

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES, NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY OUTSIDE INDIA. THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON THE MAIN BOARD PLATFORM OF BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES" IN COMPLIANCE WITH CHAPTER II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2019, AS AMENDED ("SEBI ICDR REGULATIONS").



SANSTAR LIMITED

Our Company was originally incorporated as "Continental Papers Limited" under the Companies Act, 1956, as a public limited company, pursuant to the certificate of incorporation dated February 26, 1962 issued by the Registrar of Companies, Delhi & Haryana. The name of our Company was subsequently changed to "Sanstar Limited", pursuant to resolution passed by the board of directors on March 9, 2012 and approved by the shareholders in their EGM held on March 16, 2012 and a fresh certificate of incorporation dated April 2, 2012, consequent upon change of name was issued by the Registrar of Companies, Delhi & Haryana. For further details on the changes in the name and registered office of our Company, please refer to chapter titled "History and Certain Corporate Matters" on page 262 of the red herring prospectus dated July 12, 2024 filed with the RoC ("RHP" or "Red Herring Prospectus").

Registered Office: Sanstar House, near Parnal Under Bridge, opposite Suvicha Shopping Centre, Paldi, Ahmedabad - 380 007, Gujarat, India. Telephone: +91 79 26651819; Contact Person: Fagun Harsh Shah, Company Secretary and Compliance Officer; Email: cs@sanstar.in; Website: <https://www.sanstar.in/>; Corporate Identity Number: U15400GJ1962PLC072555



(Please scan the QR code to view the RHP)

OUR PROMOTERS: GOUTHAMCHAND SOHANLAL CHOWDHARY, SAMBHAV GAUTAM CHOWDHARY AND SHREYANS GAUTAM CHOWDHARY.

INITIAL PUBLIC OFFER OF UP TO 53,700,000 EQUITY SHARES OF FACE VALUE ₹2/- EACH ("EQUITY SHARES") OF SANSTAR LIMITED FOR CASH AT A PRICE OF ₹ [•] J/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] J/- PER EQUITY SHARE) (THE "OFFER PRICE"), AGGREGATING UP TO ₹ [•] J/ MILLION COMPRISING OF A FRESH ISSUE OF UP TO 41,800,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] J/ MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 11,900,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] J/ MILLION COMPRISING OF 500,000 EQUITY SHARES BY GOUTHAMCHAND SOHANLAL CHOWDHARY AGGREGATING UP TO ₹ [•] J/ MILLION, 3,800,000 EQUITY SHARES BY RANI GOUTHAMCHAND CHOWDHARY AGGREGATING UP TO ₹ [•] J/ MILLION, 500,000 EQUITY SHARES BY SAMBHAV GAUTAM CHOWDHARY AGGREGATING UP TO ₹ [•] J/ MILLION, 500,000 EQUITY SHARES BY SHREYANS GAUTAM CHOWDHARY AGGREGATING UP TO ₹ [•] J/ MILLION, 3,300,000 EQUITY SHARES BY RICHASAM BHAV CHOWDHARY AGGREGATING UP TO ₹ [•] J/ MILLION AND 3,300,000 EQUITY SHARES BY SAMIKSHA SHREYANS CHOWDHARY AGGREGATING UP TO ₹ [•] J/ MILLION (THE OFFER FOR SALE).

| DETAILS OF OFFER FOR SALE | | | | |
|---------------------------------|------------------------------------|---|--|--|
| NAME OF THE SELLING SHAREHOLDER | TYPE | NUMBER OF EQUITY SHARES OFFERED AND AMOUNT | WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE OF FACE VALUE ₹2/- EACH (IN ₹) | |
| Gouthamchand Sohanlal Chowdhary | Promoter Selling Shareholder | Up to 500,000 Equity Shares aggregating up to ₹ [•] million | 2.17* | |
| Rani Gouthamchand Chowdhary | Promoter Group Selling Shareholder | Up to 38,00,000 Equity Shares aggregating up to ₹ [•] million | 1.80* | |
| Sambhav Gautam Chowdhary | Promoter Selling Shareholder | Up to 500,000 Equity Shares aggregating up to ₹ [•] million | 0.35* | |
| Shreyans Gautam Chowdhary | Promoter Selling Shareholder | Up to 500,000 Equity Shares aggregating up to ₹ [•] million | 0.34* | |
| Richa Sambhav Chowdhary | Promoter Group Selling Shareholder | Up to 33,00,000 Equity Shares aggregating up to ₹ [•] million | 0.70* | |
| Samiksha Shreyans Chowdhary | Promoter Group Selling Shareholder | Up to 33,00,000 Equity Shares aggregating up to ₹ [•] million | 0.44* | |

*As certified by M/s Nahta Jain & Associates, Independent Chartered Accountants, pursuant to their certificate dated July 06, 2024

We are manufacturers of plant based products and ingredient solutions for food, animal nutrition and other industrial applications.

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations.

• QIB Portion: Not more than 50% of the Offer • Non-Institutional Portion: Not less than 15% of the Offer • Retail Portion: Not less than 35% of the Offer

PRICE BAND: ₹90 TO ₹95 PER EQUITY SHARE OF FACE VALUE OF ₹2 EACH

THE FLOOR PRICE IS 45.00 TIMES THE FACE VALUE OF THE EQUITY SHARES

AND THE CAP PRICE IS 47.50 TIMES THE FACE VALUE OF THE EQUITY SHARES

THE PRICE/EARNINGS RATIO BASED ON DILUTED EPS FOR FISCAL 2024 AT THE FLOOR PRICE IS 18.95 TIMES AND

AT THE CAP PRICE IS 20.00 TIMES AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO OF 35.66

BIDS CAN BE MADE FOR A MINIMUM OF 150 EQUITY SHARES AND IN MULTIPLES OF 150 EQUITY SHARES THEREAFTER

In accordance with the recommendation of the Committee of Independent Directors of our Company, pursuant to their resolution dated July 9, 2024, the above provided Price Band is justified based on quantitative factors/KPIs disclosed in the "Basis for Offer Price" section on pages 128 to 138 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in the "Basis for Offer Price" section on pages 128 to 138 of the RHP.

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

RISKS TO INVESTORS:

- Risk in relation to raw material prices:** Our cost of material consumed were ₹ 8,329.30 million, ₹ 9,588.56 million and ₹ 3,915.23 million constituting 83.97%, 83.07% and 81.10% of our total expenses for the Fiscals 2024, 2023 and 2022 respectively. Any fluctuations in the prices of our raw material may adversely affect the pricing of our products and may have an impact on our business and financial condition.
- Supplier concentration risk:** The primary raw material required for manufacturing our Company's products is 'maize'. Our Top 10 suppliers constituted 34.88%, 21.82% and 53.38% as a % of total purchases for Fiscals 2024, 2023 and 2022 respectively. We have not entered into any long term contracts with suppliers and an increase in the cost of, or a shortfall in the availability of such raw materials or our inability to leverage existing or new relationships with our suppliers could have an adverse effect on our business.
- Risk in relation to financial indebtedness:** We have total borrowings (long term and short term including current maturity) outstanding amounting to ₹ 1,276.36 million, ₹ 1,117.00 million and ₹ 852.24 million as on March 31, 2024, 2023 and 2022 respectively. Our financing agreements impose certain restrictions and our failure to comply with covenants may affect our financial condition.
- Industry concentration risk:** Our Company sells its products for specific use by certain industries as under:
- Risk of meeting working capital requirements during peak harvesting season:** During the peak arrival season of maize harvesting i.e September month to December month, our Company procures and stores significant quantities of maize and for the purpose of doing the same significant amount of working capital is required. Our working capital requirement was ₹ 1890.90 million, ₹ 1,255.73 million and ₹ 449.12 million constituting 17.72%, 10.42% and 8.90% of Revenue from Operations for Fiscals 2024, 2023 & 2022 respectively. Our inability to meet the said working capital requirement during the peak harvesting season of maize may have an adverse effect on our overall business.
- Objects related risks:** We intend to utilize upto ₹ 1,815.55 million out of the Net Proceeds to fund the capital expenditure requirement for expansion of the Dhule Facility. We have not yet placed purchase orders or entered into any memorandum of understanding for the majority portion of requirement of the plant and machinery in relation to the proposed expansion of our Dhule Facility. Further, are subject to the risk of unanticipated delays in obtaining approvals, implementation and cost overruns for the proposed expansion which may adversely affect our business.
- Customer concentration risk:** Our Company in the usual course of business does not have any long term contracts with its customers. Our Top 10 customers contributed 40.53%, 45.89% and 73.87% as a % of our Gross Revenue from Operations for Fiscals 2024, 2023 & 2022 respectively. Loss of one or more of our top customers or a reduction in their demand for our products or reduction in revenue derived from them may adversely affect our business.
- Risk of underutilisation of manufacturing capacities:** During Fiscals 2024, 2023 and 2022, our capacity utilization at our Dhule Facility was 89%, 85% and 74% respectively and during Fiscals 2024, 2023 and 2022, our capacity utilization at our Kutch Facility was 81%, 94% and 88% respectively. Underutilization of our manufacturing capacities over extended periods or an inability to fully realize the benefits of our proposed capacity expansion, could adversely impact our business, and negatively impact the return on investment of the shareholders on their capital invested.

| Industry / Sector | Fiscal 2024 | Fiscal 2023 | Fiscal 2022 |
|-------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | % of Gross Revenue from Operations | % of Gross Revenue from Operations | % of Gross Revenue from Operations |
| Food | 58.12 | 61.25 | 59.11 |
| Animal Nutrition | 10.45 | 10.12 | 12.62 |
| Other Industrial Applications | 31.43 | 28.63 | 28.27 |
| Gross Revenue from Operations | 100.00 | 100.00 | 100.00 |

Any reduction in the demand or requirement of our products in such industries may result in loss of our business.

...continued from previous page.

9. Risk in relation to Export Sales: Our Company exported its products to 49 countries across Asia, Africa, Middle East, Europe & Oceania and Americas, during Fiscal 2024. Our export sales for Fiscal 2024, 2023 and 2022 were ₹ 3,944.38 million, ₹ 3,776.73 million and ₹ 187.77 million constituting 35.53%, 29.96% and 3.65% respectively of our Gross Revenue from Operations. Our products may be subject to import duties or restrictions of the relevant geographies. Additionally, any adverse fluctuation in foreign exchange rate, unavailability of any fiscal benefits may have an adverse effect on our business.

10. Competition risk: We operate in a highly competitive industry where we face competition from other players. Competitive factors in our industry includes product quality, price, advertising and promotion, innovation of products. Accordingly, our inability to compete effectively with our competitors may have an adverse impact on our business.

11. Offer for sale portion: The Offer consists of a Fresh Issue and an Offer for Sale. The Selling Shareholders shall be entitled to the Net proceeds from the Offer for Sale, and our Company will not receive any proceeds from the Offer for Sale.

12. The average cost of acquisition of Equity Shares held by the Selling Shareholders ranges from ₹ 0.34 to ₹ 2.17 per Equity Share, and the Offer Price at upper end of the Price Band is ₹ 95.00.

13. Weighted average return on net worth for Fiscals 2024, 2023 and 2022 is 30.22%.

14. Weighted average cost of acquisition of all Equity Shares transacted by the shareholders in the three years, eighteen months and one year preceding the date of the RHP is set forth below:

| Particulars | Weighted average Cost of Acquisition (WACA) (in ₹) ⁽¹⁾ | Cap Price is "X" times the Weighted average Cost of Acquisition | Range of acquisition price Lowest Price-Highest Price (in ₹) |
|--------------|---|---|--|
| Last 3 years | 2.45 | 38.78 | 1.72 - 20.50 |

| Particulars | Weighted average Cost of Acquisition (WACA) (in ₹) ⁽¹⁾ | Cap Price is "X" times the Weighted average Cost of Acquisition | Range of acquisition price Lowest Price-Highest Price (in ₹) |
|----------------|---|---|--|
| Last 18 months | 2.45 | 38.78 | 1.72 - 20.50 |
| Last 1 year | 2.45 | 38.78 | 1.72 - 20.50 |

As certified by M/s Nahta Jain & Associates, independent chartered accountants pursuant to their certificate dated July 06, 2024.

⁽¹⁾ For Notes to the above table, please refer Page 32 of the RHP.

15. Weighted average cost of acquisition, Floor Price and Cap Price

| Type of transactions | Weighted average Cost of Acquisition (₹ per Equity Share) | Floor Price (in ₹) | Cap Price (in ₹) |
|---|---|--------------------|------------------|
| WACA for primary and secondary transaction during 3 years preceding the date of RHP | N.A | N.A | N.A |

16. The BRLM associated with the Offer has handled 8 public issues (Main Board-5, SME Issue-3) during current financial year and two financial years preceding the current financial year, none of issues were closed below the Offer price on the listing date.

| Particulars | Total Issues | Issues closed below IPO Price on listing date |
|-------------|--------------|---|
| Main Board | 5 | - |
| SME Issue | 3 | - |
| Total | 8 | - |

17. The Price/Earnings Ratio based on diluted EPS for the Financial Year 2024 for the Company at the higher end of the Price Band is as high as 20.00 times and at the lower end of the Price Band is 18.95 times as compared to the average industry peer group PE ratio of 35.66 times.

BID/ OFFER PROGRAMME

ANCHOR INVESTOR BID/OFFER PERIOD THURSDAY, JULY 18, 2024⁽¹⁾

BID/OFFER OPENS ON FRIDAY, JULY 19, 2024⁽¹⁾

BID/OFFER CLOSING ON TUESDAY, JULY 23, 2024^{(2) (3)}

⁽¹⁾ Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors Bid/Offer per day shall be one Working Day prior to the Bid/Offer Opening Date.

⁽²⁾ Our Company and the Selling Shareholders may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

⁽³⁾ UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered in the Offer through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 2/- each and the Floor Price is ₹ 45.00 times the face value of Equity Shares and Cap Price is ₹ 47.50 times the face value of Equity Shares.

Investors should also refer to the sections "Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on pages 34, 228, 305 and 357 of the RHP, respectively, to have an informed view before making an investment decision.

QUALITATIVE FACTORS

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- One of the largest manufacturers of maize based specialty products and ingredient solutions in India with diverse product portfolio;
- Specialty products and ingredients solutions player catering to diverse industry segments and poised to benefit from mega industrial trends;
- Our strategically located, sustainable solutions plant catered to diverse industry segments and poised to benefit from mega industrial trends;
- Global presence in a market with high entry barriers;
- Strong financial growth along with robust performance metrics;
- Two Generations of Promoters with domain knowledge;
- Well positioned to leverage the large opportunities in specialty products and ingredient solutions industry and;
- Large, diversified customer base with long lasting relationships.

For further details, please see "Our Business – Our Competitive Strengths" on page 233 of the RHP.

QUANTITATIVE FACTORS

Certain information presented in this section relating to our Company is based on and derived from the Restated Consolidated Financial Statements. For details, see "Financial Information" beginning on page 305 of the RHP.

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

1. Basic and Diluted Earnings Per Share ("EPS"):

As per the Restated Consolidated Financial Statements:

| For the Year / Period | Basic & Diluted EPS (in ₹) | Weight |
|-----------------------|----------------------------|--------|
| Fiscal 2024 | 4.75 | 3 |
| Fiscal 2023 | 2.98 | 2 |
| Fiscal 2022 | 1.08 | 1 |
| Weighted Average | 3.55 | |

Investors should also refer to notes on "Basic and Diluted Earnings Per Share ("EPS") - Basis for the Offer Price" on page 128 of the RHP.

2. Price to Earnings ("P/E") ratio in relation to Price Band of ₹ 90 to ₹ 95 per Equity Share:

As per the Restated Consolidated Financial Statements:

| Particulars | P/E at the lower end of Price Band (number of times) | P/E at the higher end of Price Band (number of times) |
|--------------------------------------|--|---|
| Based on Basic EPS for Fiscal 2024 | 18.95 | 20.00 |
| Based on Diluted EPS for Fiscal 2024 | 18.95 | 20.00 |

3. Industry P/E ratio

Based on the peer group information (excluding our Company) given below in this section:

| Particulars | P/E Ratio (No. of times) |
|--------------------|--------------------------|
| Highest | 73.31 |
| Lowest | 15.01 |
| Industry Composite | 35.66 |

The industry high and low has been considered from the industry peers set. The industry composite has been calculated as the arithmetic average P/E of the industry peers set. For further details, see "Basis for Offer Price-Comparison of Accounting Ratios with Listed Industry Peers" on page 131 of the RHP.

4. Return on Net Worth ("RoNW")

As per the Restated Consolidated Financial Statements:

| For the Year / Period | RoNW % | Weight |
|-----------------------|--------|--------|
| Fiscal 2024 | 30.52 | 3 |
| Fiscal 2023 | 28.00 | 2 |
| Fiscal 2022 | 32.51 | 1 |
| Weighted Average | 30.22 | |

Investors should also refer to notes on "Return on Net Worth (RoNW) - Basis for the Offer Price" on pages 129 of the RHP.

5. Net Asset Value per Equity Share of face value of ₹ 2/- each

As per the Restated Consolidated Financial Statements:

| Particulars | NAV per share (₹) |
|--------------------------------------|-------------------|
| As on March 31, 2024 | 15.37 |
| As on March 31, 2023 | 10.63 |
| As on March 31, 2022 | 3.32 |
| After the Offer: | |
| At Cap Price | 33.64 |
| At Floor Price | 32.49 |
| Offer Price Per Share ⁽¹⁾ | • |

⁽¹⁾ Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

Investors should also refer to notes on "Net Asset Value per Equity Share - Basis for the Offer Price" on page 130 of the RHP.

6. Comparison of accounting ratios with listed industry peers

| Name of the company | Standardized/Consolidated Financial Statements | Current market price (CMP) | Face value per equity share (₹) | Total income (in ₹ million) | EPS (Basic & Diluted) (₹) | PAT Margin (%) | NAV (₹ per share) | P/E Ratio | RoNW (%) |
|-------------------------------------|--|----------------------------|---------------------------------|-----------------------------|---------------------------|----------------|-------------------|-----------|----------|
| Sanstar Limited | Consolidated | • | 2/- | 10,816.63 | 4.75 | 6.17 | 15.37 | • | 30.92 |
| Peer Group | | | | | | | | | |
| Gujarat Ambuja Exports Limited | Consolidated | 140.61 | 1/- | 50,714.20 | 7.54 | 6.82 | 60.37 | 18.65 | 12.49 |
| Gulshan Polyols Limited | Consolidated | 208.93 | 1/- | 13,901.82 | 2.85 | 1.28 | 123.63 | 73.31 | 2.30 |
| Sukhai Starch and Chemicals Limited | Consolidated | 480.00 | 10/- | 13,860.40 | 31.98 | 3.61 | 321.75 | 15.01 | 9.94 |

⁽¹⁾ For our Company, the information above is based on the Restated Consolidated Financial Statements for the year ended March 31, 2024.

⁽²⁾ All the financial information for listed industry peers mentioned above is on a consolidated basis and has been sourced from the annual reports/annual results as available of the respective company for the year ended March 31, 2024 submitted to stock exchanges.

⁽³⁾ Current market price (CMP) is the closing market price of the equity shares of the respective companies on NSE on July 05, 2024.

Investors should also refer to notes on "Comparison of accounting ratios with listed industry peers - Basis for the Offer Price" on page 131 of the RHP.

7. Key Performance Indicators

The table below sets forth the details of Key Performance Indicators that our Company considers to have a bearing for arriving at the basis for Offer Price. The key financial and operational metrics set forth below, have been approved and verified by the Audit Committee pursuant to meeting dated May 16, 2024.

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which helps our Company in analysing the growth of various verticals in comparison to our Company's listed peers, and other relevant material KPIs of the business of our Company that have a bearing for arriving at the Basis for Offer Price which have been disclosed below. Additionally, the KPIs have been certified vide certificate dated May 22, 2024 issued by M/s S. C. Bapna & Associates, Chartered Accountants, Statutory Auditor of our Company, who hold a valid certificate issued by the Peer Review Board of the ICAI. The aforesaid certificate, has been included in "Material Contracts and Documents for Inspection - Material Documents" on page 491 of the RHP.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company's performances and make an informed decision.

All of our KPIs for the Fiscals 2024, 2023 and 2022 is set out below:

As per the Restated Consolidated Financial Statements

| Particulars | Fiscal 2024 | Fiscal 2023 | Fiscal 2022 |
|---|-------------|-------------|-------------|
| Revenue from Operations | 10,872.71 | 12,050.67 | 5,044.02 |
| EBITDA | 961.41 | 724.47 | 397.20 |
| EBITDA Margin (%) | 9.20 | 6.01 | 7.87 |
| PAT | 667.67 | 418.05 | 159.21 |
| PAT Margin (%) | 6.17 | 3.46 | 3.15 |
| EPS - Basic & Diluted | 4.75 | 2.98 | 1.08 |
| Total Borrowings | 1,276.36 | 1,117.00 | 852.24 |
| Net worth | 2,159.12 | 1,492.81 | 489.67 |
| ROE (%) | 30.92 | 28.00 | 32.51 |
| ROCE (%) | 25.43 | 23.82 | 23.19 |
| Debt - Equity Ratio | 0.50 | 0.60 | 1.00 |
| Fixed Assets Turnover Ratio | 5.28 | 6.16 | 3.79 |
| Net Cash from (used in) Operating Activities | 285.97 | (60.17) | 297.14 |
| No. of Plants | 2 | 2 | 1 |
| Total installed capacity in metric tonnes per day | 1,100 | 1,100 | 750 |
| No. of customers | 525 | 541 | 215 |
| Export presence (no. of countries) | 49 | 49 | 5 |
| Revenue CAGR (%) | | | 45.46 |
| EBITDA CAGR (%) | | | 57.19 |
| PAT CAGR (%) | | | 104.79 |

As certified by M/s S. C. Bapna & Associates, Chartered Accountants, Statutory Auditors of our Company, vide their certificate dated May 22, 2024.

For Notes to the above table, please refer Page 122 and 133 of the RHP.

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on pages 228 and 357, respectively. All such KPIs have been defined consistently and precisely in "Definitions and Abbreviations - Key Performance Indicators" on page 16 of the RHP.

Subject to applicable laws, the Company confirms that it shall continue to disclose all the key performance indicators included in this "Basis for Offer Price" section, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the date of listing of the Equity Shares on the Stock Exchanges; or (ii) (if the utilization of the Net Proceeds as disclosed under "Objects of the Offer" on page 11 of the RHP).

Explanation for Key Performance Indicators metrics

Set out below are explanations for how the KPIs listed above have been used by the management historically to analyse, track or monitor the operational and/or financial performance of our Company:

| KPI | Explanation |
|-------------------------|--|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business. |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business. |
| EBITDA Margin (%) | EBITDA Margin is an indicator of the operational profitability and financial performance of our business. |
| PAT | Profit After Tax (PAT) for the year / period provides information regarding the overall profitability of the business. |
| PAT Margin (%) | PAT Margin is an indicator of the overall profitability and financial performance of our business. |
| EPS | EPS provides information on per share profitability of our Company which helps us in taking key corporate finance decisions. |
| Total Borrowings | Total Borrowings is used by us to track our leverage position on time to time. |
| Net worth | Net worth is used to track the book value and overall value of shareholders' equity. |
| ROE (%) | ROE provides how efficiently our Company generates profits from shareholders' funds. |

Continued on next page.

continued from previous page.

| KPI | Explanation |
|---|--|
| ROCE (%) | ROCE provides how efficiently our Company generates earnings from the capital employed in the business |
| Debt-Equity Ratio | Debt to Equity Ratio is used to measure the financial leverage of our Company and provides comparison benchmark against peers |
| Fixed Assets Turnover Ratio | Fixed Asset Turnover is the efficiency at which our Company is able to deploy its assets (on net book basis) to generate the Revenue from Operations |
| Net Cash from (used in) Operating Activities | Cashflow from (used in) Operating Activities is our Company's ability to generate cash from our core business operations |
| No. of Plants | Number of Plants is used to indicate the number of manufacturing facilities operated by the Company |
| Total installed capacity in metric tonnes per day | Total installed capacity is the maize crushing capacity of the Company in metric tonnes per day |
| No. of customers | Number of customers indicates the no. of customers served by the company |
| Export presence (no. of countries) | Export presence indicates aggregate number of global countries to which sales is made by the Company |
| Revenue CAGR (%) | Revenue CAGR growth provides information regarding the growth in terms of our business for the respective period, in terms of CAGR |
| EBITDA CAGR (%) | EBITDA CAGR growth provides information regarding the growth in operating profit from our core business for the respective period, in terms of CAGR |
| PAT CAGR (%) | PAT CAGR growth provides information regarding the growth in our profit after tax from for the respective period, in terms of CAGR |

Our Company confirms that it has not disclosed the KPIs to any investors at any point of time during the last three Fiscals preceding the date of the RHP.

8. Comparison of Key Performance Indicators with Listed Industry Companies

While the listed peers mentioned below operate in the same industry as us, and may have similar offerings or end use applications, our business may be different in terms of offering business models, different product verticals served or focus areas or different geographical presence.

Below are details of the KPIs of our listed peers for and as at the financial year ended March 31, 2024.

| Particulars | Santar Limited* | Gujarat Ambuja Exports Limited | Gulshan Polyols Limited | Sukhjit Starch and Chemicals Limited |
|---|-----------------|--------------------------------|-------------------------|--------------------------------------|
| Revenue from Operations | 10,672.71 | 49,267.00 | 13,779.76 | 13,753.50 |
| EBITDA | 981.41 | 4,423.70 | 560.77 | 1,280.20 |
| EBITDA Margin (%) | 9.20 | 8.98 | 4.21 | 9.31 |
| PAT | 667.67 | 3,458.70 | 177.58 | 499.60 |
| PAT Margin (%) | 6.17 | 6.82 | 1.28 | 3.61 |
| EPS (Basic & Diluted) | 4.75 | 7.54 | 2.85 | 31.98 |
| Total Borrowings | 1,276.36 | 1,970.20 | 3,536.95 | 3,244.90 |
| Net worth | 2,159.12 | 27,690.00 | 7,710.66 | 5,026.42 |
| ROCE (%) | 30.32 | 12.49 | 2.30 | 9.94 |
| ROE (%) | 25.43 | 10.90 | 2.31 | 11.48 |
| Debt - Equity Ratio | 0.50 | 0.07 | 0.46 | 0.65 |
| Fixed Assets Turnover Ratio | 5.28 | 4.90 | 2.66 | 2.64 |
| Net Cash from (used in) Operating Activities | 285.97 | 2,131.50 | 662.78 | 777.40 |
| No. of Plants | 2 | 5 | 2 | 4 |
| Total installed capacity in metric tonnes per day | 1,100 | NA | NA | NA |
| No. of customers | 525 | NA | NA | NA |
| Export presence (no. of countries) | 49 | NA | NA | NA |

Below are details of the KPIs of our listed peers for and as at the financial year ended March 31, 2023.

| Particulars | Santar Limited* | Gujarat Ambuja Exports Limited | Gulshan Polyols Limited | Sukhjit Starch and Chemicals Limited |
|---|-----------------|--------------------------------|-------------------------|--------------------------------------|
| Revenue from Operations | 12,050.67 | 49,089.90 | 11,797.30 | 14,465.72 |
| EBITDA | 724.47 | 4,750.40 | 879.98 | 1,470.90 |
| EBITDA Margin (%) | 6.01 | 9.68 | 7.46 | 10.17 |
| PAT | 418.05 | 3,301.00 | 451.82 | 633.61 |
| PAT Margin (%) | 3.46 | 6.62 | 3.81 | 4.37 |
| EPS (Basic & Diluted) | 2.98 | 7.20* | 8.89 | 40.56 |
| Total Borrowings | 1,117.00 | 2,266.50 | 2,528.61 | 3,192.75 |
| Net worth | 1,492.81 | 24,339.60 | 7,556.18 | 4,655.39 |
| ROCE (%) | 28.00 | 13.56 | 5.98 | 13.61 |
| ROE (%) | 23.82 | 14.91 | 5.91 | 14.43 |
| Debt - Equity Ratio | 0.60 | 0.09 | 0.33 | 0.69 |
| Fixed Assets Turnover Ratio | 6.16 | 4.73 | 4.28 | 2.74 |
| Net Cash from (used in) Operating Activities | (60.17) | 2,413.60 | 154.41 | 409.69 |
| No. of Plants | 2 | 5 | 2 | 4 |
| Total installed capacity in metric tonnes per day | 1100 | 4000 | 600 | 1600-1700 |
| No. of customers | 541 | 1300* | NA | NA |
| Export presence (no. of countries) | 49 | 100* | 42* | NA |

*The Company has made a bonus issue of 1:1 on March 15, 2024, effect of the same has also been given in the preceding year EPS i.e., March 31, 2023

Below are details of the KPIs of our listed peers for and as at the financial year ended March 31, 2022.

| Particulars | Santar Limited* | Gujarat Ambuja Exports Limited | Gulshan Polyols Limited | Sukhjit Starch and Chemicals Limited |
|---|-----------------|--------------------------------|-------------------------|--------------------------------------|
| Revenue from Operations | 5,044.02 | 46,703.10 | 11,007.26 | 11,559.74 |
| EBITDA | 397.20 | 6,871.20 | 1,501.18 | 1,577.38 |
| EBITDA Margin (%) | 7.87 | 14.71 | 13.64 | 13.61 |
| PAT | 159.21 | 4,754.40 | 852.49 | 728.44 |
| PAT Margin (%) | 3.15 | 10.06 | 7.73 | 6.27 |
| EPS (Basic & Diluted) | 1.08 | 10.37 | 13.67 | 46.63 |
| Total Borrowings | 852.34 | 2,780.70 | 1,168.92 | 2,765.60 |
| Net worth | 489.67 | 21,183.10 | 7,161.37 | 4,125.83 |
| ROCE (%) | 32.51 | 22.44 | 11.90 | 17.86 |
| ROE (%) | 23.19 | 24.80 | 16.58 | 18.13 |
| Debt - Equity Ratio | 1.00 | 0.13 | 0.16 | 0.67 |
| Fixed Assets Turnover Ratio | 3.79 | 6.11 | 4.64 | 2.40 |
| Net Cash from (used in) Operating Activities | 297.14 | 5,959.20 | 609.30 | 1,442.21 |
| No. of Plants | 1 | 10 | 2 | 4 |
| Total installed capacity in metric tonnes per day | 750 | 5,000 | 600 | 1600-1700 |
| No. of customers | 215 | 1275* | NA | NA |
| Export presence (no. of countries) | 5 | 57* | NA | NA |

For further details, please see the chapter titled "Basis for Offer Price" beginning on page 128 of the RHP.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three (3) additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of ten (10) Working Days. Any revision in the Bid/Offer Period, if applicable, shall be fully determined by notification to the Stock Exchanges by issuing a press release and also by indicating the same on the websites of the BSE and the NSE at the terminals of the Syndicate members, and by intimation to Self-Certified Syndicate Banks ("SCSBs"), the Sponsor Bank and other Designated Intermediaries, as applicable. In case of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders in consultation with the BRLM may for reasons recorded in writing, extend the Bid/Offer Period by at least three (3) additional working days subject to the total Bid/Offer Period not exceeding ten (10) Working Days. The Offer is being made in terms of Rule 19(2)(b) of SCRR, as amended, read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer 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 BRLM may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation may be on a discretionary basis by our Company, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("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 QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Valid Bidders, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("Non-Institutional Category") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1.00 million and under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("Retail Category"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in the Offer only through the Application Supported by Blocked Amount ("ASBA") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self-Certified Syndicate Banks ("SCSBs") or pursuant to the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID and UPI ID available (for UPI Bidders bidding through the UPI Mechanism) in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press release dated June 25, 2021, read with press release dated September 17, 2021 and CBOT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA* Simple, Safe, Smart way of Application!!!

*Applications Supported by Blocked Amount ("ASBA") is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA.

Mandatory in public issues.
No cheque will be accepted.



UPI-Now available in ASBA for Retail Individual Investors and Non Institutional Investor applying in public issues where the application amount is up to ₹ 500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. Retail Individual Investors and Non-Institutional Investors also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for ASBA is in compliance with CBOT notification dated February 13, 2020 and press release dated June 25, 2021 read with press release dated September 17, 2021, 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private Limited
Registered Office: Pantomath Nucleus House, Salt Vihar Road, Andher East, Mumbai - 400072 Maharashtra, India.
Tel: 1800 889 8711; E-mail: santar@pantomathgroup.com
Investor grievance email: investors@pantomathgroup.com; Website: www.pantomathgroup.com
Contact Person: Ritu Agarwal/ Kaushal Patil; SEBI Registration No.: INM000012110

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the "Risk Factors" beginning on page 34 of the RHP for details on the availability of the RHP. The RHP is available on the website of SEBI at www.sebi.gov.in and is available on the websites of the BRLM, Pantomath Capital Advisors Private Limited at www.pantomathgroup.com, the website of the Company, Santar Limited at https://www.santar.in/ and the websites of the Stock Exchanges, for BSE at www.bseindia.com and for NSE Limited at www.nseindia.com respectively.

AVAILABILITY OF THE ABRIDGED PROSPECTUS: A copy of the abridged prospectus is available on the website of the Company, the BRLM and the Registrar to the Offer at https://www.santar.in/ and https://www.sebi.gov.in/.

AVAILABILITY OF BID CUM APPLICATION FORM: Bid cum Application Form can be obtained from the Registered Office of our Company, Santar Limited: Telephone: +91 79 26651819; BRLM: Pantomath Capital Advisors Private Limited, Tel: 1800 889 8711 and Syndicate Members: Pantomath Stock Brokers Private Limited, Tel: +91 242577000 and C. Menta Investment Intermediates Ltd., Telephone: 022-26545445 and selected locations of Sub-Syndicate Members (as given below), Registered Brokers, SCSBs, Designated RTA Locations and CDP Locations. The Bid cum Application Form will also be available on the websites of the BSE and the NSE at the terminals of the Syndicate members, and by intimation to Self-Certified Syndicate Banks ("SCSBs"), the Sponsor Bank and other Designated Intermediaries, as applicable. The list of which is available on the websites of the Stock Exchanges and SEBI.

Santar Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the RHP dated July 12, 2024 with the RoC. The RHP is made available on the website of the SEBI at www.sebi.gov.in as well as on the websites of the BRLM i.e., Pantomath Capital Advisors Private Limited at www.pantomathgroup.com, the website of the NSE at www.nseindia.com and the website of the Company at https://www.santar.in/. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risks, please see the section titled "Risk Factors" beginning on page 34 of the RHP. Potential investors should not rely on the DRHP for making any investment decision but can rely only on the information included in the RHP. The Equity Shares offered hereby are not registered under the U.S. Securities Act of 1933 and the U.S. Securities and Exchange Act of 1934, and are not registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdiction where such offers and sales are made. There will be no public offering of the Equity Shares in the United States.

*As certified by M/s S. C. Bapna & Associates, Chartered Accountants Statutory Auditors of our company, vide their certificate dated May 22, 2024.

**The Company has made a bonus issue of 1:1 on March 15, 2024, effect of the same has also been given in the preceding year EPS i.e., March 31, 2022

***The Company has made a bonus issue of 1.5 on June 21, 2023, effect of the same has also been given in the preceding year EPS i.e., March 31, 2022

For Notes to the above table, please refer Page 136 of the RHP.

9. Weighted average cost of acquisition**A. The price per share of our Company based on the primary/new issue of shares (equity/convertible securities)**

Except as stated below, there has been no issuance of Equity Shares or convertible securities, during the 18 months preceding the date of the RHP, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer 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 30 days.

As on date of the RHP, our Company has not adopted or implemented any employee stock options plan. Further, our Company has not issued any bonus shares in preceding the 18 months from the date of the RHP.

| Date of allotment/ Issuance | No. of Equity Shares (Original) | No. of Equity Shares (After subdivision) | Face Value (₹) | Nature of Allotment | Nature of Consideration | Total Consideration |
|-----------------------------|---------------------------------|--|----------------|--|-------------------------|---------------------|
| November 25, 2023 | 3,068,850 | 15,344,250 | 2/- | Allotment pursuant to Scheme of Amalgamation | N.A.* | N.A.* |
| Total | 3,068,850 | 15,344,250 | | | | |

Weighted average cost of acquisition

*Pursuant to scheme of amalgamation entered into our Company and Santar Biopolymers Limited approved by the NCLT, Ahmedabad vide order dated November 23, 2023, 15,344,250 Equity Shares were allotted to the existing shareholders of Santar Biopolymers Limited.

B. The price per share of our Company based on the secondary sale/acquisition of shares (equity/convertible securities)

There have been no secondary sale/acquisition of Equity Shares or of convertible securities, where the Promoter, members of the Promoter Group, or Shareholder(s) having the right to nominate director(s) on the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of the RHP, 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-offer 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.

Weighted average cost of acquisition, Floor Price and Cap Price

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Shares) | Floor Price | Cap Price |
|-----------------------|--|-------------|-----------|
| NA | NA | NA | NA |

Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities), excluding shares issued under ESOP Scheme and issuance of bonus shares, during the 18 months preceding the date of this certificate, 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-offer 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.

Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares (equity/convertible securities), where our Promoters or Promoter Group entities or Promoter Selling Shareholders 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 this certificate, where either acquisition or sale 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-offer 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.

There were no primary or secondary transactions of Equity Shares of the Company during the 18 months preceding the date of filing of the RHP. Further, there are no transactions to report under the last five primary or secondary transactions where Promoter/Promoter Group entities or Promoter Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of the RHP irrespective of the size of the transaction.

The above details related to WACA have been certified by M/s Nahta Jain & Associates, independent chartered accountants vide their certificate dated July 06, 2024.

As there are no transactions to be reported under parts (i) and (ii) above, computation of weighted average price is not required here.

1. Detailed explanation for Offer Price/Cap Price vs a-v-s weighted average cost of acquisition of primary issuance/secondary transaction price of Equity Shares (as set out above) along with our Company's key financial and operational metrics and financial ratios for the Fiscals 2024, 2023 and 2022.

• We are one of the major manufacturers of plant based specialty products and ingredients solutions in India for food, animal nutrition and other industrial applications (Source: Company Commissioned Frost & Sullivan Report, dated May 18, 2024)

• During Fiscal 2024, our revenue from exports was ₹ 3,944.38 million respectively, representing 35.53 % of our Gross Revenue from Operations, on the basis of our Restated Consolidated Financial Statements. We exported our products to 49 countries across Asia, Africa, Middle East, Americas, Europe and Oceania, during Fiscal 2024, on the basis of our Restated Consolidated Financial Statements

• Our revenue from operations has increased at a CAGR of 45.46% from ₹ 5,044.02 million in Fiscal 2022 to ₹ 10,672.71 million in Fiscal 2024 while our profit after tax has grown at a CAGR of 104.79% from ₹ 159.21 million in Fiscal 2022 to ₹ 667.67 million in Fiscal 2024, on the basis of our Restated Consolidated Financial Statements.

2. Explanation for Offer Price/Cap Price vs a-v-s weighted average cost of acquisition of primary issuance/secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.

• India is a major producer of maize globally. It ranked 6th in the world's maize production and 4th in terms of maize acreage. Across 205.87 Mo Ha, 1.21 billion MT of maize was produced worldwide. (Source: Company Commissioned Frost & Sullivan Report, dated May 18, 2024)

• Starch has multiple uses across industries. Food industry is largest consumer of maize based specialty products and ingredients solutions. (Source: Company Commissioned Frost & Sullivan Report, dated May 18, 2024)

• India is the largest exporter of Maize starch globally. It exported ~478 KT of Maize starch in 2022 which accounted for 20% of global trade. Export volumes have increased by 15% since 2018-2022. (Source: Company Commissioned Frost & Sullivan Report, dated May 18, 2024)

The Offer Price of ₹ [•] has been determined by our Company, in consultation with the BRLM, on the basis of the market demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, are of justified view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with "Risk Factors", "Our Business", "Restated Consolidated Financial Statements" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on pages 34, 228, 305 and 357 of the RHP, respectively, to have a more informed view.

The trading price of the Equity Shares should decide due to the factors mentioned in the chapter titled "Risk Factors" beginning on page 34 of the RHP and any other factors that may arise in the future and you may lose all or part of your investments.

The Offer Price is [•] times of the face value of the Equity Shares.

The Offer Price of ₹ [•] has been determined by our Company in consultation with the BRLM, on the basis of assessment of demand from investors for Equity Shares through the Book Building Process and, as justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Restated Consolidated Financial Statements" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 34, 228, 305 and 357 of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares should decide due to the factors mentioned in "Risk Factors" beginning on page 34 of the RHP and you may lose all or part of your investments.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS:

For information on the main objects of our Company, investors are requested to see "History and Certain Corporate Matters" beginning on page 262 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" beginning on page 491 of the RHP.

LIABILITY OF THE MEMBERS OF OUR COMPANY:

AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of our Company is ₹ 380.00 Million divided into 190,000,000 Equity Shares of face value of ₹2 each. The issued, subscribed and paid-up equity share capital of our Company is ₹ 280.89 Million divided into 140,444,250 Equity Shares of face value of ₹2 each. For details of the capital structure of our Company, see "Capital Structure" beginning on page 93 of the RHP.

NAMES OF THE INITIAL SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The names of the initial signatories to the Memorandum of Association of our Company along with their allotment are: Subscription of to the MoA for the total of 100 Equity Shares to Chaital Verma (100 Equity Shares), Sohan Singh Bhas (100 Equity Shares), Rajeshwar Kumar Rathi (100 Equity Shares), Chandur Kumar Verma (100 Equity Shares), Jagtar Singh Bhas (100 Equity Shares), Vijay Kumar Verma (100 Equity Shares) and Ashok Kumar Verma (100 Equity Shares). For details of the share capital history and capital structure of our Company see "Capital Structure" beginning on page 93 of the RHP.

LISTING: The Equity Shares offered through the RHP are proposed to be listed on BSE Limited and NSE Limited. Our Company has received "in-principle" approval from BSE Limited and NSE Limited for the listing of the Equity Shares of face value ₹2/- each pursuant to letters dated March 28, 2024 and March 28, 2024, respectively. For the purpose of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of the RHP and the Prospectus shall be delivered to the RoC in accordance with Section 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the RHP up to the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 491 of the RHP.

SEBI LAUNDER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the RHP or the specified securities listed in the Offer Document. The investors are advised to refer to page 407 and 408 of the RHP for the full text of the disclaimer clause of SEBI.

DISCLAIMER CLAUSE OF BSE: It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the RHP has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 410 of the RHP for the full text of the disclaimer clause of BSE.

DISCLAIMER CLAUSE OF NSE (the Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 410 and 411 of the RHP for the full text of the disclaimer clause of NSE.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specific attention of the investors is invited to the chapter titled "Risk Factors" on page 34 of the RHP.

UPID Bidders should ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press release dated June 25, 2021, read with press release dated September 17, 2021, 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

REGISTRAR TO THE OFFER

Linkintime India Private Limited
Registered Office: C-101, 247 Park, 1st Floor, L.B. Nagar, Vikhroli West, Mumbai - 400 063, Maharashtra, India.
Telephone: +91 8108114940; Email and Investor Grievance ID: santar.pod@linkintime.co.in