laws. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

APPLICATION BY HUFs

Applications by HUF can be made in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

APPLICATION BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of the Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment under the reserved category. The non-resident Indians who intend to make payment through Non-Resident Ordinary ("**NRO**") accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Form should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of Individual Investors using the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") ASBA Accounts, and Eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of Individual investors applying using the UPI Mechanism) to block their NRO accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than three lots would be considered under the Individual Investors Category for the purposes of allocation and Bids for more than two lots would be considered under the Non-Institutional Category for allocation in the Issue.

In case of Eligible NRIs bidding under the Individual Investors Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Participation of Eligible NRIs in the Issue shall be subject to the Foreign Exchange Management Act ("**FEMA**") and Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange shall be considered for allotment. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of Issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity Shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with an income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws.

Eligible NRIs are permitted to apply in the Issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs could use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts. In accordance with the FEMA and Non-debt Instrument Rules, the total holding by any individual NRI, on a repatriation basis, could not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and Overseas Citizen of India ("**OCI**") put together could not exceed 10% of the total paid-up Equity Share capital on a fully diluted basis or could not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-Residents (blue in color).

For further details, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 365 of this Draft Red Herring Prospectus.

APPLICATION BY FIIs/FPIs

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our Post-Issue Equity Share capital. Further, in terms of the FEMA Non-debt Instrument Rules, the total holding by each FPI, or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on January 20, 2025) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

FPIs shall be permitted to participate in the Issue subject to compliance with conditions and restrictions specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be required to be included. To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue Procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, a FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. Further, pursuant to a Circular dated November 24, 2014, issued by the SEBI, FPIs are permitted to issue offshore derivate instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) where the beneficial owners could be identified An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

The FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. FPIs are required to apply through the ASBA process to participate in the Issue.

Bids received from FPIs bearing the same PAN, for instance through multiple investment managers, shall be treated as multiple Bids, investments under such bids shall be clubbed for monitoring the investment limits and shall be liable to be rejected. Further, if such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs they shall not be treated as multiple bids and clubbed together. The entire process shall be in accordance with the SEBI master circular issued for 'Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors' bearing reference number SEBI/HO/AFD/AFD-PoD-

2/P/CIR/2024/70 dated May 30, 2024.

Accordingly, it should be noted that multiple Bids received from FPIs, who shall not utilize the multiple investment managers ("**MIM**") Structure, and bear the same PAN, shall be liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids are required to be rejected.

APPLICATION BY SEBI REGISTERED AIF, VCF AND FVCI

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "**SEBI VCF Regulations**") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The Category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A Category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd (one-third) of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-residents Investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of the certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form, failing which, our Company in consultation with the Book Running Lead Manager, reserves the right to reject any Application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of the certificate of registration issued by IRDA must be attached to the Application Form, failing which, our Company in consultation with the Book Running Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**") are set forth below:

(a) Equity Shares of a company: the lower of 10%* of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;

(b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) The industry sector in which the investee company operates; not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding Equity Shares (face value) for insurance companies with investment assets of ₹2,50,00,000 Lakhs or more and 12% of outstanding Equity Shares (face value) for insurers with investment assets of ₹50,00,000 Lakhs or more but less than ₹2,50,00,000 Lakhs.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time, including the IRDA Investment Regulations.

APPLICATION BY PROVIDENT FUNDS/PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹25 crores, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of the certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, the Company, in consultation with the Book Running Lead Manager, reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY BANKING COMPANIES

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee must be attached to the Application Form, failing which our Company, in consultation with the Book Running Lead Manager, reserves the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and the Reserve Bank of India ("**Financial Services provided by Banks**") Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment in subsidiary and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The banking company is required to submit a time-bound action plan for disposal of such shares (in this sub-clause(b)) within a specified period to the RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by systemically important non-banking financial companies registered with RBI, certified copies of: (i) the certificate of registration issued by the RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Manager, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important NBFCs participating in the issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

APPLICATIONS BY SCSBs

SCSBs participating in the Issue must comply with the terms of the SEBI ICDR Master Circular. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public Issue and clear demarcated funds should be available in such account for such applications.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500 Lakhs (subject to applicable laws) and pension funds with a minimum corpus of ₹ 2,500 Lakhs (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(c) With respect to applications made by provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable laws) and pension funds with a minimum corpus of ₹ 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

(d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the BRLM may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice/CANs/letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the

Depositories.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure any single Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, Red Herring Prospectus or the Prospectus.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For the Individual Investors

The Application must be for a minimum of 2 (two) lots. In case of revision of Applications, the Individual Bidders have to ensure that the Application Price exceed ₹2,00,000.

2. For Other than Individual Investors (Non-Institutional Investors and QIBs)

The Application must be for a minimum of such number of Equity Shares that the Application is for more than 2 (two) lots and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidders cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, must ensure that the Application Amount is more than 2 (two) lots for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

INFORMATION FOR THE APPLICANTS:

(a) Our Company and the Book Running Lead Manager shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two widely circulated national daily newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in the prescribed format.

(b) Our Company will file a copy of the Red Herring Prospectus with the Registrar of Companies, Gujarat at Ahmedabad, at least 3 (three) Working Days before the Issue Opening Date.

(c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Draft Red Herring Prospectus/Red Herring Prospectus and/or the Application Form can obtain the same from our Registered Office or from the office of the BRLM.

(d) Copies of the Bid Cum Application Form along with the Abridged Prospectus and copies of the Red Herring Prospectus will be available with the Book Running Lead Manager, the Registrar to the Issue and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

(e) Applicants who are interested in subscribing to the Equity Shares should approach the BRLM or their authorized agent(s) to register their applications.

(f) Bid Cum Application Form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries, Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

(g) The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet-enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Investors have to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the finds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

(h) Applicants applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA Application into the electronic system.

(i) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the state of Sikkim, the Bidders, or in the case of applications in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

(j) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

(k) Applications made in the name of minors and/or their nominees shall not be accepted.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

The Bids should be submitted on the prescribed Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid cum application form. Bids not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSBs. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012, has introduced an additional mechanism for investors to submit application forms in public issues using the stockbroker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015, has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e. www.nseindia.com.

BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details, PAN Numbers, Client ID and DP ID in the space provided in the Bid cum Application Form is mandatory and Bids that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders' bank account details, MICR code and occupation (hereinafter referred to as Demographic Details'). Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs/Allocation Advice. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidders would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF BIDS

1. During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
2. In case of Bidders (excluding NIIs) Bidding at the Cut-off Price, the Bidders may instruct the SCSBs to block the Bid Amount based on the Cap Price less Discount (if applicable).

For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the Draft Red Herring Prospectus.

BASIS OF ALLOTMENT

a) For Individual Investors

Bids received from the Individual Investors at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Investors will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Investors who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares of the face value of ₹ 10/- each at or above the Issue Price, full Allotment shall be made to the Individual Investors to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares of the face value of ₹ 10/- each at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of face value of ₹ 10/- each and in multiples of [●] Equity Shares of face value of ₹ 10/- each thereafter. For the method of proportionate Basis of Allotment, refer below.

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

(i). The number of Shares to be allocated to the successful Bidders will be arrived in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

(ii). The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares allocated.

(iii). Each successful Bidder shall be allotted [●] equity shares.

b) For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price. The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size in the non-institutional investor category, and the remaining shares, if any, shall be allotted on proportionate basis.

The Issue Size less allotment to QIBs and Individual Investors shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares of the face value of ₹ 10/- each at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares of the face value of ₹ 10/- each at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of the face value of ₹ 10/- each and in multiples of [●] Equity Shares of the face value of ₹ 10/- each thereafter. For the method of proportionate Basis of Allotment refer below

c) For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI (ICDR) Regulations or Draft Red Herring Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment shall be undertaken in the following manner:

1. In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

   - In the event that Bids by Mutual Funds exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
   - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
   - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (2) below;

2. In the second instance Allotment to all QIBs shall be determined as follows:

   - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares of face value of ₹10/- each on a proportionate basis, up to a minimum of [●] Equity Shares of face value of ₹ 10/- each and in multiples of [●] Equity Shares thereafter for 95% of the QIB Portion.
   - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares of face value of ₹ 10/- each and in multiples of [●] Equity Shares of face value of ₹ 10/- each thereafter, along with other QIB Bidders.
   - Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares of face value of ₹ 10/- each.

d) Allotment to Anchor Investor

1. Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - ➢ a maximum number of 2 (two) Anchor Investors for allocation up to ₹2 crores;
  - ➢ a minimum number of two Anchor Investors and a maximum number of 15 (fifteen) Anchor Investors for allocation of more than ₹2 crores and up to ₹25 crores subject to minimum allotment of ₹1 crores per such Anchor Investor; and
  - ➢ in case of allocation above ₹25 crore; a minimum of 5 (five) such investors and a maximum of 15 (fifteen) such investors for allocation up to ₹25 crore rupees and an additional 10 (ten) such investors for every additional ₹25 crore rupees or part thereof, shall be permitted, subject to a minimum allotment of ₹1 crore rupees per such investor.

2. A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

3. In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

   Anchor Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

4. In the event the Issue Price is lower than the Anchor Investor Allocation Price:

   Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

5. Basis of Allotment for QIBs (other than Anchor Investors and NIIs) in case of Over Subscribed Issue:

   In the event of the Issue Being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the EMERGE Platform of NSE the website at www.nseindia.com (The Designated Stock Exchange). The allocation may be made in marketable lots on a proportionate basis as set forth hereunder:

   (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by the number of Shares applied for).

   (b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).

   (c) For Bids where the proportionate allotment works out to less than [●] Equity Shares of the face value of ₹ 10/- each the allotment will be made as follows:
   - Each successful Bidder shall be allotted [●] Equity Shares of face value of ₹ 10/- each; and

- The successful Bidder out of the total bidders for that category shall be determined by drawing lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

(d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] Equity Shares of face value of ₹ 10/- each, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] Equity Shares of face value of ₹ 10/- subject to a minimum allotment of [●] Equity Shares of face value of ₹ 10/- each.

(e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares of face value of ₹ 10/- each, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

(f) Individual Investor means an investor who applies for minimum two lots. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with BRLM.

(g) The authorized employee of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

ALLOTMENT PROCEDURE

The Allotment of Equity Shares to Bidders other than Individual Investors, Non-Institutional Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. No Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue.

Flow of events from the closure of Bidding period (T DAY) till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.

- RTA identifies cases with mismatch of account number as per bid file/FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.

- Third party confirmation of applications to be completed by SCSBs on T+1 day.

- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/Company for their review/comments.

- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).

- The DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.

- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket/batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.

- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.

- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

- On the basis of the above, the RTA will work out the allotees, partial allotees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

INFORMATION FOR BIDDERS

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchange to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the BRLM are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.

GENERAL INSTRUCTIONS

Please note that Individual Investors, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Any Category of Investors (including Anchor Investors) shall not be allowed to withdraw their Bids after the Anchor Investor Bid/Issue Period.

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable laws, rules, regulations, guidelines and approvals; All Applicants (other than Anchor Investors) should submit their applications through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicant depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;

5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in the case of electronic Bids) within the prescribed time;

6. UPI Bidders Bidding using the UPI Mechanism in the Issue are required to ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

8. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 pm on the Bid/Issue Closing Date;

9. In case of joint Bids, ensure that the First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;

10. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

11. In the case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in). Individual Investors bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in-1 type accounts under Channel II (described in the UPI Circulars);

12. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Individual Investors using the UPI Mechanism) in the Application Form;

13. Applicants using the UPI Mechanism should ensure that the correct UPI ID (with a maximum length of 45 characters including the handle) is mentioned in the Application Form;

14. Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

15. Applicants submitting an Application Form using the UPI Mechanism should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

16. If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;

17. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018, and July 26, 2019.

18. Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;

19. Submit revised Bids to the same Designated Intermediary, through whom the original Bid is placed and obtain a revised acknowledgement;

20. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

21. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

22. Ensure that the Demographic Details are updated, true and correct in all respects;

23. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

24. Ensure that the category and the investor status is indicated;

25. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

26. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

27. Bidders should note that in case the DP ID, Client ID and PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;

28. Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Red Herring Prospectus;

29. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided authorization to the SCSB via the electronic mode, for blocking funds in the ASBA;

30. Applicants shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Applicant may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;

31. Applicants using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize the blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and

32. Bids by Eligible NRIs and HUFs for a Bid Amount of less than two lots would be considered under the Individual Investors Portion, and Bids for more than two lots would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.

33. The ASBA Bidders are required to ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;

34. UPI Bidders bidding using the UPI Mechanism are required to mention valid UPI ID of only the Bidder (in case of a single account) and of the first bidder (in case of a joint account) in the Bid cum Application Form;

35. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

36. Ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes on February 13, 2020, and press release dated June 25, 2021, and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, is liable to be rejected

Don'ts:

1. Do not apply for lower than the Minimum Application Size;

2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

3. Do not Bid for a Bid Amount exceeding ₹500,000 for Bids by UPI Bidders;

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to any of the Designated Intermediary;

5. Do not apply/revise the Bid amount less than the Floor Price or higher than the Cap Price mentioned herein or in the Application Form;

6. Do not pay the Application Amount in cash, by money order, cheques, demand drafts, postal order, stock investment or any mode, other than blocked amounts in the bank account maintained with SCSB;

7. Applicants should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 ;

8. Applicants should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 ;

9. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;

10. Do not Bid at Cut-off Price (for Bids by QIBs, Non-Institutional Investors and Individual Investors);

11. Do not submit the Application Forms to any non-SCSB bank or our Company;

12. Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;

13. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;

14. Do not submit more than one Application Form per ASBA Account;

15. Do not submit the Bid for an amount more than the funds available in your ASBA Account;

16. Do not fill up the Application Form such that the Equity Shares applied for exceeds the issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

17. Do not Bid for Equity Shares more than specified by the Stock Exchange for each category;

18. Do not make the Bid cum Application Form using a third-party bank account or using a third-party linked bank account UPI ID;

19. Anchor Investors should not bid through the ASBA process;

20. Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;

21. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Issue Closing Date;

22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor or Individual Investors.

23. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using the UPI mechanism, do not submit the ASBA Form directly with SCSBs;

24. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the issue;

25. Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;

26. All investors submit their applications through the ASBA process only except as mentioned in SEBI ICDR Master Circular;

27. Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

28. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Individual Investors who apply for minimum application size using the UPI mechanism;

29. Do not Bid if you are an OCB;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

OTHER INSTRUCTION FOR BIDDERS

Joint Applications in the case of Individuals

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only 1 (one) Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures that would be followed by the Registrar to the Issue to detect multiple applications are given below:

(a) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/husband's name to determine if they are multiple applications.

(b) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/beneficiary ID. In the case of applications with a common DP ID/beneficiary ID, are manually checked to eliminate the possibility of data entry errors to determine if they are multiple applications.

(c) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate the possibility of data capture errors to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client's norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such a manner will be deemed a multiple Application and would be rejected. More than 1 (one) ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than 5 (five) Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the BRLM reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

(i) All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.

(ii) For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Bids submitted without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registrar ("**GIR**") number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In the case of QIB Applicants, the Company in consultation with the Book Running Lead Manager, may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, and the Individual Investors, the Company has a right to reject Applications based on technical grounds.

GROUNDS FOR TECHNICAL REJECTIONS

In addition to the grounds for rejection of the Application on technical grounds as provided in the "*General Information Document*", the Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Bids submitted without instruction to the SCSBs to block the entire Application Amount;

2. Bids that do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by Individual Investors using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by Individual Investors using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank);

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/22/2010 dated July 29, 2010;

10. GIR number furnished instead of PAN;

11. Bids by Individual Investors with Bid Amount of a value of less than ₹2,00,000;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

13. Bids accompanied by stock investment, money order, postal order or cash; and

14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Issue Closing Date, and Bids by Individual Investors uploaded after 5.00 p.m. on the Bid/Issue Closing Date, unless extended by the Stock Exchange.

15. Applications by OCBs;

For helpline details of the BRLM pursuant to the SEBI ICDR Master see "***General Information – Book Running Lead Manager to the Issue***" on page 79 this Draft Red Herring Prospectus.

SIGNING OF UNDERWRITING AGREEMENT

Our Company has entered into an Underwriting Agreement dated [●].

FILING OF THE RED HERRING PROSPECTUS WITH THE ROC

A copy of the Red Herring Prospectus and Prospectus will be filed with the ROC in terms of Section 26 of the Companies Act.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(i) We have entered into a tripartite agreement amongst NSDL, the Company and the Registrar to the Issue on May 20, 2025.
(ii) We have entered into a tripartite agreement amongst CDSL, the Company and the Registrar to the Issue on July 4, 2025.

The Company's International Securities Identification Number (ISIN) is INE1ZEE01019.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the Stock Exchange having electronic connectivity

with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.

- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

TERMS OF PAYMENT

The entire Issue Price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares, than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, none of the investors categories shall withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/failure of the issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI ICDR Master Circular, and the SEBI ICDR Regulations, all investors applying in a public issue shall use only Application Supported by Blocked Amount ("**ASBA**") process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks ("**SCSBs**") for the same. Further, pursuant to SEBI ICDR Master Circular*,* IIndividual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its SEBI ICDR Master Circular has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5,00,000, may use UPI.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 05, 2003; the option to use the stock investment instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock investment would not be accepted in this Issue.

PAYMENT INTO ESCROW ACCOUNT(S) FOR ANCHOR INVESTORS

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid on the Issue through the ASBA process. Instead, Anchor Investors are required to transfer the Bid Amount (through direct credit, real-time gross settlement ("**RTGS**"), national automated clearing house ("**NACH**") or national electronic fund transfer ("**NEFT**") to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of:

(a) In case of resident Anchor Investors: "[●]"; and

(b) In case of Non-Resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company and the Syndicate, if any the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

PRE-ISSUE AND PRICE BAND ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a Pre-Issue and Price Band advertisement, in the form prescribed by the SEBI ICDR Regulations, in (i) [●] (a widely circulated English national daily newspaper); (ii) [●] (a widely circulated Hindi national daily newspaper); and (iii) and [●] Gujarati newspaper (a widely circulated, Gujarati being regional language where registered office of the Company is situated) under regulation 250(4) of SEBI ICDR Regulations.

In the Pre-Issue and Price band advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI ICDR Regulations, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

ALLOTMENT ADVERTISEMENT

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from the Stock Exchange where the Equity Shares are proposed to be listed, provided such final listing and trading approval from the Stock Exchange is received prior to 9:00 p.m. IST on that day. In the event, that the final listing and trading approval from the Stock Exchange is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from the Stock Exchange where the Equity Shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, following the receipt of the final listing and trading approval from the Stock Exchange.

Our Company, the BRLM and the Registrar to the Issue shall publish an allotment advertisement not later than one Working Day after the commencement of trading, disclosing the date of commencement of trading in [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated [●] daily newspaper, Gujarati also being the regional language of Gujarat, where Registered Office is located).

ISSUANCE OF ALLOTMENT ADVICE

On the Designated date, the SCSBs shall transfer the funds represented by the allocation of Equity Shares into a public issue account with the Banker to the Issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. On the basis of the approved basis of allotment, the issuer shall pass necessary corporate action to facilitate the allotment and credit of Equity Shares. Applicants are advised to instruct their respective depository participants to accept the Equity Shares that may be allotted to them pursuant to the Issue. Pursuant to confirmation of such corporate actions the Registrar to the Issue will dispatch allotment advice to the applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/securities certificates and/or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 (two) Working Days of the Issue Closing Date. The issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one Working Day from the date of allotment after the funds are transferred from the ASBA Public Issue Account to Public Issue Account of the issuer.

DESIGNATED DATE

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into a Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 (two) Working Days of the issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorized employees of the Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares issued through the Issue except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 10% of the Net Issue to the public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Individual Investors , NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to the minimum allotment being equal to the Minimum Application Size as determined and disclosed.

The allotment of Equity Shares to each Individual Investors shall not be less than the Minimum Application Size, subject to the availability of shares in the Individual Investors category, and the remaining available shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in Schedule XIII to the SEBI ICDR Regulations..

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Applicants have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

METHOD AND PROCESS OF APPLICATIONS

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.

2. The Issue Period shall be for a minimum of 3 (three) Working Days and shall not exceed 10 (ten) Working Days. The Issue Period may be extended, if required, by an additional 3 (three) Working Days, subject to the total Issue Period not exceeding 10 (ten) Working Days.

3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either

the same or to another Designated Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediary shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

8. If sufficient funds are not available in the ASBA Account, the Designated Intermediary shall reject such applications and shall not upload such applications with the Stock Exchange.

9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When an Applicant revises his or her Application (in case of revision in the Price), he/she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.

10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue account. In case of withdrawal/failure of the issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as '**Demographic Details**'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application is submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 1 (one) Working Day of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of necessary formalities for listing and commencement of trading at EMERGE Platform of NSE ("**NSE EMERGE**") the website at www.nseindia.com where the Equity Shares are proposed to be listed are taken within 3 (Three) Working Days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Issue Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (two) Working Days of the Issue Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under the SEBI ICDR Regulations, the Companies Act and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

RIGHT TO REJECT APPLICATIONS

In the case of QIB Applicants, the Company in consultation with the Book Running Lead Manager, may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In the case of Non-Institutional Applicants, Individual Investors who apply for minimum Application Size, the Company has a right to reject Applications based on technical grounds.

INVESTOR GRIEVANCE

In case of any Pre-Issue or Post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors may reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled "***General Information-Company Secretary and Compliance Officer***" on page 78 of this Draft Red Herring Prospectus.

In case of any delay in unblocking amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 2 (two) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding 2 (two) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10 Lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10 Lakhs or 1% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 Lakhs or with both.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;

2. That all steps will be taken for completion of the necessary formalities for listing and commencement of trading on the Stock Exchange where the Equity Shares are proposed to be listed within three (3) Working Days from the Issue Closing Date;

3. If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue and price band advertisements are published. The Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

4. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit of refund;

6. That our Promoters' contribution in full has already been brought in;

7. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application Monies are refunded on account of non-listing, under subscription etc.;

8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;

9. If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;

10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI Regulations and applicable law for the delayed period;

11. The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and

12. None of the Promoter or directors of the company is a Wilful Defaulter under Section 5(c) of SEBI ICDR Regulations.

UTILISATION OF NET PROCEEDS

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in Section 40(3) of the Companies Act;

2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our Company indicating the purpose for which such monies have been utilized;

3. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested;

4. Our Company shall comply with the requirements of SEBI LODR regulations, in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

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RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and the Foreign Exchange Management Act, 1999 ("**FEMA**"). While the Industrial Policy, 1991, prescribes the limits and the conditions subject to which foreign investment may be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment, where applicable. The Government of India makes policy announcements on foreign direct investment ("**FDI**") through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI, earlier known as Department of Industrial Policy and Promotion ("**DPIIT**") has issued the consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular bearing number DPIIT File Number 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by DPIIT that were in force and effect as on October 15, 2020.

Pursuant to Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020, which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. Further, in the event of a transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 vide notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under FEMA (Non-debt Instruments) Rules prior to transfer of shares, as applicable. Each Applicant must seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant must intimate our Company and the Registrar to the Issue in writing about such approval, along with a copy thereof within the Issue Period.

As per the FEMA Non-debt Instruments Rules, 2019 and FDI Policy read with Press Note No. 3 (2020 Series), 100% foreign direct investment in the companies operating in the manufacturing sector is permitted under the automatic route, wherein there is no requirement of getting approval from the Government of India. The approval is subject to compliance with the prescribed conditions and is provided for the sectors apart from the prohibited sectors. Further, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India.

Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Issue Procedure – Application By Eligible NRIs***" and "***Issue Procedure – Application By FIIs/FPIs***" on 338 page 339 respectively of this Draft Red Herring Prospectus.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see "***Issue Procedure***" on page 325 of this Draft Red Herring Prospectus.

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any other applicable law of the United States and, unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable state securities laws. Accordingly, the Equity Shares are being issued and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act, and referred to in this Draft Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of Equity Shares in the United States.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares they apply for in the Issue does not exceed the applicable limits under applicable laws or regulations.

For further details, see "***Issue Procedure"*** beginning on page 325 of this Draft Red Herring Prospectus

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SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

TABLE - F
APPLICABLE TO COMPAY AS NOTIFIED UNDER SCHEDULE I OF THE COMPANIES ACT, 2013

ARTICLES OF ASSOCIATION
OF
SHANTI INORGANICS LIMITED
A COMPANY LIMITED BY SHARES

I. Interpretation

(1) In these regulations'
- (a) Company' means *#**SHANTI INORGANICS LIMITED.**
- (b) 'Office' means the Registered Office of the Company.
- (c) 'Act' means the Companies Act, 2013 and any statutory modification thereof.
- (d) 'Seal' means the Common Seal of the Company.
- (e) 'Director' means a director appointed to the Board of a company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

(3) The Company is a Public Company Limited by Shares within the meaning of Section 2 (71) of the Companies Act, 2013 and accordingly

"Public company" means a company
- (a) is not a private company;
- (b) has a minimum paid-up share capital as may be prescribed:
  Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;

II. Share capital and variation of rights

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided—
   - (a) one certificate for all his shares without payment of any charges; or
   - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

   The Extra-Ordinary General meeting was held on Monday, 27th January, 2025 for the approval of the shareholders for the purpose of change of name of company subject to conversion of company from Private Limited to Public Limited Company.

   #The Extra-Ordinary General meeting was held on Saturday, 05th April, 2025 for the approval of the shareholders for the purpose of change of name of company from "SHANTI INORGO CHEM (GUJ) LIMITED to SHANTI INORGANICS LIMITED."

   (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

   (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

III. Lien

9. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(iii) That the fully paid-up shares shall be free from all kind of lien and that in the case of partly paid-up shares the issuers lien shall be restricted to monies called or payable at the fixed time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

IV. Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

V. Transfer of shares

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
(iii) That the company shall use a common form of transfer.
(iv) That the registration of transfer shall not be refused on the grounds of the transferor being either alone or jointly with any person or persons indebted to the issuer on any account whatsoever.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—
(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognize any instrument of transfer unless—
(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

VI. Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
(a) to be registered himself as holder of the share; or
(b) to make such transfer of the share as the deceased or insolvent member could have made.
(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer

and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

VII. Forfeiture of shares

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—
(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
(iii) The transferee shall thereupon be registered as the holder of the share; and
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the

nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

VIII. Alteration of capital

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution, —
    a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
    b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
    c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
    d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock, —

    (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

    Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

    (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

    (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —
    (a) its share capital;
    (b) any capital redemption reserve account; or
    (c) any share premium account.

IX. Capitalisation of profits

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
        (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
        (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

    (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
        (A) paying up any amounts for the time being unpaid on any shares held by such members

respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

X. Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

XI. General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

(iii) that option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting

XII. Proceedings at general meetings

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

XIII. Adjournment of meeting

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

XIV. Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares, —
(a) on a show of hands, every member present in person shall have one vote; and
(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

XV. Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

XVI. Board of Directors

58. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen).

Following are First Directors of the Company;
1. Patel Manojkumar Jayantilal
2. Patel Avanishkumar Manojkumar

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
(b) in connection with the business of the company.
(c) director other than the Managing/ Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees as may be decided by the Board, however, not exceeding a sum prescribed in the Act for attending meetings of the Board of directors or meetings of the Committees of the Board of Directors thereof;

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

XVII. Proceedings of the Board

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. (i) A committee may elect a Chairperson of its meetings.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.
(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

XVIII. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act, —
(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive

officer, manager, company secretary or chief financial officer.

XIX. The Seal

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

XX. Dividends and Reserve

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

(iv) there will be no forfeiture of unclaimed dividends before the claim becomes barred by law,

(v) that any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared,

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

XXI. Accounts

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

XXII. Winding up

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

XXIII. Indemnity

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

XXIV. Dematerialization of Securities

89. Subject to the provisions of the Act and rules made thereunder the Company may offer its Members facility to hold Securities issued by it in dematerialized form and will offer the Securities for subscription in dematerialized form. Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the Register of Members as a holder of any Share / Securities or whose names appear as beneficial owners of Shares/Securities in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such Share / Security on the part of any other person whether or not it shall have express or implied notice thereof.

XXV. Further Issue of Capital

90. (1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –

(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

(b) Employees under any scheme of employees' stock option; or

(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

(2) A further issue of shares may be made in any manner whatsoever as the Board may determine

including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules and SEBI guidelines.

XXVI. Registers

91. The Company shall keep and maintain at its registered office or such other place as may be permitted under the Act and approved by the Board, all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

The registers and their indices (except when they are closed under the provisions of the Act) and copies of annual return shall be open for inspection during business hours at such reasonable time on every working day other thanSaturdays, at the registered office of the Company by the persons entitled thereto in accordance with the provisionsof the Act and applicable laws, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register;and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. Foreign register

Subject to the provisions of the Act, the foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as isapplicable to the register of members

XXVII. Secrecy Clause

92. Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company’s trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public.

XXVIII. Others

93. A. Employee Stock Option Scheme

Subject to and in accordance with the provisions of the Act and any other rules regulations or guidelines as may be prescribed if any the Company may frame guidelines or scheme to be known as Employee Stock Option Scheme (ESOPS) ESOS may provide for the issue of Options shares warrants bonds or other debt instruments including the terms of payment. The Board of Directors in pursuance to approval of shareholders of the Company shall have the power to vary alter or amend the terms and conditions of the ESOS at their sole discretion in such manner as they may deem fit in the best interest of the company.

B. Issue of Sweat Equity Shares

Notwithstanding anything contained in these articles the Company shall have right to issue sweat equity shares to its promoters Directors employees or to such other persons as may be decided by the Board in accordance with the provisions of the Companies Act, 2013 and any statutory amendments or re-enactment thereof.

C. Borrowing powers

The Board may from time to time for the purpose of the Company's business raise or borrow or secure the payment of any sum or sums exceeding paid up capital and free reserves in addition to temporary loans if any obtained from the Company's bankers as they in their discretion deem fit and proper with such approval from the members. Any such money may be raised or the payment or repayment of thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds perpetual or redeemable debentures stocks of the Company charged upon all or any part of the property of the Company both present and future including its uncalled capital for the time being or by mortgaging or charging or pledging any lands buildings machinery plant goods or other property and securities of the Company or by other means as the Board deems expedient.

D. Managing Director or Whole Time Director

The Board of Directors may from time to time appoint one or more of their body to the office of the Managing Director or whole time Director for such period and on such remuneration and other terms as they think fit and subject to the terms of any agreement entered into in any particular case may revoke such appointment. His appointment will be automatically terminated if The ceases to be a Director. Such appointment can be made with the formal Letter of Appointment and by passing of resolution as may be required in the Act. However-

(i) Ratification from shareholders for appointment of Managing Director or Whole Time Director shall not be required.

(ii) A notice of the Board Meeting proposing a resolution required to be passed for appointment of Managing Director or Whole Time Director shall not mandatorily contain Terms Conditions of appointment and details pertaining to remuneration. A Managing or whole time Director maybe paid such remuneration (whether by way of salary commission or participation in profits or partly in one way and partly in other) as the Board of Directors may determine and subject to the provisions of Section 197 198 and Schedule V of the Companies Act, 2013. The Board of Directors subject to the provisions of the Act may entrust to and confer upon a Managing or whole time Director or Committee of Directors any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke withdraw or alter or vary all or any of such powers.

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SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material shall be attached to the copy of the Red Herring Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Issue Closing Date. Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable laws.

I. Material Contracts for the Issue

(i) Issue Agreement dated September 26, 2025, between our Company and the Book Running Lead Manager.

(ii) Registrar Agreement dated September 24, 2025, between our Company and the Registrar to the Issue.

(iii) Banker to the Issue Agreement dated [●], 2025 our Company, the Book Running Lead Manager, the Registrar to the Issue and Banker to the Issue

(iv) Market Making Agreement dated [●], 2025 amongst our Company, the Book Running Lead Manager and Market Maker.

(v) Underwriting Agreement dated [●], 2025 between our Company, the Book Running Lead Manager and the Underwriter.

(vi) Tripartite agreement dated May 20, 2025 between our Company, NSDL and the Registrar to the Issue.

(vii) Tripartite agreement dated July 4, 2025 between our Company, CDSL and the Registrar to the Issue.

(viii) Syndicate Agreement dated [●], 2025 between Our Company, Book Running Lead Manager and Registrar to the Issue and Syndicate Members.

II. Material Documents

(i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended from time to time.

(ii) Certificate of Incorporation dated January 13, 2010 issued to our Company by Registrar of Companies, Gujarat, Dadar and Nagar Havelli under the name "*Shanti Inorgo Chem (Guj) Private Limited*".

(iii) Takeover Agreement dated April 01, 2010 between our Company and M/s Shanti Industries, a partnership firm acting through its partners and our Promoters, Manojkumar Jayantilal Patel and Avnish Manojkumar Patel.

(iv) Certificate of Incorporation dated January 01, 2025 issued by the Registrar of Companies, Central Processing Centre to our Company pursuant to conversion from private company to public company under the name *"Shanti Inorgo Chem (Guj) Limited"*.

(v) Certificate of Incorporation dated May 6, 2025 issued by the Registrar of Companies, Central Processing Centre pursuant to change in the name of our Company to *"Shanti Inorganics Limited"*.

(vi) Resolution of the Board of Directors dated September 15, 2025, authorising the Issue and other related matters.

(vii) Resolution of the Shareholders of our Company dated September 16, 2025, authorising the Issue and other related matters.

(viii) Resolution of the Board of Directors dated September 26, 2025, approving this Draft Red Herring Prospectus.

(ix) Copies of Annual Reports of our Company for Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023.

(x) Statement of Tax Benefits dated September 26, 2025, issued by the Statutory Auditor i.e., S.N. Shah & Associates, Chartered Accountants.

(xi) The Restated Financial Statements for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 along with the examination report of the Statutory Auditor dated September 20, 2025 on such Restated Financial Statements.

(xii) Written consent dated September 26, 2025, 2025, from our Statutory Auditor, namely, S.N. Shah & Associates, Chartered Accountants to include their names as required under section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in in respect of their (a) examination report dated September 26, 2025, 2025 on the Restated Financial Information; (b) report dated September 26, 2025, 2025 on the statement of special tax benefits; and (c) the certificates issued by them in relation to this Issue, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(xiii) Written consent dated September 26, 2025 from Dhyanam Vyas & Associates, Practicing Company Secretaries, having the membership number 13259, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(xiv) Written consent dated September 20, 2025, from S. K. Patel, Independent Chartered Engineer, to include his name as an "expert" as defined under section 2(38) and 26(5) of the Companies Act, 2013 to the extent and in his capacity as the independent chartered engineer and in respect of the certificate issued by him and included in this Draft Red Herring Prospectus.

(xv) Consent letter dated September 19, 2025 from CARE Analytics and Advisory Private Limited (formerly known as CARE Risk Solutions Private Limited), for Industry Report on "*Industry Research Report on Inorganic Chemicals Industry"*.

(xvi) The report titled "*Industry Research Report on Inorganic Chemicals Industry*" dated September 19, 2025, prepared and issued by CARE Analytics and Advisory Private Limited (formerly known as CARE Risk Solutions Private Limited), commissioned and paid for by our Company pursuant to engagement letter dated March 18, 2025, exclusively for the purposes of the Issue.

(xvii) Certificate dated September 26, 2025, issued by S.N. Shah & Associates, Chartered Accountants, certifying the KPIs of the Company.

(xviii) Resolution dated September 26, 2025, passed by the Audit Committee approving the KPIs for disclosure.

(xix) The physical site visit report by the Book Running Lead Manager dated April 24, 2025.

(xx) Consent of the Promoter, Directors, the Book Running Lead Manager, Legal Counsel to the Issue, Registrar to the Issue, Banker to the Issue, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Underwriter to the Issue, Industry Agency to the Issue, Syndicate Members, Monitoring Agency and Market Maker to the Issue to act in their respective capacities.

(xxi) Due Diligence Certificate dated September 26, 2025, addressed to National Stock Exchange of India Limited from the Book Running Lead Manager.

(xxii) In principle listing approval dated April 24, 2025 issued by National Stock Exchange of India Limited.

Any of the contracts or documents mentioned in the Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

[*Remainder of the page has been intentionally left blank*]

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Manojbhai Jayantilal Patel
Chairman and Managing Director

Place: Ahmedabad
Date: September 26, 2025

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Avnish Manojkumar Patel
Joint Managing Director

Place: Ahmedabad
Date: September 26, 2025

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Suhani Avanishkumar Patel
Non-Executive Director

Place: Ahmedabad
Date: September 26, 2025

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Indira Suresh Vora
Non-Executive - Independent Director

Place: Ahmedabad
Date: September 26, 2025

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Niraj K Dalal
Non-Executive - Independent Director

Place: Ahmedabad
Date: September 26, 2025

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-
Raval Kalpeshbhai Ambaprasad
Chief Financial Officer

Place: Ahmedabad
Date: September 26, 2025