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RAJGOR CASTOR DERIVATIVES LIMITED

Corporate Identity Numbers: U74995GJ2018PLC102810

Our Company was originally incorporated as "Hindprakash Castor Derivatives Private Limited" as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated June 13, 2018, issued by the Registrar of Companies, Central Registration Centre. Subsequently, the name of our company was changed from "Hindprakash Castor Derivatives Private Limited" to "Ardent Castor Derivatives Private Limited", pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on January 17, 2022, vide Certificate of Incorporation dated January 20, 2022, issued by the Registrar of Companies, Ahmedabad. Later on, the name of our company was changed from "Ardent Castor Derivatives Private Limited" to "Rajgor Castor Derivatives Private Limited", pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on February 2, 2022, vide Certificate of Incorporation dated February 15, 2022 issued by the Registrar of Companies, Ahmedabad. Further, our company was converted from a private limited company to public limited company, pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on June 21, 2022 and consequently, the name of our Company was changed to "Rajgor Castor Derivatives Limited" and a fresh certificate of incorporation dated July 5, 2022 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U74995GJ2018PLC102810. For details of change in registered office of our Company, please refer to chapter titled "History and Corporate Structure" beginning on page no. 124 of this Red Herring Prospectus.

Registered Office: 807, Titanium One, Nr. Pakwan Cross Road, Nr. Shabri Water Works, S.G. Highway, Bodakdev, Ahmedabad-380054, Gujarat, India.

Website: www.rajgorcastor.com; • E-Mail: cs@rajgorcastor.com; • Telephone No: +91 9898926368

Company Secretary and Compliance Officer: Mr. Parin Shah

PROMOTERS OF OUR COMPANY: MR. BRIJESHKUMAR VASANTLAL RAJGOR, MR. VASANTKUMAR SHANKARLAL RAJGOR AND MR. MAHESHKUMAR SHANKARLAL RAJGOR

The Offer is being made in accordance with Chapter IX of the SEBI ICDR Regulations (IPO of Small and Medium Enterprises) and the equity shares are proposed to be listed on Emerge Platform of NSE

THE OFFER

INITIAL PUBLIC OFFER OF 9561000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF RAJGOR CASTOR DERIVATIVES LIMITED ("RCDL" OR THE "COMPANY" OR THE "OFFERER") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE OFFER") COMPRISING OF A FRESH ISSUE 8895000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 666000 EQUITY SHARES BY PROMOTER AND PROMOTER GROUP SELLING SHAREHOLDERS- MR. BRIJESHKUMAR VASANTLAL RAJGOR, MR. VASANTKUMAR SHANKARLAL RAJGOR, MR. MAHESHKUMAR SHANKARLAL RAJGOR, MRS. INDUBEN VASANTKUMAR RAJGOR, MRS. JAGRUTIBEN PARESHKUMAR RAJGOR, MRS. KIRANBEN MAHESHKUMAR RAJGOR, MR. PARESHKUMAR VASUDEV RAJGOR AND MRS. ZENISHABEN ANILKUMAR RAJGOR AGGREGATING TO ₹ [●] LAKHS ("OFFER FOR SALE"), OF WHICH 501000 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 OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.e. NET OFFER OF 9060000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 39.98 % AND 37.88 %, RESPECTIVELY, OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

● QIB Portion: Not More than 50% of the Net Offer

● Retail Individual Bidders Portion: Not Less than 35% of the Net Offer

● Non-Institutional Bidders Portion: Not Less than 15% of the Net Offer

Price Band: ₹ 47/- to ₹ 50/- per Equity Share of Face Value ₹ 10/- each.

The Floor Price is 4.7 times of the Face Value and the Cap Price is 5.0 times of the Face Value.

Bids can be made for a minimum of 3000 Equity Shares and in multiples of 3000 Equity Shares thereafter

ASBA*

Simple, Safe, Smart way of Application- Make use of it!!!

*Applications Supported by Blocked Amount (ASBA) is a better way of applying to Offers by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below. Mandatory in Public Offers from January 01, 2016. No cheque will be accepted

UPI

UPI-Now available in ASBA for Retail Individual Investors (RII)**

Investors are required to ensure that the bank account used for bidding is linked to their PAN. UPI - Now available in ASBA for RIIs applying through Registered Brokers, DPs & RTAs. RIIs 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 have to apply through the ASBA process. "ASBA has to be availed by all the investors except anchor investor. UPI may be availed by Retail Individual Investors. For details on the ASBA and the UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" beginning on page 214 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI"), the Stock Exchanges and in the General Information Document.

*ASBA forms can be downloaded from the website National Stock Exchange of India ("NSE") and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in.

**List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. Axis Bank Limited has been appointed as Sponsor Bank for the Offer, in accordance with the requirements of the SEBI circular dated November 1, 2018, as amended. For UPI related queries, investors can contact NPCI at the toll free number-18001201740 and Mail id- uipi@npci.org.in. For the list of UPI Apps and Banks live on IPO, please refer to the link www.sebi.gov.in. For Offer related grievance investors may contact: Beeline Capital Advisors Private Limited - Mr. Nikhil Shah (079 - 49185784 / +91 99988 81702) (mb@beelinemb.com).

Risks to Investors:

- Our Promoters are party to certain litigation and claims. These legal proceedings are pending at different levels of adjudication before various regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.
- Our Registered Office from where we operate is not owned by us.
- Our business is subject to seasonal volatility, which may contribute to fluctuations in our results of operations and financial condition.
- Our cost of production is exposed to fluctuations in the prices of our raw material such as Castor Seeds.
- We generally do business with our customers on a purchase order basis and do not enter into long- term contracts with most of them.
- The Merchant Banker associated with the Offer has handled 18 public Offer out of which 1 Offer closed below Offer price on listing date. BRLM associated with the Offer has handled 18 Public Offers in last 3 Financial years, below are the details;

Particulars	Numbers of Offers/Offer Handled	Offer closed below Offer price on listing date
Main Board	Nil	Nil
SME	18	1

- Details of Promoter and Promoter Group Selling Shareholders and their Average Cost of Acquisition

Name of Promoter Selling Shareholder	Type	Number of Equity Shares Offered/Amount (₹ [●] in Lakhs)	Weighted Average Cost of Acquisition (In ₹ per Equity Shares)
Mr. Brijeshkumar Vasantlal Rajgor	Promoter Selling Shareholder	23744 Equity Shares aggregating to ₹ [●] Lakhs	1.43
Mr. Vasantkumar Shankarlal Rajgor	Promoter Selling Shareholder	171511 Equity Shares aggregating to ₹ [●] Lakhs	49.63
Mr. Maheshkumar Shankarlal Rajgor	Promoter Selling Shareholder	171519 Equity Shares aggregating to ₹ [●] Lakhs	49.63
Mrs. Induben Vasantkumar Rajgor	Promoter Group Selling Shareholders	31220 Equity Shares aggregating to ₹ [●] Lakhs	52.85
Mrs. Kiranben Maheshkumar Rajgor	Promoter Group Selling Shareholders	32165 Equity Shares aggregating to ₹ [●] Lakhs	52.85
Mrs. Jagrutiben Pareskumar Rajgor	Promoter Group Selling Shareholders	32165 Equity Shares aggregating to ₹ [●] Lakhs	52.85
Mr. Pareskumar Vasudev Rajgor	Promoter Group Selling Shareholders	171511 Equity Shares aggregating to ₹ [●] Lakhs	49.63
Mrs. Zenishaben Anilkumar Rajgor	Promoter Group Selling Shareholders	32165 Equity Shares aggregating to ₹ [●] Lakhs	52.85

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of quantitative and Equity Qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 4.7 times the face value at the lower end and 5.0 times the face value at the higher end of the Price Band. Investors should also refer to "Business Overview", "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on pages 105, 26, 161 and 163, respectively of the Red Herring Prospectus, to have an informed view before making an investment decision.

Qualitative Factors

- Experienced Promoters and Management Team
- Quality Control and Quality Assurance
- Diversified business model and customer base
- Scalable Business Model

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 105 of the Red Herring Prospectus.

Quantitative Factors

Basic & Diluted Earnings Per Share (EPS):

Basic earnings per share (₹) = $\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$

Diluted earnings per share (₹) = $\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$

Financial Year/Period	Basic and Diluted EPS (in ₹)	Weights
Financial Year ended March 31, 2021	(21.84)	1
Financial Year ended March 31, 2022	6.33	2
Financial Year ended March 31, 2023	30.06	3
Weighted Average	13.50	
For the period ended June 30, 2023 [§]	5.14	

§ Not Annualized

Face Value of Equity Share is ₹ 10.

*The EPS has been calculated after giving effect of Bonus Issue of 12875016 Equity Shares made on July 5, 2023 in the ratio of 6:1 i.e. six bonus equity shares for every one equity share held on June 23, 2023.

Price to Earnings (P/E) ratio in relation to Offer Price of ₹ [●]:

Price to Earnings Ratio (P/E) = $\frac{\text{Offer Price}}{\text{Restated Earnings Per Share}}$

Particulars	EPS (in ₹)	P/E at the Offer Price
Based on EPS of Financial Year ended March 31, 2023	30.06	[●]
Based on Weighted Average EPS	13.50	[●]

Industry PE:

- Highest = 10.47
- Lowest = Negative
- Average = NA

Return on Net Worth:

Return on Net Worth (%) = $\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} \times 100$

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2021	(120.35 %)	1
Financial Year ended March 31, 2022	25.85%	2
Financial Year ended March 31, 2023	23.44%	3
Weighted Average	0.28%	
For the period ended June 30, 2023 [§]	7.53%	

§ Not Annualized

Net Asset Value per Equity Share:

Restated Net Asset Value per equity share (₹) = $\frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$

Particular	Amount (in ₹)
Financial Year ended March 31, 2021	18.15
Financial Year ended March 31, 2022	24.48
Financial Year ended March 31, 2023	15.75
For the period ended June 30, 2023	17.03
NAV per Equity Share after the Offer	[●]
Offer Price per Equity Share	[●]

Notes:

a) Offer Price per equity share has been determined by our Company, in consultation with the Book Running Lead Manager.

b) NAV discussed based on pre-bonus outstanding number of shares

Comparison of Accounting Ratios with Peer Group Companies:

Name of the company	Standalone / Consolidated	Face Value (₹)	Current Market Price (₹)@	EPS (₹) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)	Revenue from operations (₹ in Lakhs)
Rajgor Castor Derivatives Limited	Standalone	10	[●]	30.06	[●]	23.44%	15.75	42,878.06
Peer Group [§]								
Jayant Agro Organics Limited	Standalone	5	146.75	14.02	10.47	10.01%	140.07	113,982.36
NK Industries Limited	Standalone	10	35.3	(2.68)	Negative	Negative	(567.88)	240.56

Notes: (1) The EPS, P/E Ratio, NAV, RoNW and revenue from operations of Rajgor Castor Derivatives Limited are taken as per Restated Financial Statement for the Financial Year 2022-23.

@ Current Market Price (CMP) is taken as the closing price of respective scripts as on March 31, 2023 at NSE / BSE.

§ The Figures as at March 31, 2023 and are taken from the financial results uploaded on respective Stock Exchange(s)

The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Offer price is times [●] the face value of equity share.

The Offer Price of ₹ [●]/- is determined by our Company in consultation with the Book running lead manager is justified based on the above accounting ratios. For further details, please refer to the section titled "Risk Factors" and chapters titled "Business Overview" and "Restated Standalone Financial Information" beginning on page nos. 26, 105 and 161 respectively of the Red Herring Prospectus.

FINANCIAL KPIs OF OUR COMPANY

Particulars	For the period ended		For the Year ended on March 31	
	June 30, 2023	2023	2022	2021
Revenue from Operations	11,269.88	42,878.06	3,967.21	974.66
Growth in Revenue from Operations (%)	NA	980.81%	307.04%	305.16%
Gross Profit	609.55	1,658.80	285.99	8.96
Gross Profit Margin (%)	5.41%	3.87%	7.21%	0.92%
EBITDA	428.45	1,151.86	269.20	-12.38
EBITDA Margin	3.80%	2.69%	6.79%	-1.27%
Profit After Tax	192.57	554.47	52.19	-180.18
PAT Margin (%)	1.71%	1.29%	1.32%	-18.49%
RoE (%)	7.82%	43.19%	29.69%	-75.14%
RoCE (%)	5.36%	22.97%	12.03%	-0.92%
Net Fixed Asset Turnover (In Times)	5.73 Times	21.42 Times	1.96 Times	0.45 Times
Net Working Capital Days	32 Days	8 Days	-125 Days	-455 Days
Operating Cash Flows	-412.12	-4,018.80	734.01	-89.08

Source: The Figure has been certified by our statutory auditors M/s. VSSB & Associates Chartered Accountants vide their certificate dated October 4, 2023.

Notes:

1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.

2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.

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