



(Please scan this QR code to view the Draft Red Herring Prospectus dated July 19, 2024)

ADDENDUM TO DRAFT RED HERRING PROSPECTUS DATED SEPTEMBER 9, 2024



SHIV TEXCHEM LIMITED
CIN: U24110MH2005PLC152341

Our Company was originally incorporated as 'Shiv Texchem Private Limited' as a private limited company in Mumbai under the provisions of the Companies, Act, 1956, pursuant to a certificate of incorporation dated March 31, 2005, issued by Registrar of Companies, Maharashtra, Mumbai ("ROC"/ "Registrar of Companies"). Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at an Extra-ordinary General Meeting held on June 11, 2024, and the name of the Company was changed to 'Shiv Texchem Limited' and a fresh certificate of incorporation consequent upon conversion dated July 05, 2024 was issued by the Registrar of Companies. For change in the registered office and other details please, see "History and Certain Corporate Matters" on page 126 of the Draft Red Herring Prospectus.

Registered Office: Kamla Space, Unit no. 216, 2nd Floor Khira Nagar TPS III, S.V. Road, Santacruz (West) NA Mumbai – 400054, Maharashtra, India

Corporate Office: 602, 6th Floor, Savoy Chambers, Hasamukh Nagar, Santacruz (W) Mumbai, 400 054

Website: www.shivtexchem.com; **E-Mail:** cs@shivtexchem.com **Telephone No:** +91 96195 11788

Company Secretary and Compliance Officer: Dinky Jain

Corporate Identity Number: U24110MH2005PLC152341.

OUR PROMOTERS: VIKAS PAVANKUMAR, HEMANSHU S. CHOKHANI, NEHA CHOKHANI, MANJUDEVI SHYAMSUNDAR CHOKHANI, SHYAMSUNDAR CHOKHANI, PAVANKUMAR SANWARIA REALTY PRIVATE LIMITED AND HEMANSHU SYNTEX PRIVATE LIMITED

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JULY 19, 2024: NOTICE TO THE INVESTORS ("THE ADDENDUM")

INITIAL PUBLIC ISSUE OF UPTO 61,05,600 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF SHIV TEXCHEM LIMITED ("STL" 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 3,05,600 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 58,00,000 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 26.34% AND 25.02%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY

Potential Bidders may note the following:

1. The Chapter titled "Definition and Abbreviations" beginning on page 01 of the Draft Red Herring Prospectus has been updated;
2. The Chapter titled "Summary of Draft Red Herring Prospectus" beginning on page 24 of the Draft Red Herring Prospectus has been updated;
3. The Chapter titled "Risk Factors" beginning on page 30 of the Draft Red Herring Prospectus has been updated;
4. The Chapter titled "The Issue" beginning on page 49 of the Draft Red Herring Prospectus has been updated;
5. The Chapter titled "General Information" beginning on page 55 of the Draft Red Herring Prospectus has been updated;
6. The Chapter titled "Capital Structure" beginning on page 64 of the Draft Red Herring Prospectus has been updated;
7. The Chapter titled "Object of the Issue" beginning on page 79 of the Draft Red Herring Prospectus has been updated;
8. The Chapter titled "Our Business" beginning on page 111 of the Draft Red Herring Prospectus has been updated;
9. The Chapter titled "Our Management" beginning on page 129 of the Draft Red Herring Prospectus has been updated;
10. The Chapter titled "Our Promoters and Promoters Group" beginning on page 143 of the Draft Red Herring Prospectus has been updated;
11. The Chapter titled "Our Group Companies" beginning on page 148 of the Draft Red Herring Prospectus has been updated;
12. The Chapter titled "Restated Financial Information" beginning on page 150 of the Draft Red Herring Prospectus has been updated;
13. The Chapter titled "Management Discussion and Analysis of financial conditions and results of operations" beginning on page 179 of the Draft Red Herring Prospectus has been updated;
14. The Chapter titled "Government and Other Approval" beginning on page 199 of the Draft Red Herring Prospectus has been updated;
15. The Chapter titled "Other Regulatory and Statutory Disclosure" beginning on page 202 of the Draft Red Herring Prospectus has been updated;



16. The Chapter titled “Material Contract and Material Documents” beginning on page 287 of the Draft Red Herring Prospectus has been updated

Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to issue price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Draft Red Herring Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

Date: September 9, 2024
Place: Mumbai

On Behalf of Shiv Texchem Limited
Sd/-
Vikas Pavankumar
Chairman and Managing Director
DIN: 00323118

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
	
Vivro Financial Services Private Limited 607/608, Marathon Icon, Opp. Peninsula Corporate Park, Off. Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai – 400 013, Maharashtra, India Telephone: +91 22 6666 8040 Email ID: investors@vivro.net Investor Grievance ID: investors@vivro.net Website: www.vivro.net Contact Person: Aradhy Rajyaguru/ Kruti Saraiya SEBI Registration No.: INM000010122 CIN: U67120GJ1996PTC029182	LINK INTIME INDIA PRIVATE LIMITED Address: C 101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai- 400083 Maharashtra, India Tel. No.: +91-8108114949 Website: www.linkintime.co.in Email ID: shivtexchem.smeipo@linkintime.in Investor Grievance ID: shivtexchem.smeipo@linkintime.in Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058
BID/ISSUE PROGRAMME	
ANCHOR INVESTOR PORTION ISSUE OPENS/CLOSES ON:	[●]*
BID/ISSUE OPENS ON	[●]
BID/ISSUE CLOSES ON	[●]

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

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SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS

Company related terms

Term	Description
Promoters	The Promoters of our Company, being Vikas Pavankumar, Hemanshu S. Chokhani, Neha Chokhani, Manjudevi Shyamsundar Chokhani, Shyamsundar Chokhani, Pavankumar Sanwaria Realty Private Limited and Hemanshu Syntex Private Limited. For further details, please see “ <i>Our Promoters and Promoters Group</i> ” on page 143 of the Draft Red Herring Prospectus

Issue Related Definitions

Term	Description
Designated Market Maker	In our case Rikhav Securities Limited
Market Making Reservation Portion	3,05,600 Equity Shares of face value of ₹10.00 each at ₹[●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹[●] Lakh reserved for subscription by the Market Maker.
Net Issue	The Issue excluding the Market Maker Reservation Portion of up to 58,00,000 Equity Shares of face value of ₹10 each fully paid up for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakh by our Company.

SUMMARY OF DRAFT RED HERRING PROSPECTUS

c. Name of Promoters

The Promoters of our Company are Vikas Pavankumar, Hemanshu S. Chokhani, Neha Chokhani, Manjudevi Shyamsundar Chokhani, Shyamsundar Chokhani, Pavankumar Sanwaria Realty Private Limited. and Hemanshu Syntex Private Limited for detailed information on our Promoters and Promoter's Group, please refer chapter titled "Our Promoters and Promoter's Group" on page 143 of the Draft Red Herring Prospectus and this addendum.

d. Issue Size

Issue⁽¹⁾	Issue of 61,05,600 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 Reservation Portion	Maker 3,05,600 Equity Shares of ₹ 10each 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	58,00,000 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 resolution passed at its meeting held on July 11, 2024 and the Issue has been authorized by our Shareholders pursuant to a special resolution passed on July 11, 2024

f. Aggregate Pre-Issue shareholding of our Promoters and Promoters Group

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

S. No	Names	Pre-Issue		Post Issue		
		Shares Held	% Held	Shares	SharesHeld	% Held
Promoters						
1.	Hemanshu Syntex Private Limited	27,92,000		16.36	[●]	[●]
2.	Pavankumar Sanwaria Realty Private Limited	63,91,960		37.45	[●]	[●]
3.	Manjudevi Shyamsundar Chokhani ⁽¹⁾	16,00,000		9.37	[●]	[●]
4.	Shyamsundar Chokhani ⁽²⁾	12,00,000		7.03	[●]	[●]
5.	Hemanshu S. Chokhani ⁽³⁾	8,000		0.05	[●]	[●]
6.	Vikas Pavankumar	8,000		0.05	[●]	[●]
7.	Neha Chokhani	Nil		Nil	Nil	Nil
	TOTAL (A)	1,19,99,960		70.31	[●]	[●]
Promoters Group						
1.	Karan Wilkhoo	42,66,712		25.00	[●]	[●]
2.	Shyamsundar Chokhani HUF	8,00,000		4.69	[●]	[●]
	TOTAL (B)	50,66,712		29.69	[●]	[●]
	GRAND TOTAL (A+B)	1,70,66,672		100.00	[●]	[●]

⁽¹⁾ Jointly held with Shyamsundar Chokhani ⁽²⁾ Jointly held with Manjudevi Shyamsundar Chokhani

⁽³⁾ Jointly held with Manjudevi Shyamsundar Chokhani

I. Summary of Related Party Transactions

A. Transaction during the period:

(₹ in lakhs)

Sr No	Nature of Transaction	Name of the Related Party	Fiscal 2024	Fiscal 2023	Fiscal 2022
1		Vikas Pavankumar	24.00	24.00	20.00
2	Directors Remuneration	Hemanshu S Chokhani	24.00	24.00	26.50
3		Shyamsundar Chokhani	24.00	24.00	25.00
4		Neha Chokhani	24.00	24.00	22.50
5		Hemanshu S Chokhani	0.50	1.10	1.60
6		Shyamsundar Chokhani	7.72	6.56	5.53
7		Neha Chokhani	7.66	4.52	1.21
8	Interest On Loan	Manjudevi Shyamsundar Chokhani	27.95	18.19	13.45
9		Mack Trading Company Ltd	12.91	32.64	37.57
10		Hemanshu Syntex Private Limited	3.42	3.22	3.03
11		Shyamsundar Chokhani HUF	15.73	14.66	13.73
12	Rent Paid	Manjudevi Shyamsundar Chokhani	12.60	13.50	18.00

B. Balance at the end of the period:

(₹ in lakhs)

Sr No	Nature of Transaction	Name of the Related Party	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Loan and	Hemanshu S Chokhani	5.41	4.97	7.67
2.	Advances	Shyamsundar Chokhani	84.17	77.22	56.41
3.	Received	Neha Chokhani	83.63	76.45	56.56
4.		Manjudevi Shyamsundar Chokhani	304.71	279.55	256.27
5.		Mack Trading Company Limited	114.90	103.28	676.31
6.		Hemanshu Syntex Private Limited	36.50	34.68	32.56
7.		Pavankumar Sanwaria Realty Private Limited	3,293.65	2,589.97	2,964.97
8.		Shyamsundar Chokhani HUF	169.99	157.69	148.75

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

Sr. No.	Name of Promoters	No. of Equity Shares Acquired during the last one year**	Weighted Price*^ (₹ per equity share)	Average
1.	Vikas Pavankumar	8,000 [#]		93.75
2.	Hemanshu S. Chokhani ⁽¹⁾	7,000		Nil**
3.	Pavankumar Sanwaria Realty Private Limited	55,92,965		Nil**
4.	Hemanshu Syntex Private Limited	24,43,000		Nil**
5.	Manjudevi Shyamsundar Chokhani ⁽²⁾	14,00,000		Nil**
6.	Shyamsundar Chokhani ⁽³⁾	10,50,000		Nil**

Sr. No.	Name of Promoters	No. of Equity Shares Acquired during the last one year**	Weighted Price*^ (₹ per equity share)	Average
7.	Neha Chokhani		Nil	Nil

*The weighted average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by the amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired.

^As certified by M/s. Sundarlal, Desai & Kanodia, Chartered Accountants, by way of their certificate dated August 27, 2024

#Includes bonus allotment

**Equity Shares acquired pursuant to bonus shares. For further details refer to "Capital Structure" on page 64 of the Draft Red Herring Prospectus

(1) Jointly held with Manjudevi Shyamsundar Chokhani

(2) Jointly held with Shyamsundar Chokhani

(3) Jointly held with Manjudevi Shyamsundar Chokhani

o). Average Cost of Acquisition of Equity Shares by our Promoters

Sr. No.	Name of Promoters	No. of Equity Shares Acquired	Average Cost per Equity Shares (₹ per equity share)*^
1.	Vikas Pavankumar	8,000	93.75
2.	Hemanshu S. Chokhani ⁽¹⁾	8,000	Negligible [#]
3.	Pavankumar Sanwaria Realty Private Limited	63,91,960	101.89
4.	Hemanshu Syntex Private Limited	27,92,000	2.99
5.	Manjudevi Shyamsundar Chokhani ⁽²⁾	16,00,000	1.25
6.	Shyamsundar Chokhani ⁽³⁾	12,00,000	1.25
7.	Neha Chokhani	Nil	Nil

* giving effect of bonus shares issued in ratio of 7:1 on July 11, 2024

#as the value is below 0.01

^As certified by M/s. Sundarlal, Desai & Kanodia, Chartered Accountants, by way of their certificate dated August 27, 2024

(1) Jointly held with Manjudevi Shyamsundar Chokhani

(2) Jointly held with Shyamsundar Chokhani

(3) Jointly held with Manjudevi Shyamsundar Chokhani

r) Our Company has not undertaken any consolidation or split of Equity Shares in the one year preceding the date of the Draft Red Herring Prospectus.

SECTION – II: RISK FACTORS

1. We derive a significant part of our revenue from a group of select products. If we fail to offer any of these products, our business, financial condition and results of operations may be adversely affected.

We are primarily in the business of importing and distribution of hydrocarbon-based chemicals of the product family viz. Acetyls, Alcohol, Aromatics, Nitriles, Monomers, Glycols Phenolic, Ketones, and Isocyanates, which are critical raw materials and inputs for manufacturing of paints and coatings, printing inks, agro-chemical products, specialty polymers, pharmaceuticals products and specialty industrial chemicals. Over the past three Fiscals, we have expanded our product portfolio from offering 21 products in Fiscal 2022 to 39 products by Fiscal 2024. The contribution of top 5 and top 10 products in our total revenue from operations is as under:

Sr. No.	Particulars	Revenue Contribution (₹ in lakhs)	Total Revenue (₹ in lakhs)	Percentage of the revenue contribution
1.	Fiscal 2024			
	Top 5 Products	74,073.80	1,53,490.41	48.26%
	Top 10 Products	1,13,734.76	1,53,490.41	74.10%
2.	Fiscal 2023			
	Top 5 Products	64,286.44	1,11,759.06	57.52%
	Top 10 Products	91,686.70	1,11,759.06	82.04%
3.	Fiscal 2022			
	Top 5 Products	69,082.49	85,865.83	80.45%
	Top 10 Products	82,636.54	85,865.83	96.24%

While the composition and mix of our top 5 and top 10 products keeps changing from year to year, some of our products which forms part of top five (5) and top ten (10) products during fiscal 2022, fiscal 2023 and fiscal 2024 consist of Acetic Acid, Methanol, Toluene, N-Butyl Acrylate, Acrylonitrile, Styrene Monomer, Vinyl Acetate Monomer, Phenol, Sulphuric Acid and Vinyl Acetate Monomer.

While we have reduced our dependency on selected products by expanding our products portfolio, we expect that we will continue to derive a significant portion of our revenue from the group of selected products. Accordingly, any failure on our part to procure and deliver these products efficiently to our customers as per their requirements or not deliver at all, could adversely affect our business, financial condition, reputation and results of operations.

2. We are dependent on limited number of suppliers for supply of our traded products and we have not made any long term supply arrangement with our suppliers. In an eventuality where our suppliers are unable to deliver us the required materials in a time-bound manner it may have a material adverse effect on our business operations and profitability.

Our Company is dependent on suppliers for supply of stock in trade products; however, we have not entered into any long term supply agreement for the same. For the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, our purchases from top one (1), top five (5) and top ten (10) suppliers are as follows:

Particulars	FY 2022		FY 2023		FY 2024	
	Amount (₹ in lakhs)	% of our Purchase of stock in trade	Amount (₹ in lakhs)	% of our Purchase of stock in trade	Amount (₹ in lakhs)	% of our Purchase of stock in trade
Purchase from top one (1) supplier	12,980.32	13.92%	27,853.60	22.84%	28,528.94	19.29%
Purchase from top five (5) supplier	44,095.21	47.27%	67,033.79	54.96%	66,834.83	45.20%
Purchase from top ten (10) supplier	65,730.40	70.47%	74,814.30	61.34%	85,415.55	57.76%

For further details, see “Our Business” on page 111 of the Draft Red Herring Prospectus.

There can be no assurance that strong demand, capacity limitations or other problems experienced by our supplier will not result in occasional shortages or delays in their supply of traded products. If we experience a significant or prolonged shortage of traded products from any of our supplier and we cannot procure the traded products from other sources, we would be unable to meet our production schedules in a timely manner, which would adversely affect our sales, margins and customer relations. In the absence of such supply agreements, we cannot assure that a particular supplier will continue to supply traded products to us in the future. In the event the prices of such traded products were to rise substantially or any disruption in supply chain of such traded products, we may find it difficult to make alternative arrangements for supplies of our traded products, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition.

While we may find additional suppliers to supply these traded products, any failure of our suppliers to deliver these traded products in the necessary quantities or to adhere to delivery schedules, credit terms or specified quality standards and technical specifications may adversely affect our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers which could have a material adverse effect on our business, financial condition and results of operations. 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.

3. We do not have long term agreements with our customers and rely on purchase orders for delivery of our products. Loss of one or more of our customers or a reduction in their demand for our products could adversely affect our business, results of operations and financial condition.

We do not enter into long-term agreements with our customers. We rely on purchase orders to govern the volume and other terms of our sale of products to our customers. Many of the purchase orders we receive from our customers specify a price per unit and the delivery schedule. While we believe that our relationship with our customers has been built over time and few of our customers have conferred the status of a preferred supplier on us, resulting in repeat orders from such customers, our relationship with our customers is on a non-exclusive basis and accordingly, our customers may choose to cease sourcing our products and source alternative options which exposes us to a significant increased risk of customer attrition. Absence of any long-term contracts or contractual exclusivity with respect to our business arrangements with such customers poses a challenge on our ability to continue to supply our products to these customers in future. Further, the number of purchase orders that our customers place with us differ from quarter to quarter, which has caused our revenues, results of operations and cash flows to fluctuate in the past and we expect this trend to occasionally continue in the future.

Following table shows distribution of our revenue from operations on basis of customer concentration:

Particulars	FY 2022		FY 2023		FY 2024	
	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
Revenue from top one (1) customer	2,753.84	3.21%	3,565.75	3.19%	6,964.29	4.54%
Revenue from top five (5) customers	8,356.17	9.73%	9,534.82	8.53%	17,587.15	11.46%
Revenue from top ten (10) customers	13,295.88	15.48%	13,656.96	12.22%	25,219.45	16.43%

Additionally, our customers have high and stringent standards for product quantity and quality as well as delivery schedules and any failure to meet our customers' expectations and specifications could result in cancellation of orders or the risk of the customer not placing any subsequent orders or might place orders for lesser quantity. There are also a number of factors, other than our performance, that could cause the loss of a customer such as, (a) increase in prices of chemicals and other costs resulting in an increase in the price of our products; (b) changes

in customer requirements and preferences; (c) changes in governmental or regulatory policy; (d) slowdown in the customer's industry due to any reasons; and (e) change in technology. Any of these factors may have an adverse effect on our business, results of operations and financial condition.

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

As on March 31, 2024, our Company had the following contingent liabilities:

Particulars	(₹ in lakhs)
	As at 31.03.2024
Bills Payables (Letter of Credit & Buyer's Credit) with Bank	10,465.74

In the event that any of these contingent liabilities materialize, our financial condition may be adversely affected. For further information, please refer chapter titled “Restated Financial Information – Contingent liabilities” on page 170 of the Draft Red Herring Prospectus.

9. We have experienced negative cash flows from operation activities in the prior periods.

Following is the summary of cash flow statement for fiscal 2022, fiscal 2023 and fiscal 2024:

Particulars	(₹ in lakhs)		
	Fiscal 2022	Fiscal 2023	Fiscal 2024
Net Cash Used in Operating Activities	2,825.08	(16,249.62)	5,833.86
Net Cash Used in Investing Activities	(29.08)	(78.16)	(8.35)
Net Cash Generated from Financing Activities	6,053.68	19,344.65	(1,137.11)
Net increase / (decrease) in cash & cash equivalents	8,849.69	3,016.87	4,688.40

For further details, see “Management's Discussion and Analysis of Financial condition and Results of Operations” and “Restated Financial Information” on pages 179 and 150 respectively of the Draft Red Herring Prospectus. Any negative cash flows in the future could adversely affect our business, results of operations and financial condition.

17. Our registered office, corporate office, other offices and storage facilities premises are being utilised by us on leasehold basis and we are subject to terms and conditions imposed on us by the lessor. In any event we are unable to renew such leasehold rights, our business, financial condition and results of operations may be adversely affected.

Our registered office, corporate office, other offices are on leasehold, the details are as follow:

No	Particular	Address	Owned/Leased	Lease Expiry	Rent Details
1	Registered Office	216, 2nd Floor, Kamla Space, Khira Nagar SV Road, Santacruz (W) Mumbai – 400054 ⁽¹⁾	Leased	March 31, 2026	₹1,50,000 on or before the 10th month of every year.
2	Corporate Office	602, Savoy Chambers, Dattatray Road Hasmukh Nagar, Santacruz West Mumbai-400054 ⁽²⁾	Leased	December 08, 2028	₹8,01,000 with 5% increase in first year and 8% increase in subsequent year
3	Office	126/3, GIDC Estate Near Lupin Lt Ankleshwar – 393002 ⁽³⁾	Leased	March 31, 2026	₹3,000 per month
4	Office	Office No 14, 2nd Floor Madhav Darshan, Plot No 7, Sector 8, Gandhidham, Kutch – 370201 ⁽⁴⁾	Leased	June 30, 2025	₹12,500 per month
5	Office	BG-131, Ground Floor Sanjay	Leased	March 31,	₹25,000 per month

No	Particular	Address	Owned/Leased	Lease Expiry	Rent Details
		Gandhi Transport Nagar, Delhi- 110042 ⁽⁵⁾		2028	

⁽¹⁾ Our Registered Office is owned by one of the Promoter, Manjudevi Shyamsundar Chokhani

⁽²⁾ Our Corporate Office is owned by Lakshachandi Developers Private Limited, Om Kailash Finance and Investments Private Limited, Lakshachandi Housing and Infrastructure Private Limited

⁽³⁾ Our Office is owned by Babubhai Kanjibhai Patel

⁽⁴⁾ Our Office is owned by Rudradutt Jagdip Ayachi

⁽⁵⁾ Our Office is owned by Globe Transport Corporation, a member of our Promoter Group by virtue of immediate relative of one of our Promoter, Vikas Pavankumar

Further, we have entered into an agreement with certain third parties for storage and handling of our products. The use of the storage facility is, therefore, subject to terms and conditions imposed on us by the counterparty, which may be unilaterally amended and our ability to negotiate terms may be limited. Following are brief terms of the storage and handling agreement which are valid and subsisting as on date of the Red Herring Prospectus:

Sr No	Address	Lease Period	Capacity Hired	Hire Charges
1.	Deendayal Port at Kandla	Five (5) years from March 28, 2022	1750 MT	₹ 525 per MT per month with ~5% increase every year
2.	Deendayal Port at Kandla	Five (5) years from August 24, 2022	1755 MT	₹ 525 per MT per month with ~5% increase every year
3.	JNPT Terminal	July 01, 2022 to June 30, 2025	1500 MT	₹ 825 per MT per month
4.	JNPT Terminal	November 15, 2022 to November 14, 2025	1500 MT	₹ 825 per MT per month

We must obtain the consent / approval for any future construction or modification of any structure or building other than the existing storage facility. In any case, if the agreement is not renewed or is terminated, we may be required to relocate or curtail our business and suffer a significant disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

29. Our Promoters have provided personal and/or corporate guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters/Directors and thereby, impact our business and operations.

Our individual Promoters viz., Vikas Pavankumar, Hemanshu S. Chokhani, Neha Chokhani, Shyamsundar Chokhani, and Manjudevi Shyamsundar Chokhani and our corporate Promoters viz., Pavankumar Sanwaria Realty Private Limited and Hemanshu Syntex Private Limited have provided personal and/or corporate guarantees towards certain financing facilities taken by our Company. Any default or failure by us to repay the indebtedness in a timely manner, or at all, could trigger repayment obligations of our guarantors in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoters or Promoter Group of our Company, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals or corporate promoters withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details, please refer the chapter titled “Financial Indebtedness” on page 189 of the Draft Red Herring Prospectus.

SECTION – III – INTRODUCTION

THE ISSUE

The following is the summary of the Issue:

Particulars	Details
Equity Shares Issued: ^{*(1)(2)} Present Issue of Equity Shares by our Company	Issue of 61,05,600 Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share
Of which:	
Issue Reserved for the Market Makers	3,05,600 Equity Shares of ₹10/- each of ₹ [●]/- per Equity Share reserved as Market Maker Portion
Net Issue to Public	Net Issue to Public of 58,00,000 Equity Shares having face value of ₹10/- each at a price of ₹ [●]/- per Equity Share to the Public
Of which:	
Allocation to Qualified Institutional Buyers ⁽³⁾⁽⁴⁾	[●] Equity Shares having face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares having 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)	[●] Equity Shares having face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Allocation to Non-Retail Individual Investors	[●] Equity Shares having face value of ₹ 10/- each aggregating up to [●] Lakhs
Allocation to Retail Individual Investors ⁽⁵⁾	[●] Equity Shares having face value of ₹ 10/- each aggregating up to [●] Lakhs
Pre-Issue and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,70,66,672 Equity Shares having face value of ₹ 10/- each
Equity Shares outstanding after the Issue	2,31,72,272 Equity Shares having face value of ₹ 10/- each
Use of Proceeds	For further details, see ‘Objects of the Issue’ on page 79 of the 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, 2018, 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 SEBI ICDR Regulations read with Rule 19(2)(b)(i) of 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 July 11, 2024 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 July 11, 2024.*
- (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 225 of the 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 to Non-Institutional Bidders, , provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price and not less than 35% of the Issue will be available for allocation to Retail Individual Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All 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 225 of the Draft Red Herring Prospectus.
 - (6) 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 Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
 - (7) 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.

GENERAL INFORMATION

Monitoring Agency

In compliance with Regulation 262 of the SEBI ICDR Regulations, has appointed Acuite Ratings & Research Limited as the monitoring agency for monitoring the utilization of the Net Proceeds, since the issue size is more than one hundred crores. For details in relation to the proposed utilisation of the Net Proceeds, see the section titled “*Objects of the Offer*” on page 79 of the Draft Red Herring Prospectus.

Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement has been entered on July 19, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriter has indicated its intention to underwrite the following number of specified securities being Issued through this Issue:

Details of Underwriter	No. of Equity Shares Underwritten*	Amount Underwritten (₹ in lakhs)	% of the total Issue Size Underwritten
Vivro Financial Services Private Limited 607/608, Marathon Icon, Opp. Peninsula Corporate Park, Off. Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai – 400 013, Maharashtra, India Telephone: +91 22 6666 8040 Email ID: investors@vivro.net Website: www.vivro.net Contact Person: Aradhy Rajyaguru/ Kruti Saraiya SEBI Registration No.: INM000010122	61,05,600 Equity Shares having face value of ₹10 each	[●]	100

**Includes 3,05,600 Equity Shares of ₹10.00 each for price of ₹ [●]/- of the Market Maker reservation portion which are to be subscribed by the Market Maker vide their agreement dated August 22, 2024, in order to comply with the requirements of Regulation 261 of SEBI ICDR Regulations*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the abovementioned Underwriter are 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 the Stock Exchanges.

Details of Market Making Arrangement

Our Company and the Book Running Lead Manager have entered into an agreement dated August 22, 2024 with the following Market Maker to fulfil the obligations of Market Making:

Rikhav Securities Limited

B/501-502, O2 Commercial Building,
Asha Nagar, Mulund (W), Mumbai- 400080

Tel: 022-69078300

Email ID: info@rikhav.net

Website: www.rikhav.net

Contact Person: Hitesh H Lakhani
SEBI Registration No: INZ000157737
Market Maker Registration No.: SMEMM0317408052012
(SME Segment of BSE)

Rikhav Securities Limited, registered with SME Segment of BSE, 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 the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the BSE and SEBI in this regard 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 BSE SME 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 BSE SME.

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

The Market Maker, shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) 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(s).

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 BSE SME and SEBI from time to time.

The minimum depth of the quote shall be ₹1,00,000/- (Rupees One Lakh Only). However, the investors with holdings of value less than ₹1,00,000/- (Rupees One Lakh Only) shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

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

The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on BSE SME (in this case currently the minimum trading lot size is [●] Equity Shares of face value of ₹10 each; however, the same may be changed by BSE from time to time).

After a period of three (3) 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. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size 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 reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.

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

There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

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.

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

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.

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

In case of termination of the above mentioned 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, as amended. Further our Company and the BRLM 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 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 office from 10.00 a.m. to 5.00 p.m. on working days.

Price Band and Spreads: The 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.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME platform:

Sr. No	Market Price Slab (in ₹)	Proposed Spread (in % to sale price)	Market Price Slab (in Rs.)	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

Risk containment measures and monitoring for Market Maker: SME Platform of BSE will have all margins which are applicable on BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE may impose other margins as deemed necessary from time-to-time.

Punitive Action in case of default by Market Maker: SME Platform of BSE 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 they are not present in the market (offering 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.

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.

The Market Maker shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has 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 to ₹50 Crore	20%	19%
₹50 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 / BSE 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.

CAPITAL STRUCTURE

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

<i>(in ₹, except share data)</i>		
Particulars	Aggregate nominal value	Aggregate value at Issue Price*
A AUTHORISED SHARE CAPITAL		
2,50,00,000 Equity Shares of face value of ₹10 each	25,00,00,000	-
B ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
1,70,66,672 Equity Shares of face value of ₹10 each	17,06,66,720	-
C PRESENT ISSUE IN TERMS OF THE DRAFT RED HERRING PROSPECTUS[^]		
Issue of up to 61,05,600 Equity Shares of ₹10 each at an Issue Price of ₹[●] per Equity Share	6,10,56,000	[●]
Of which		
Reservation for Market Maker: 3,05,600 Equity Shares of ₹10 each at an Issue Price of ₹ [●] per Equity Share reserved as Market Maker Portion	30,56,000	[●]
Net Issue to Public: 58,00,000 Equity Shares of ₹10 each at an Issue Price of ₹ [●] per Equity Share to the Public	5,80,00,000	[●]
Net Public Issue consists of:		
Allocation of Qualified Institutional Buyers	[●]	[●]
Not more than [●]Equity Shares of ₹10 will be available for allocation to Qualified Institutional Buyers		
Allocation to Non-Institutional Investors:	[●]	[●]
At least [●] Equity Shares of ₹10 each at an Issue Price of ₹ [●] per Equity Share will be available for allocation to Non-Institutional Investors		
Allocation to Retail Individual Investors:	[●]	[●]
At least [●] Equity Shares of ₹10each at an Issue Price of ₹ [●] per Equity Share will be available for allocation to Retail Individual Investors		
D ISSUED, SUBSCRIBED AND PAID UP EQUITY CAPITAL AFTER THE ISSUE		
Up to 2,31,72,272 Equity Shares of face value ₹10 each	23,17,22,720 **	[●]
E SECURITIES PREMIUM		
Before the Issue	-	90,48,33,780
After the Issue	-	[●]

*Details to be included upon finalization of Issue Price

[^]The Present Issue of up to 61,05,600 Equity Shares in terms of the Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated July 11, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on July 11, 2024.

**Subject to finalization of Basis of Allotment

3. **Except as mentioned below, our Company has not issued any Equity Shares in the last two years preceding the date of the Red Herring Prospectus, for consideration other than cash or by way of bonus issue or out of revaluation of reserves:**

The details of allotment of 1,49,33,338 Equity Shares made on July 11, 2024 by way of Bonus Issue in ratio of 7:1 i.e., 7 (Seven) New Equity Shares for every 1(One) Equity Shares, are as follows:

No.	Name of Allottee	Number of Pre-Bonus Shares	Number of Bonus Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)	Number of Post-Bonus Shares
1	Pavankumar Sanwaria Realty Private Limited	7,98,995	55,92,965	10	Nil	63,91,960
2	Karan Wilkhoo	5,33,339	37,33,373	10	Nil	42,66,712
3	Hemanshu Syntex Private Limited	3,49,000	24,43,000	10	Nil	27,92,000
4	Manjudevi Shyamsundar Chokhani ⁽¹⁾	2,00,000	14,00,000	10	Nil	16,00,000
5	Shyamsundar Chokhani ⁽²⁾	1,50,000	10,50,000	10	Nil	12,00,000
6	Shyamsundar Chokhani HUF	1,00,000	7,00,000	10	Nil	8,00,000
7	Hemanshu Chokhani ⁽³⁾	1,000	7,000	10	Nil	8,000
8	Vikas Pavankumar	1,000	7,000	10	Nil	8,000

Notes:⁽¹⁾ Jointly held with Shyamsundar Chokhani

⁽²⁾ Jointly held with Manjudevi Shyamsundar Chokhani

⁽³⁾ Jointly held with Manjudevi Shyamsundar Chokhani

9. Shareholding Pattern of Our Company

The table below presents the equity shareholding pattern of our Company as on the date of the 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 of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	
								Class: Equity Shares	Total			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)		
(A)	Promoters and Promoters Group	9	1,70,66,672	-	-	1,70,66,672	100	1,70,66,672	1,70,66,672	100	-	100.00	-	-	-	-	1,70,66,672
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	9	1,70,66,672	-	-	1,70,66,672	100	1,70,66,672	1,70,66,672	100.00	-	100.00	-	-	-	-	1,70,66,672

Notes

- As on date of the 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 July 03, 2024 and July 10, 2024, with CDSL & NSDL 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 the BSE before commencement of trading of such Equity Shares.

10. Other details of shareholding of our Promoters and Promoters Group

As on the date of the filing of the Draft Red Herring Prospectus, our Company has 8 Shareholders and holds 1,70,66,672 Equity Shares representing 100.00 % of pre issue paid up equity share capital of our Company.

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

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
Vikas Pavankumar							
March 30, 2024	1,000	10	750	Cash	Transfer From Pavankumar Sanwaria Realty Private Limited	0.01%	[●]
July 11, 2024	7,000	10	Nil*	NA	Bonus	0.04%	[●]
Total	8,000					0.05%	[●]
Hemanshu S. Chokhani ⁽¹⁾							
On Incorporation	5,000	10	10	Cash	Allotment on Subscription of MOA	0.03%	[●]
April 21, 2005	15,000	10	10	Cash	Further Allotment	0.09%	[●]
June 1, 2005	30,000	10	10	Cash	Further Allotment	0.18%	[●]
December 19, 2005	50,000	10	10	Cash	Further Allotment	0.29%	[●]
April 20, 2007	12,500	10	10	Cash	Transfer From Nandkishor Agarwal	0.07%	[●]
June 18, 2007	25,000	10	10	Cash	Transfer From Jas Jog Consolidated Trading Private Limited	0.14%	[●]
June 18, 2007	12,500	10	10	Cash	Transfer From Chandra Prakash	0.07%	[●]

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
February 20, 2010	(1,00,000)	10	40	Cash	Bansal Transfer to Hemanshu Syntex Private Limited	(0.59)%	[●]
August 30, 2010	(49,000)	10	40	Cash	Transfer to Hemanshu Syntex Private Limited	(0.29)%	[●]
July 11, 2024	7,000	10	Nil	NA	Bonus	0.04%	[●]
Total	8,000					0.05%	[●]
Manjudevi Shyamsundar Chokhani ⁽²⁾							
April 21, 2005	30,000	10	10	Cash	Further Allotment	0.18%	[●]
June 01, 2005	20,000	10	10	Cash	Further Allotment	0.12%	[●]
December 19, 2005	50,000	10	10	Cash	Further Allotment	0.29	[●]
April 20, 2007	27,500	10	10	Cash	Transfer from Astute Advisors	0.16%	[●]
April 20, 2007	12,500	10	10	Cash	Transfer from Sanjay Ketan	0.07%	[●]
June 18, 2007	11,250	10	10	Cash	Transfer from Rajkiran Private Limited	0.10%	[●]
June 18, 2007	16,250	10	10	Cash	Transfer from Magna Vanijya	0.01%	[●]
April 20, 2008	2,500	10	10	Cash	Transfer from Nav Ratan	0.18%	[●]
April 20, 2008	30,000	10	10	Cash	Transfer from Basundeo HUF	8.20%	[●]
July 11, 2024	14,00,000	10	Nil	N.A.	Bonus	8.20%	[●]
Total	16,00,000					9.37%	[●]
Shyamsundar Chokhani ⁽³⁾							

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	5,000	10	10	Cash	Allotment on Subscription of MOA	0.03%	[●]
April 21, 2005	15,000	10	10	Cash	Further Allotment	0.09%	[●]
June 1, 2005	30,000	10	10	Cash	Further Allotment	0.18%	[●]
				Cash	Transfer from Brightstar Merchandise	0.15%	[●]
June 18, 2007	25,000	10	10	Cash	Transfer from Kasturi Towers Limited	0.15%	[●]
June 18, 2007	25,000	10	10	Cash	Transfer from Maharaj Vinimay Private Limited	0.15%	[●]
June 18, 2007	25,000	10	10	Cash	Transfer from Suhana Management	0.15%	[●]
July 11, 2024	10,50,000	10	Nil	N.A.	Bonus	6.15%	[●]
Total	12,00,000					7.03%	[●]
Pavankumar Sanwaria Realty Private Limited							
March 2, 2022	1,10,000	10	815	Cash	Further Allotment	0.64%	[●]
March 3, 2022	1,10,000	10	815	Cash	Further Allotment	0.64%	[●]
March 4, 2022	1,10,000	10	815	Cash	Further Allotment	0.64%	[●]
March 10, 2022	1,00,000	10	815	Cash	Further Allotment	0.58%	[●]
March 14, 2022	1,00,000	10	815	Cash	Further Allotment	0.58%	[●]
March 15, 2022	1,70,000	10	815	Cash	Further Allotment	0.99%	[●]
March 16, 2022	1,00,000	10	815	Cash	Further Allotment	0.58%	[●]
February 14, 2023	(5)	10	815	Cash	Transfer to Karan	Negligible	[●]

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
March 30, 2024	(1000)	10	750	Cash	Wilkhoo Transfer to Vikas Pavankumar	Negligible.	[●]
July 2024	55,92,965	10	Nil	N.A.	Bonus	32.77%	[●]
Total	63,91,960					37.45%	[●]
Hemanshu Syntex Private Limited							
December 10, 2009	14,000	10	12	Cash	Transfer from Kirti Goods Private Limited	0.08%	[●]
December 10, 2009,	10,000	10	12	Cash	Transfer from Nilima Distributors Private Limited	0.05%	[●]
December 10, 2009,	10,000	10	12	Cash	Transfer from Shree Tex Industries	0.06%	[●]
December 10, 2009	70,000	10	12	Cash	Transfer from Brightstar Mercantile Limited	0.41%	[●]
December 10, 2009	76,000	10	12	Cash	Transfer from Kasturi Towers Limited	0.45%	[●]
December 10, 2009	20,000	10	12	Cash	Transfer from Meghna Vanjya Limited	0.12%	[●]
February 20, 2010	1,00,000	10	40	Cash	Transfer from Hemanshu S. Chokhani	0.59%	[●]
August 30, 2010	49,000	10	40	Cash	Transfer from Hemanshu S. Chokhani	0.29%	[●]
July 11,	24,43,000	10	Nil	N.A.	Bonus	14.31%	[●]

Date of Allotment / Acquisition	Number of Equity Shares / Transferred	Face value per Share (₹)	Issue / Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of Allotment / Transfer	% of Pre-Issue capital	% of post-issue capital
2024							
Total	27,92,000					16.36%	[●]

Neha Chokhani							
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Jointly held with Manjudevi Shyamsundar Chokhani

(2) Jointly held with Shyamsundar Chokhani

(3) Jointly held with Manjudevi Shyamsundar Chokhani

12. The shareholding of the Promoters and Promoters Group as of the date of filing the Draft Red Herring Prospectus, i.e. July 19, 2024

Sr. No.	Name of the Shareholder	Number of Shares	Equity	% Equity capital (%)*	Pre-Issue Share	% Equity capital (%)	Post-Issue Share
Promoters							
1	Pavankumar Sanwaria Realty Private Limited		63,91,960		37.45%		[●]
2	Hemanshu Syntex Private Limited		27,92,000		16.36%		[●]
3	Manjudevi Shyamsundar Chokhani ⁽¹⁾		16,00,000		9.37%		[●]
4	Shyamsundar Chokhani ⁽²⁾		12,00,000		7.03%		[●]
5	Hemanshu S. Chokhani ⁽³⁾		8,000		0.05%		[●]
6	Vikas Pavankumar		8,000		0.05%		[●]
7	Neha Chokhani		Nil		Nil		Nil
Promoters Group							
1	Karan Wilkhoo		42,66,712		25.00%		[●]
2	Shyamsundar Chokhani HUF		8,00,000		4.69%		[●]

⁽¹⁾ Jointly held with Shyamsundar Chokhani

⁽²⁾ Jointly held with Manjudevi Shyamsundar Chokhani

⁽³⁾ Jointly held with Manjudevi Shyamsundar Chokhani

14. 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.

15. Details of Promoter's Contribution locked in for 3 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 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 the Draft Red Herring Prospectus, our Promoters hold 1,19,99,960 Equity Shares constituting 70.31 % of the pre-issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoters, Pavankumar Sanwaria Realty Private Limited and Hemanshu Syntex Private Limited have given written consent to include 46,46,041* Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting 20.05%* 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 held	Number of Equity Shares locked-in*	Face Value per Share (₹)	Percentage of Equity pre- Issue up capital (%)	Percentage of Equity paid- post- Issue up capital (%)	Date up to which Equity Shares are subject to lock-in
Hemanshu Syntex Private Limited	27,92,000	27,92,000	10	16.36%	[•]	[•]
Pavankumar Sanwaria Realty Private Limited	63,91,960	18,54,041	10	37.45%		
Total	91,83,960	46,46,041		53.81%	[•]	[•]

*subject to finalization of basis of allotment

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 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.

The entire pre-issue shareholding of the Promoters and Promoter Group, other than the Minimum Promoters Contribution, which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

16. All the Equity Shares held by our Promoters are in dematerialized form.
17. **Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237 of SEBI (ICDR) Regulations, 2018**

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's 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

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
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, 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 Provided that specified securities, allotted to the promoters against the capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible.	Eligible
237 (1) (d)	Specified securities pledged with any creditor.	Eligible

18. Compliance with Lock-in Requirements

The entire pre-issue paid-up capital of the Company shall remain locked in as per requirements of Regulations 238 & 239 of the SEBI ICDR Regulations as detailed hereinafter:

As required by clause (a) of Regulation 238, Minimum Promoters' Contribution i.e. 46,46,041* Equity Shares of face value of ₹10 each held by our promoters Hemanshu Syntex Private Limited and Pavankumar Sanwaria Realty Private Limited which shall 20.05%* of proposed post-issue paid up capital shall be locked-in for a period of three years from the date of allotment in the Initial Public Offer

**subject to finalization of basis of allotment*

Name of Promoters	Number of Equity Shares held	Number of Equity Shares locked-in*	of Face Value per Share (₹)	Percentage of the pre- Issue up capital (%)	Percentage of the post- Issue up capital (%)	Date up to which Equity Shares are subject to lock-in
Hemanshu Syntex Private Limited	27,92,000	27,92,000	10	16.36%	[•]	[•]
Pavankumar Sanwaria Realty Private Limited	63,91,960	18,54,041	10	37.45%		
Total	91,83,960	46,46,041		53.81%	[•]	[•]

**subject to finalization of basis of allotment*

As required by clause (b) of Regulation 238, the excess of Minimum Promoters' Contribution i.e. 73,53,919* Equity Shares of face value of ₹10 each held by our Promoters shall be locked-in for a period of one year from the date of allotment in present Initial Public Offer;

**subject to finalization of basis of allotment*

Name of Promoters	Number of Equity Shares held	Number of Equity Shares locked-in*	of Face Value per Share (₹)	Percentage of the pre- Issue up capital (%)	Percentage of the post- Issue up capital (%)	Date up to which Equity Shares are subject to lock-in
Hemanshu Syntex	27,92,000	-	10	16.36%	[•]	[•]

Name of Promoters	Number of Equity Shares held	of Number of Equity Shares locked-in*	of Face Value per Share (₹)	Percentage of pre- Issue up capital (%)	Percentage of post- Issue up capital (%)	Date up to which Equity Shares are subject to lock-in
Private Limited						
Pavankumar Sanwaria Realty Private Limited	63,91,960	45,37,919	10	37.45%	[●]	[●]
Manjudevi Shyamsundar Chokhani ⁽¹⁾	16,00,000	16,00,000	10	9.37%	[●]	[●]
Shyamsundar Chokhani ⁽²⁾	12,00,000	12,00,000	10	7.03%	[●]	[●]
Hemanshu Chokhani ⁽³⁾	S. 8,000	8,000	10	0.05%	[●]	[●]
Vikas Pavankumar	8,000	8,000	10	0.05%	[●]	[●]
Neha Chokhani	Nil	Nil	10	Nil	[●]	[●]
Total	1,19,99,960	73,53,919		70.31%	[●]	[●]

*subject to finalization of basis of allotment

Note: ⁽¹⁾ Jointly held with Shyamsundar Chokhani

⁽²⁾ Jointly held with Manjudevi Shyamsundar Chokhani

⁽³⁾ Jointly held with Manjudevi Shyamsundar Chokhani

As required by Regulation 239, the entire pre-issue capital held by persons other than the promoters i.e. 50,66,712* Equity Shares shall of face value of ₹10 each be locked-in for a period of one year from the date of allotment in the present Initial Public Offer.

Name of Shareholder	Number of Equity Shares held	of Number of Equity Shares locked-in*	of Face Value per Share (₹)	Percentage of pre- Issue up capital (%)	Percentage of post- Issue up capital (%)	Date up to which Equity Shares are subject to lock-in
Karan Wilkhoo	42,66,712	42,66,712	10	25.00%	[●]	[●]
Shyamsundar Chokhani HUF	8,00,000	8,00,000	10	4.70%	[●]	[●]
Total	50,66,712	50,66,712		29.69%	[●]	[●]

*subject to finalization of basis of allotment

19. Transferability of Locked in Equity Shares

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 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, 2018 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, 2018 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.

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

OBJECTS OF THE ISSUE

Details of the Objects of this Issue

1. To meet long-term working capital requirements

The increase in working capital requirements of the Company is on account of expansion in business operations in forthcoming period(s) and hence the Company envisages increase in its working capital requirements.

Since the Company is in the business of import and redistribution of hydrocarbon based chemicals, the Company has to procure stock from foreign suppliers and stock them as needed in Indian locations for its customers. In order to facilitate the trade, the Company has to use its banking limits. By raising equity funds for its operations, the Company can enhance its business operations. Since the past financial year, the Company has already achieved substantial increase in its monthly billing due to higher orders from customers.

In future the Company also expects to improve its credit rating due to increase in equity through this Issue and hence try to decrease its interest rates from its bankers and consequently achieve higher profitability.

Basis of estimation of working capital requirement

The details of our Company's working capital for Fiscal 2022, 2023 and 2024 their source of funding, derived on the basis of standalone restated financial statements of our Company and on the basis of existing and estimated working capital requirement of our Company, on a standalone basis, and assumptions for such working capital requirements, our Board, pursuant to its resolution dated July 16, 2024, has approved the projected working capital requirements for Fiscal 2025 and the details of such working capital are as set forth below:

<i>(₹ in lakhs)</i>					
Sr. No.	Particulars	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Projected)
I	Current Assets				
1	Inventories	12,971.68	31,567.42	39,655.48	46,311.32
2	Trade Receivables	17,836.05	12,521.62	18,230.20	37,846.95
3	Cash & Cash Equivalents (including Margin Money with Banks)	10,362.49	13,379.34	18,067.76	29,160.13
4	Other Current Assets	1,166.58	2,600.39	3,739.50	5,181.13
	Total (A)	42,336.80	60,068.77	79,692.94	1,18,499.53
II	Current Liabilities				
1	Trade Payables	19,444.85	11,567.59	27,764.55	44,351.90
2	Short Term provisions	26.60	4.39	331.59	2,352.78
3	Other Current Liabilities (including current maturity of long term debt)	5,031.02	7,863.39	3,177.41	3,698.00
	Total (B)	24,502.47	19,435.37	31,273.55	50,402.68
III	Total Working Capital Gap (A-B)	17,834.33	40,633.40	48,419.39	68,096.85
IV	Funding pattern				
a)	Short Term Borrowings (incl. working capital facilities from banks)	5,903.32	22,510.30	22,619.33	27,500.00
b)	Internal accruals		18,123.10	25,800.06	33,096.85

Sr. No.	Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
		(Audited)	(Audited)	(Audited)	(Projected)
		11,931.01			
c)	Amount proposed to be utilized from Net Proceeds	-	-	-	7,500.00

Assumptions for our estimated working capital requirements

The table below contains details of the holding levels (days) and estimated holding levels (days) for financial year Fiscal 2025:

Sr No	Particulars	Basis	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
1	Trade Receivables	Days	76	41	43	60
2	Inventories (Stock-in-trade and finished goods)	Days	55	103	94	75
3	Trade Payables	Days	76	35	69	75

Justification for holding period levels:

Inventories	Being in the business of importing and distribution, we need to maintain efficient inventory levels. Inventory levels tend to be dependent upon delivery schedules provided to us by our customers. The average inventory holding level in Fiscal 2022, 2023 and 2024, were 55, 103 and 94 days respectively. We believe that considering the size of market size, overall economic conditions and various factors involved in our business operations, the holding level is expected to be at 75 days for fiscal 2025.
Trade Receivables	<p>The Company anticipates a substantial expansion in business operations of the Company in the forthcoming financial year supported by the fresh infusion of funds from the proceeds of the proposed Issue of Equity Shares. A significant increase in trade receivables is due to our plans to engage with new clients and extend longer credit periods as part of our strategy to build stronger relationships. Since the past financial year, the Company has already achieved substantial increase in its monthly billing due to higher orders from customers. Hence, the Company expects substantial increase in trades receivable in line with expansion in business operations and increase in turnover of the Company in forthcoming financial year.</p> <p>The debtors' realization for Fiscal 2022, 2023 and 2024, were 76, 41 and 43 days. Basis our expected increase in business activities, we believe average collection period of 60 days for fiscal 2025, seems realistic and achievable, given the current business developments.</p>
Trade Payables	<p>The Company anticipates a substantial expansion in business operations of the Company in the forthcoming financial year supported by the fresh infusion of funds from the proceeds of the proposed Issue of Equity Shares. The Company expects substantial increase in trades payable in line with expansion in business operations and increase in purchase of stock in trade of the Company in forthcoming financial year. Since the past financial year, the Company has already achieved substantial increase in its monthly billing due to higher orders from customers and consequently larger dealings with its Creditors/suppliers. The Company also expects increase in utilisation of non-fund based facilities from banks and financial institutions to support the growth in business operations of the Company and hence increase its dealings with its Suppliers.</p> <p>During Fiscal 2022, 2023 and 2024, our trades payables period were 76, 35 and 69 days respectively. However, for fiscal 2025, we expect the creditors payment period to be 75 days.</p>

Short Term Provisions	The principal component of short-term provisions is the provision for income tax. The Company envisages substantial increase in business operations and revenue from operations in forthcoming financial year(s) supported by increased volume of goods sold, sale of higher margin products, acquisition of new customers and expansion of business relationship with existing customers, which is expected to lead to a substantial increase in Profit Before Tax. Consequently, this anticipated rise in profitability will result in a higher income tax liability, thereby necessitating an increase in the short-term provisions.
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2. General Corporate Purposes

In terms of Regulation 230(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes must not exceed 25% of the Gross Proceeds. Our Board will have flexibility in applying the balance amount towards part or full repayment/prepayment of outstanding borrowings, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time.

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.

SECTION IV: ABOUT OUR COMPANY
OUR BUSINESS

Our Strengths

Well diversified product portfolio, customer base with extensive suppliers' network

We are focused on sourcing and supplying the diversified products which are critical raw materials and have applications across a wide spectrum of industry including paints and coatings, printing inks, agro-chemical products, specialty polymers, pharmaceuticals products and specialty industrial chemicals. As of March 31, 2024, our product portfolio comprised around 39 products which were sourced from 60+ manufacturers and suppliers and distributed and supplied to over 650 customers.

Following table shows distribution of our revenue from operations on basis of product concentration:

Particulars	FY 2022		FY 2023		FY 2024	
	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
Revenue from top one (1) product	21,856.18	25.45%	24,551.95	21.97%	16,147.65	10.52%
Revenue from top five (5) products	69,082.49	80.45%	64,286.44	57.52%	74,073.80	48.26%
Revenue from top ten (10) products	82,636.54	96.24%	91,686.70	82.04%	1,13,734.76	74.10%

Following table shows distribution of our revenue from operations on basis of geographical segments:

Particulars	FY 2022		FY 2023		FY 2024	
	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
Revenue from sale in India	84,586.20	98.51%	1,11,759.06	100.00%	1,53,094.35	99.74%
Revenue from sale outside India	1,279.63	1.49%	-	-	396.05	0.26%
Total	85,865.83	100.00%	1,11,759.06	100.00%	1,53,490.41	100.00%

Following table shows distribution of our revenue from operations on basis of customer concentration:

Particulars	FY 2022		FY 2023		FY 2024	
	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
Revenue from top one (1) customer	2,753.84	3.21%	3,565.75	3.19%	6,964.29	4.54%
Revenue from top five (5) customers	8,356.17	9.73%	9,534.82	8.53%	17,587.15	11.46%
Revenue from top ten (10) customers	13,295.88	15.48%	13,656.96	12.22%	25,219.45	16.43%

Following table shows distribution of our purchase of stock in trade on basis of supplier concentration:

Particulars	FY 2022		FY 2023		FY 2024	
	Amount (₹ in lakhs)	% of our Purchase of stock in trade	Amount (₹ in lakhs)	% of our Purchase of stock in trade	Amount (₹ in lakhs)	% of our Purchase of stock in trade
Purchase from top one (1) supplier	12,980.32	13.92%	27,853.60	22.84%	28,528.94	19.29%
Purchase from top five (5) suppliers	44,095.21	47.27%	67,033.79	54.96%	66,834.83	45.20%
Purchase from top ten (10) suppliers	65,730.40	70.47%	74,814.30	61.34%	85,415.55	57.76%

Our diversification of revenue across multiple industries and customers allows us to prevent any possible customer concentration. In addition, our diversified product portfolio allows us to counter seasonal trends and address different business cycles across industries where our products are used. With our track record and diversified product portfolio, we have been able to retain our existing customers and have also been able to attract new customers.

In addition to our broad range of hydrocarbon chemicals, we also source other niche hydrocarbon-based chemicals tailored to our customers' specific requirements. For example, we source special compounds such as Methyl Iso Butyl Ketone and food grade Hexane for specific requirement of certain of our customers. Leveraging our global network of chemical manufacturers and distributors, we can fulfil customized sourcing needs of our customers. This process involves comprehensive price comparisons and evaluations to ensure optimal value. We prioritize reliability and cost-effectiveness when placing orders with selected suppliers, fulfilling our commitments to customers efficiently and effectively.

PRODUCT PORTFOLIO

The table below sets forth details of certain of our products family, sub-product group and certain applications of these products, which we source from the global manufacturers and suppliers and supply to our customers :

Product Family	Sub-Product Group	Application of Product	Form of Product (Liquid / Granules / Powder)
Acetyls	Acetic Acid	Industrial chemicals	Liquid
	N-Butyl Acetate	Paints, thinners, coating, inks	Liquid
	N-Propyl Acetate	Paints, thinners, coating, inks	Liquid
	Vinyl Acetate Monomer	Adhesives and Polysols	Liquid
Alcohol	2-Ethyl Hexanol	Plasticizers	Liquid
	Isobutanol	Plasticizers and Paints	Liquid
	Isopropyl Alcohol	Sanitizers, Pharmaceuticals and Inks	Liquid
	Methanol	Plywood, Pharmaceuticals and Agro products	Liquid
	N Butanol	Plasticizers and coating	Liquid
	N Propyl Alcohol	Agro-chemical and Esterification	Liquid
Aromatics & Blended Stock	De-Aromatised Solvents-D40/D80/D100	Mosquito repellents	Liquid
	Exxsol Hexane/ N-Hexane	Agro-chemical and Paints	Liquid
	Isomer/Solvent Mix Xylene	Paints and Coatings and Agro-Chemicals	Liquid
	Solvent C-9 and C-10	Paints and Agrochemicals	Liquid

Product Family	Sub-Product Group	Application of Product	Form of Product (Liquid / Granules / Powder)
	Toluene	Paints, Inks, Pharmaceuticals and Nitration process	Liquid
Inorganics and Allied	Aluminium chloride	Agro products and pigments	Semi-powder
	Caustic Soda Lye	Pharmaceuticals, Agrochemicals and Dyes	Liquid
	Caustic Soda Flakes	Pharmaceuticals, Agrochemicals and Dyes	Semi-powder
	Hydrochloric Acid	Amines and Agro products	Liquid
	Light Soda Ash	Detergents and Agrochemical	Semi-powder
	Nitric Acid	Nitration	Liquid
	Sulphuric Acid	Dyes, Agrochemicals and Florochemicals	Liquid
Phenolic & Ketones	Acetone	Pharmaceuticals	Liquid
	Cyclohexanone	Agrochemicals and Ketonic Resins	Liquid
	Methyl Ethyl Ketone	Inks, Packaging and Agrochemicals	Liquid
	Methyl Iso Butyl Ketone	Inks, Packaging and Automobile Lubricants	Liquid
	Phenol	Plywoods and Agrochemicals	Liquid
Isocyanates	Aniline	Inks, Dyes and Agrochemical	Liquid
Intermediate and Basic Chemicals	DMF	Pharmaceutical and Agro Products	Liquid
	Pthalic Anhydride	Paints and Resins	Granules
	Maleic Anhydride	Paints and Resins	Granules
	Tetrahydrofuran	Battery	Liquid
	Ethylene Di Chloride	PVC pipes and Pharmaceuticals	Liquid
	Linear Alkyl Benzene	Soaps and Detergents	Liquid
	Melamine	Plywood and construction materials	Liquid
Monomers	2-Ethylhexyl Acrylate	Paints	Liquid
	Acrylonitrile	Polymers, Oil Drilling and Acrylic Fibers	Liquid
	Methyl Methacrylate	Construction materials and Paints	Liquid
	N-Butyl Acrylate	Paints and BOPP Tapes	Liquid
	Styrene Monomer	Resins and Emulsions	Liquid
Glycol	Butyl Glycol	Paints and Coatings	Liquid
	Propylene Glycol	Eye drops and Cosmetic products	Liquid

STORAGE AND PRODUCT HANDLING

We sources 39 products from more than 60 manufacturers and suppliers and supplies the same to more than 650 customers. Our products are generally in the form of liquid or granule or in semi powdered form. Our storage infrastructure arrangements act as a critical part of our operations, providing secure and reliable storage solutions for a wide range of chemicals and materials. We have entered into storage and handling agreements at Kandla, Mundra, JNPT, Mumbai and Hazira ports, as well as we also arrange few contracted storage facilities as per requirement of our customers.

The following are certain images of our storage handling facilities:



Liquid Products



Semi Powder Products



Granules / Semi Powder Products



Storage for liquid products
Deendayal Port, Kandla



Storage for liquid products
Deendayal Port, Kandla



Storage for liquid products
Deendayal Port, Kandla



Storage for liquid products
JNPT Terminal

BUSINESS PROCESS

Our business process primarily involves the followings steps:

a) Study the global production data and consumption needs of our customers:

We employ in-house tools and industry database to study the global production and consumption of hydrocarbon chemicals, analyse the pricing trends, assess the acceptability of the products in Indian market and project the demand of domestic consumers. We then generate leads and inquiries from new

as well as existing customers and liaise with them to receive confirmed purchase orders.

On the basis of our internal assessment of availability of the products in the international markets and price movement, we assist the customers in their purchase plans for the required quantity and schedule of delivery.

b) Aggregating orders from the customers:

For a particular product or products under the family, we aggregate the orders from multiple customers in order to ensure to place order as per our customers' requirements. Depending upon the requirements and the nature of the product, we may make orders which are economically viable for our business.

c) Liaise with suppliers to arrange the requisite supply of products:

On receipt of confirmed purchase orders from the customers, we approach the suppliers of the particular product and negotiate the commercial and delivery terms to match the expected delivery schedule of our customers. After considering various critical factors such as expected price movement, further expected demands from other customers and delivery schedules, we place confirmed purchase orders with the suppliers.

d) Manage supply chain including storage facilities:

Based on the confirmed purchase orders, the supplier despatches the required products as per the negotiated delivery terms and schedule. On receipt of products at the place of delivery, we store the same at the storage facility to further dispatch the products to pre-ordered deliveries placed by our customers and store the balance quantity to fulfil any spot demand. We generally arrange to liquidate the inventories based on schedules given by the customers and also on the basis of spot orders.

e) Collection and recovery of dues from customers:

The Company employs an in-house collection team that monitors collections on a daily basis. To ensure prompt and efficient recovery of outstanding amounts, the team issues reminders via email and conducts follow-up calls with debtors. Additionally, the Company has a policy of obtaining post-dated cheques from certain customers to facilitate timely collection.

PROPERTIES

Our registered office is situated at 216, 2nd Floor, Kamla Space, Khira Nagar SV Road, Santacruz (W) Mumbai 400054, Maharashtra and Corporate Office at 602, Savoy Chambers, Dattatray Road, Hasmukh Nagar, Santacruz West, Mumbai 400054. Additionally, we also maintain branch offices at Mumbai, Delhi, Ankleshwar and Gandhidham. Our offices are used by us on a leasehold basis. Set out below are details of our properties as on June 30, 2024:

No	Particular	Address	Owned/Leased	Lease Expiry	Rent Details
1	Registered Office	216, 2nd Floor, Kamla Space, Khira Nagar SV Road, Santacruz (W) Mumbai – 400054 ⁽¹⁾	Leased	March 31, 2026	₹1,50,000 on or before the 10th month of every year.
2	Corporate Office	602, Savoy Chambers, Dattatray Road Hasmukh Nagar, Santacruz West Mumbai-400054 ⁽²⁾	Leased	December 08, 2028	₹8,01,000 with 5% increase in first year and 8% increase in subsequent year

No	Particular	Address	Owned/Leased	Lease Expiry	Rent Details
3	Office	126/3, GIDC Estate Near Lupin Lt Ankleshwar – 393002 ⁽³⁾	Leased	March 31, 2026	₹3,000 per month
4	Office	Office No 14, 2nd Floor Madhav Darshan, Plot No 7, Sector 8, Gandhidham, Kutch – 370201 ⁽⁴⁾	Leased	June 30, 2025	₹12,500 per month
5	Office	BG-131, Ground Floor Sanjay Gandhi Transport Nagar, Delhi- 110042 ⁽⁵⁾	Leased	March 31, 2028	₹25,000 per month

⁽¹⁾ Our Registered Office is owned by one of the Promoter, Manjudevi Shyamsundar Chokhani

⁽²⁾ Our Corporate Office is owned by Lakshachandi Developers Private Limited, Om Kailash Finance and Investments Private Limited, Lakshachandi Housing and Infrastructure Private Limited

⁽³⁾ Our Office is owned by Babubhai Kanjibhai Patel

⁽⁴⁾ Our Office is owned by Rudradutt Jagdip Ayachi

⁽⁵⁾ Our Office is owned by Globe Transport Corporation, a member of our Promoter Group by virtue of immediate relative of one of our Promoter, Vikas Pavankumar

In addition to the above, we have also entered into Storage and Handling Service Agreements with certain vendors to store several of our products at Deendayal Port at Kandla, Gujarat and Jawaharlal Nehru Port Trust Terminal at Nava Sheva, Navi Mumbai.

OUR MANAGEMENT

Payment or Benefit to Key Managerial Personnel

No amount or benefit has been paid or given within two years preceding the date of the Draft Red Herring Prospectus or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel, other than normal remuneration, for services rendered as officers of our Company, and as disclosed in “*Other Financial Information –Related Party Transactions*”, on page 178 of the Draft Red Herring Prospectus.

Other than statutory benefits upon termination of employment, our Company has not entered into any service contracts with our Key Managerial Personnel/ Senior Management providing for benefits upon termination of their employment, other than as disclosed below:

- (i) Furnished House Accommodation or house rent allowance in lieu thereof, reimbursement of expenses of gas, electricity, water, furnishing and repairs, society maintenance charges for residence, medical reimbursement, leave encashment in accordance with the rules of the Company, Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such rule, perquisites shall be evaluated at actual cost.
- (ii) Gratuity payable at a rate not exceeding half month’s salary for each completed year of service, and encashment of leave at the end of the tenure, shall not be included in the computation of limits for perquisites.

Pursuant to appointment letter dated July 7, 2024 our Company Secretary and Compliance Officer, Dinky Jain will be entitled to remuneration of ₹ 3,00,000 per annum.

OUR PROMOTERS & PROMOTERS GROUP

Our Promoters

The Promoters of our Company are Vikas Pavankumar, Hemanshu S. Chokhani, Neha Chokhani, Manjudevi Shyamsundar Chokhani, Shyamsundar Chokhani, Pavankumar Sanwaria Realty Private Limited. and Hemanshu Syntex Private Limited. As on the date of the Draft Red Herring Prospectus, our Promoters collectively hold 1,19,99,960 Equity Shares, representing 70.31% of the Pre-Issue Paid-up Equity Share Capital, on a fully diluted basis. For details on the shareholding of our Promoters and members of the Promoter Group in our Company and the build-up of the Promoter's shareholding in our Company, please see, see "*Capital Structure*", on page 64 of the Draft Red Herring Prospectus and addendum to DRHP dated September 9, 2024.

Details of our Promoters are as follows:

Individual Promoters



Vikas Pavankumar

Vikas Pavankumar born on September 3, 1986, aged 37 is a citizen of India. He resides at Bhagirathi, 49 B Nehru Road, Vile Parle (East), Mumbai – 400057.

Permanent Account Number: ALQPP8021P

Other Ventures, Education and Experience

For further details relating to Vikas Pavankumar, please refer to the chapter titled "*Our Management – Board of Directors*" on page 129 of the Draft Red Herring Prospectus.

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhar Card number and Driving License number of Vikas Pavankumar shall be submitted to the BSE at the time of filing of the Draft Red Herring Prospectus.



Hemanshu S. Chokhani

Hemanshu S. Chokhani born on January 16, 1986, aged 38 is a citizen of India. He resides at 2nd Floor, Flat No. 202, Dev Shakti Building, Asha Parekh Hospital, Tilak Road, Santa Cruz (West), Mumbai – 400 054, Maharashtra.

Permanent Account Number: AFGPC2503P

Other Ventures, Education and Experience

For further details relating to Hemanshu S. Chokhani, please refer to the chapter titled "*Our Management– Board of Directors*" on page 129 of the Draft Red Herring Prospectus.

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhar Card number and Driving License number of Hemanshu S. Chokhani shall be submitted to the BSE at the time of filing of the Draft Red Herring Prospectus.

Neha Chokhani

Neha Chokhani born on December 15, 1991, aged 32 is a citizen of India. She resides at 201 Dev Shakti Building Tilak Road, Santacruz (west) Asha Parekh Hospital Lane, Mumbai, 400 054, Maharashtra

Permanent Account Number: AURPJ5836A

Other Ventures, Education and Experience

For further details relating to Neha Chokhani, please refer to the chapter titled “*Our Management– Board of Directors*” on page 129 of the Draft Red Herring Prospectus.

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhar Card number and Driving License number of Neha Chokhani shall be submitted to the BSE at the time of filing of the Draft Red Herring Prospectus.

Manjudevi Shyamsundar Chokhani

Manjudevi Shyamsundar Chokhani born on February 3, 1954, aged at 70 is a citizen of India. She resides at 202, 2nd Floor, Dev Shakti Building Asha Parekh Hospital, Tilak Road, Santacruz (West), 400054, Maharashtra.

Permanent Account Number: ADBPC8268Q

Other Ventures, Education and Experience

Nil

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhar Card number and Driving License number of Manjudevi Shyamsundar Chokhani shall be submitted to the BSE at the time of filing of the Draft Red Herring Prospectus.

Shyamsundar Chokhani

Shyam Sundar Chokhani born on March 03, 1948, aged 76 is a citizen of India. He resides at 202, 2nd Floor , Dev Shakti Building, Asha Parekh Hospital, Tilak Road, , Santacruz (West), 400054, Maharashtra.

Permanent Account Number: ACZPC3023C

Other Ventures, Education and Experience

For further details relating to Shyamsundar Chokhani, please refer to the chapter titled “*Our Management– Board of Directors*” on page 129 of the Draft Red Herring Prospectus.

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhar Card number and Driving License number of Shyamsundar Chokhani shall be submitted to the BSE at the time of filing of the Draft Red Herring Prospectus.

Experience of our Promoters in the business of our Company

Our Individual Promoters have the requisite experience in the business of our Company. For details in relation to experience of our Promoter in the business of our Company, please refer to the chapter titled “*Our Management– Board of Directors*” on page 129 of the Draft Red Herring Prospectus.

Corporate Promoters

1. Pavankumar Sanwaria Realty Private Limited (“PSRPL”)

Corporate Information

Pavankumar Sanwaria Realty Private Limited, was incorporated on September 21, 1981, in the name of Zillion Investment Company Limited having CIN U65990GJ1981PTC108644. Subsequently, our Company was converted into a private limited company and a fresh certificate of incorporation consequent upon conversion dated July 15, 2021, was issued by the Registrar of Companies, Ahmedabad. The Registered Office of PSRPL is situated at Office No. 118 First Floor, Madhav Square Building Opp. Cricket Bunglow, Limda Lane Corner, Jamnagar, Jamnagar, Gujarat, India, 361001.

Our Corporate Promoter is authorized under its constitutional documents, inter alia, to carry on business of purchase or acquire by any mode any land, plot(s) of land or any other immovable property or any right or interest therein either singly or jointly or in Partnership with any person(s) or Body corporate or partnership Firm and to develop and construct thereon residential, commercial complex or complex(es) either single or jointly or in partnership as aforesaid, comprising offices for sale or self-use or for earning rental income thereon by letting out or by sub-letting individual units comprised in such building(s) or any other immovable property.

The Corporate Promoter have three subsidiaries namely:

1. Mack Trading Company Limited
2. Mahal Plastics and Fibers Private Limited
3. N and N Systems and Software Private Limited

Board of Directors

As on the date of the Draft Red Herring Prospectus, the board of directors of the Company comprises

Sr. No.	Name of Director	Designation
1	Vikas Pavankumar	Director
2	Rita Pavankumar	Director
3	Vidhi Vikas Pavankumar	Director

Shareholding Pattern as on March 31, 2024

Sr. No.	Particulars	Percentage of Shareholding (%)
1	Vikas Pavankumar	39.00
2	Rita Pavankumar	34.00
3	Mack Trading Company Limited	12.00
4	Sanwarmal Pavakumar HUF	9.00
5	Vidhi Vikas Pavankumar	6.00
6	Dinesh Dhanuka	Negligible
7	Archana Shinde	Negligible

Details of change in control Pavankumar Sanwaria Realty Private Limited.

There has been no change in control of the Corporate Promoter in the last three years preceding the date of the Draft Red Herring Prospectus.

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the registrar of companies where the Company is registered, shall be submitted to the BSE at the time of filing the Draft Red Herring Prospectus

2. Hemanshu Syntex Private Limited

Corporate Information

Hemanshu Syntex Private Limited. was incorporated on June 9, 1987 pursuant to Certificate of Incorporation issued by Registrar of Companies, Maharashtra having CIN U17110MH1987PTC043699 and Registered Office at Kamla Space, Unit No.216, 2nd Floor, Khira Nagar TPS III, S.V.Road, Santacruz, (West), Mumbai City, Mumbai, Maharashtra, India, 400054.

Our Corporate Promoter is authorized under its constitutional documents, inter alia, to carry on business of manufacture, weave, spin produce, process, dye, print, calendar, wash, purify, bleach, import, and otherwise deal In fancy yarn, textile, synthetic, cotton, silk, rayon, manmade fabrics, woolen, yarn, threads, garments made up hosiery, canvas fabrics, H.D.P., woven sacks, coated and treated with any chemicals or any other preparation, water proof cloth, imitation cloth and carpets.

Board of Directors

As on the date of the Draft Red Herring Prospectus, the board of directors of the Company comprises

Sr. No.	Name of Director	Designation
1	Manjudevi Shyamsundar Chokhani	Director
2	Shyamsundar Chokhani	Director

Shareholding Pattern as on March 31, 2024

Sr. No.	Particulars	Percentage of Shareholding (%)
1	Hemanshu S. Chokhani	45.30
2	Shyamsundar Chokhani HUF	41.03
3	Manjudevi Shyamsundar Chokhani	12.82
4	Shyamsundar Chokhani	0.85

Details of change in control of Hemanshu Syntex Private Limited

There has been no change in control of the Corporate Promoter in the last three years preceding the date of the Draft Red Herring Prospectus.

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the registrar of companies where the Company is registered, shall be submitted to the BSE at the time of filing the Draft Red Herring Prospectus

Change in control of our Company

There has not been any change in control of our Company in the last five years preceding the date of the 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 years from the date of the 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 building or supply of machinery.

Interest of our Promoters

Our Promoters are interested in our Company to the extent of: (i) having promoted our Company; and (ii) their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other

distributions in respect of the Equity Shares held by him or their relatives. For further details, see “*Capital Structure*”, “*Our Management*”, “*Summary of the Draft Red Herring Prospectus - Related Party Transactions*” and “*Financial Information*” on page 64, 129, 24, 150 respectively of the Draft Red Herring Prospectus.

Except as stated in “*Summary of the Draft Red Herring Prospectus - Related Party Transactions*” on page 24 of the Draft Red Herring Prospectus and disclosed in “*Our Management*” on page 129 of the Draft Red Herring Prospectus, there has been no payment of any amount or benefit given to our Promoters or Promoters Group as on the date of filing of the Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoters Group as on the date of filing of the 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 is 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.

Payment or benefits to our Promoters and Promoters Group during the last one year

Except as stated in this chapter and in the chapter titled “*Restated Financial Information - 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 the Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoters group as on the date of the Draft Red Herring Prospectus. For further details, please refer to the chapter titled “*Restated Financial Information - Related Party Transactions*” on page 175 of the Draft Red Herring Prospectus.

Companies or firms with which our Promoters has disassociated in the last three years

Our Promoters have not disassociated himself from any companies or firms during the three years preceding the date of filing of the Draft Red Herring Prospectus.

Litigation involving our Promoters

Except as disclosed in the chapter “*Outstanding Litigation and Material Developments*” on page 195 as on the date of the Draft Red Herring Prospectus, there are no litigation involving our Promoters.

Confirmations

Our Promoters has not been declared as Wilful Defaulters or Fraudulent Borrowers.

Our Promoters and members of our Promoters Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

Our Promoters is not promoter or director of any other Company which is debarred from accessing capital markets.

Except as disclosed under chapter “*Financial Indebtedness*”, no other personal and/or corporate guarantees have been provided our Promoters to third parties.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

None of the Promoters Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Promoters Group

Persons constituting the Promoters Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations except the Promoters as set out below:

1. *Individuals forming part of our Promoters Group:*

Sr. No.	Name of Promoters	Name of the Promoter Group	Relationships	
1.	Vikas Pavankumar	Rita Pavankumar	Mother	
2.		Vidhi Pavankumar	Spouse	
3.		Vidhi Agarwal	Sister	
4.		Radhya Pavankumar (Minor)	Daughter	
5.		Ram Prakash Agarwal	Spouse's Father	
6.		Kusum Agarwal	Spouse's Mother	
7.		Vandit Agarwal	Spouse's Brother	
<hr/>				
1.	Hemanshu S. Chokhani	Shyamsundar Chokhani	Father	
2.		Manjudevi Shyamsundar Chokhani	Mother	
3.		Neha Hemanshu Chokhani	Spouse	
4.		Amishi Tainwala	Sister	
5.		Swati Jalan	Sister	
6.		Shashi Jain	Spouse's Mother	
7.		Niru Jain	Spouse's Sister	
8.		Chitra Jain	Spouse's Sister	
<hr/>				
1	Neha Chokhani	Shashi Jain	Mother	
2.		Hemanshu S. Chokhani	Spouse	
3.		Niru Jain	Sister	
4.		Chitra Jain	Sister	
5.		Shyamsundar Chokhani	Spouse's Father	
6.		Manjudevi Shyamsundar Chokhani	Spouse's Mother	
7.		Amishi Tainwala	Spouse's Sister	
8.		Swati Jalan	Spouse's Sister	
<hr/>				
1.	Manjudevi Chokhani	Shyamsundar	Bishwanath Puranmalka	Father
2			Shyamsundar Chokhani	Spouse
3.			Sheela Bagadia	Sister
4.			Hemanshu S. Chokhani	Son
5.			Amishi Tainwala	Daughter
6.			Swati Jalan	Daughter
7.			Neha Chokhani	Daughter-in-law
8			Madanlal Chokhani	Spouse's Brother
<hr/>				
1.	Shyamsundar Chokhani	Manjudevi Shyamsundar Chokhani	Spouse	
2.		Madanlal Chokhani	Brother	
3.		Amishi Tainwala	Daughter	
4.		Swati Jalan	Daughter	
5.		Hemanshu S. Chokhani	Son	
6.		Neha Chokhani	Daughter-in-law	
7.		Bishwanath Puranmalka	Spouse's Father	
8.		Sheela Bagadia	Spouse's Sister	

2. *Companies, Firms, Entities and HUFs forming part of our Promoters Group:*

Sr. No.	Name of Promoters	Name of the Promoters Group Companies, Firms, Entities and HUFs
1.	Hemanshu S. Chokhani, Shyamsundar Chokhani, Neha Chokhani and Manjudevi Shyamsundar Chokhani and their immediate relatives and Hemanshu Syntex Private Limited	1. Shyamsundar Chokhani HUF
2.	Vikas Pavankumar and his immediate relatives and Pavankumar Sanwaria Realty Private Limited	1. Shree Bombay Coton Mills Estate Private Limited 2. Mack Trading Company Limited 3. Mahal Plastics & Fibres Private Limited 4. Miraj Commercial & Trading Private Limited 5. Murarka Investrade Private Limited 6. VRV Estates LLP 7. Amit Landcom Private Limited 8. Jaipur Biotech Private Limited 9. Mircochem Remedies Private Limited 10. Shalimar Buildcon Private Limited 11. Ram Prakash Agarwal HUF 12. Globe Transport Corporation 13. N and N Systems and Software Pvt.Ltd. 14. Amogh Energy Private Limited 15. VNV Printlab Private Limited 16. Sanwormal Pavankumar HUF 17. Multifilms Plastics Private Limited

3. *All persons whose shareholding is aggregated under the heading “shareholding of the promoters group”*

a. *Karan Wilkhoo*

GROUP COMPANIES

The definition of “Group Companies” as per the SEBI ICDR Regulations, shall include 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 other companies as considered material by the Board.

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated July 09, 2024, and the applicable accounting standards (Accounting Standard 24 and Indian Accounting Standard 18), 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 “Financial Information” on page 150 of the Draft Red Herring Prospectus.

Our Company is providing links to such website solely to comply with the requirements specified under the SEBI ICDR Regulations. Based on the parameters outlined above, our company, has identified the following company as a member of our Group Company:

1. Mack Trading Company Limited:

Corporate Information

Mack Trading Company Limited was incorporated on April 10, 1980 bearing CIN U51900MH1980PLC022532. It has its registered office at 5-C, Sindhu House, Nanabhai Lane, Flora Fountain, Fort, Mumbai City, Mumbai, Maharashtra, India, 400001. In 2018 Mack Trading Company Limited underwent voluntary delisting from BSE Limited.

Financial Statements

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revalidation reserves), (ii) sales; (iii) profit/loss) after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Mack Trading Company Limited for the last three financial years, extracted from its audited financial statements (as applicable) is available at the website www.shivtexchem.com, since there is no active website of the group company. This information is referred to as the "Group Company Financial Information".

Nature and Extent of Interest of our Group Company:

a) In the promotion of our Company

Our Group Company does not have any interest in the promotion of our Company.

b) In the properties acquired by our Company in the past three years before filing the Draft Red Herring Prospectus or proposed to be acquired

Our Group Company is not interested in the properties acquired by our Company in the three years preceding the filing of the Draft Red Herring Prospectus or proposed to be acquired by our Company.

c) In transactions for acquisition of land, construction of building and supply of machinery

Our Group Company does not have any interest in any transaction by our Company for acquisition of land, construction of building, during the three (3) years.

d) Related Business Transactions within our Group Company and significance on the financial performance of our Company

Other than the arrangements/ transactions disclosed in the sections "Our Business" and "Restated Financial Statements" - our Group Company does not have any business interest in our Company.

e) Common Pursuits amongst the Group Company, Subsidiary and our Company

As per the object clause stated in the Memorandum of Association of our Group Company, our Group Company is in a similar line of business that of our Company. However, our Group Company does not actively pursue business operations in last 3 years.

f) Business Interest of our Group company

Except in the ordinary course of business and other than the business arrangements/ transactions disclosed in the sections "Our Business" and "Restated Financial Statements", there are no other business arrangements/ transactions between our Company and Group Company.

g) Litigation

Except as disclosed in the section "Outstanding Litigation and other Material Developments", our Group Company is not party to any pending litigation which has a material impact on our Company.

h) Other Confirmations

Our Group Company was earlier listed on BSE Limited which later went for voluntary delisting in the year 2018.

SECTION V: FINANCIAL STATEMENT
RESTATED FINANCIAL STATEMENTS

Note 3: RESTATED STATEMENT OF LONG TERM BORROWINGS

(Amount ₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Unsecured			
Term Loan from Banks*	1,291.32	1,652.86	1,525.74
Loans and Advances from related parties			
From Directors	173.21	158.64	120.64
From Shareholders	3,817.50	3,061.89	3,402.56
From Corporate Bodies	114.90	103.28	676.31
Loans and Advances from others			
From Corporate Bodies	1,285.17	1,028.70	298.21
Total	6,682.10	6,005.37	6,023.46

* Term Loan from bank consists of Guaranteed Emergency Credit Line for which 100% guarantee is provided by National Credit Guarantee Trustee Company. These credit limits are availed in form of additional working capital term loan facility from HDFC bank, Axis Bank and ICICI bank. The repayment term of these facilities ranges from 4-5 years

Note 28: Disclosures related to Accounting Standards

iii) **AS 18 : RELATED PARTY DISCLOSURES:**

Sr No	Nature Of Relationship	Name of Related Party
1	Key Managerial Person and Related party	Mr. Shyamsundar Chokhani
		Mr. Hemanshu Chokhani
		Mr. Vikas Pavankumar
		Mrs. Neha Chokhani
2	Relatives of Key Managerial Person	Mrs. Manjudevi Shyamsundar Chokhani
		Mrs. Vidhi Pavankumar
3	Associates	Hemanshu Syntex Pvt. Ltd.
		Pavankumar Sanwaria Realty Private Limited
4	Entity over which Key Management personnel are able to exercise significant influence	Mack Trading Company Limited
		Amogh Energy Private Limited
		Mahal Plastics and Fibers Private Limited
		Multifilms Plastics Private Limited
		N and N Systems and Software Private Limited
		Shree Bombay Cotton Mills Estate Private Limited
		VRV Estates LLP
		VNV Printlab Private Limited
		Shyamsunder Chokhani HUF
Pavankumar Sanwormal HUF		

1. Transactions during the year

(Amount ₹ in lakhs)

Sr No	Nature of Transaction	Name of Related Party	2024	2023	2022
A	Directors Remuneration	Vikas Pavankumar	24.00	24.00	20.00
		Hemanshu S Chokhani	24.00	24.00	26.50
		Shyamsundar Chokhani	24.00	24.00	25.00
		Neha Chokhani	24.00	24.00	22.50
		Total (A)	96.00	96.00	94.00
B	Interest On Loan	Hemanshu S Chokhani	0.50	1.10	1.60
		Shyamsundar Chokhani	7.72	6.56	5.53
		Neha Chokhani	7.66	4.52	1.21
		Manjudevi Shyamsundar Chokhani	27.95	18.19	13.45
		Mack Trading Company	12.91	32.64	37.57
		Hemanshu Syntex Private Limited	3.42	3.22	3.03
		Shyamsundar Chokhani HUF	15.73	14.66	13.73
		Total (B)	75.89	80.89	76.12
C	Rent Paid	Manjudevi Shyamsundar Chokhani	12.60	13.50	18.00
		Total (C)	12.60	13.50	18.00

2. Balances at the end of the year

(Amount ₹ in lakhs)

Sr No	Nature of Transaction	Name of Related Party	2024	2023	2022
A	Loan	Hemanshu S Chokhani	5.41	4.97	7.67
		Shyamsundar Chokhani	84.17	77.22	56.41
		Neha Chokhani	83.63	76.45	56.56
		Manjudevi Shyamsundar Chokhani	304.71	279.55	256.27
		Hemanshu Syntex Private Limited	36.50	34.68	32.56
		Pavankumar Sanwaria Realty Private Limited	3,293.65	2,589.97	2,964.97
		Shyamsundar Chokhani HUF	169.99	157.69	148.75
		Mack Trading Company Limited	114.90	103.28	676.31
		Total (A)	4,092.96	3,323.81	4,199.51

NOTE 30:

CORPORATE SOCIAL RESPONSIBILITY

The Details of the Expenditure on activities of Corporate Social Responsibilities (CSR) in Pursuant to Provisions of Section 135 of the Companies Act 2013 are as under:

(Amount in Lacs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
a) The Gross Amount required to be spent by the company during the year	35.00	25.00	25.00
b) The amount spent during the year on CSR is as follows:			
i) Child Education	-	-	25.00
ii) Animal Welfare	-	25.00	-
iii) Awareness on Drug Addiction	35.00	-	-

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

FISCAL 2024 COMPARED TO FISCAL 2023

Profit after tax

The total income increased by 37.37%, primarily driven by a 37.34% rise in revenue from operations. This growth in sales was attributed to higher sales volumes, increased prices, and expansion of the product range offered during the year. Due to the said reason along with other factors as discussed hereinabove, the profit after tax of our Company increased from ₹ 1,602.72 lakhs in fiscal 2023 to ₹ 3,011.30 lakhs in fiscal 2024.

FISCAL 2023 COMPARED TO FISCAL 2022

Profit after tax

The total income increased by 29.26%, primarily driven by a 30.16% rise in revenue from operations. This growth in sales was attributed to higher sales volumes, increased prices, and expansion of the product range offered during the year. Due to the said reason along with other factors as discussed hereinabove, the profit after tax of our Company increased from ₹ 1,386.48 lakhs in fiscal 2022 to ₹ 1,602.72 in fiscal 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, 2024	March 31, 2023	March 31, 2022
Total Equity	19,287.69	12,276.39	10,673.68
Total Non-Current Liabilities	6,688.31	6,209.20	6,027.25
Total Current Liabilities	53,892.05	41,749.39	25,842.64
Total Equity and Liabilities	79,868.05	60,234.98	42,543.57
Total Non-current Assets	175.12	166.19	273.59
Total Current Assets	79,692.93	60,068.79	42,269.98
Total Assets	79,868.05	60,234.98	42,543.57

Our total equity increased from ₹ 10,673.68 lakhs as at March 31, 2022 to ₹ 12,276.39 lakhs as at March 31, 2023 and to ₹ 19,287.69 lakhs as at March 31, 2024. Increase in fiscal 2023 was on primarily account of increase in balance of Profit and Loss Account amounting to ₹ 1,602.72 lakhs due to profit earned during the year and increase in fiscal 2024 primarily is attributed to (i) the issuance of 533,334 Equity Shares in November 2023 to Karan Wilkhoo at a price of ₹750 per share (including share premium of ₹ 740 per equity share) amounting to ₹ 3,946.67 lakhs; and (ii) increase in balance of Profit and Loss Account amounting to ₹ 3,011.30 lakhs due to profit earned during the year.

Our total non-current liabilities increased from ₹ 6,027.25 lakhs as at March 31, 2022 to ₹ 6,209.20 lakhs as at March 31, 2023 and to ₹ 6,688.31 lakhs as at March 31, 2024. Increase in fiscal 2023 was on primarily account of increase in long term borrowings from ₹ 6,023.46 lakhs as at March 31, 2022 to ₹ 6,203.97 lakhs as at March 31, 2023 and to ₹ 6,682.10 lakhs as at March 31, 2024.

Our total current liabilities increased from ₹ 25,842.64 lakhs as at March 31, 2022 to ₹ 41,749.39 lakhs as at March 31, 2023 and to ₹ 53,892.05 lakhs as at March 31, 2024. The principal components of short-term borrowings for the fiscal years 2021-22 and 2022-23 include overdraft/Working Capital Demand Loan (WCDL) accounts and loans and advances from shareholders. In fiscal year 2022-23, the Company secured additional sanctions from various financial institutions, leading to an approximate increase of ₹166 crore in the overdraft/WCDL accounts. The reason for availing these borrowings was to support the growth in business of the

Company. The principal component of Trade Payables for fiscal years 2022-23 and 2023-24 is bills payable. The turnover increased by 37.34% in fiscal year 2023-24, which led to increased utilization of our non-fund-based limits, specifically Letters of Credit from various financial institutions. Consequently, this increase in turnover resulted in a corresponding rise in bills payable.

Our total non-current assets decreased from ₹ 273.59 lakhs as at March 31, 2022 to ₹ 166.19 lakhs as at March 31, 2023 and increased to ₹ 175.12 lakhs as at March 31, 2024. Decrease in fiscal 2023 was on primarily account of decrease in long term loans and advances from ₹ 233.42 lakhs as at March 31, 2022 to ₹ 65.38 lakhs as at March 31, 2023. Increase in fiscal 2024 was on account of increase in long term loans and advances from ₹ 65.38 lakhs as at March 31, 2023 to ₹ 83.38 lakhs as at March 31, 2024.

Our total current assets increased from ₹ 42,269.98 lakhs as at March 31, 2022 to ₹ 60,068.79 lakhs as at March 31, 2023 and to ₹ 79,692.93 lakhs as at March 31, 2024. The increase was on primarily on account of increase in inventories from ₹ 12,971.68 lakhs as at March 31, 2022 to ₹ 31,567.42 lakhs as at March 31, 2023 and to ₹ 39,655.48 lakhs as at March 31, 2024 and increase in trades receivables from ₹ 17,836.05 lakhs as at March 31, 2022 to ₹ 12,521.63 lakhs as at March 31, 2023 and to ₹ 18,230.20 lakhs as at March 31, 2024.

SECTION VI: LEGAL AND OTHER INFORMATION

GOVERNMENT AND OTHER APPROVALS

II. Material approvals obtained in relation to our business and operations

B. Material approvals in relation to our business and operations

Sr No	Date of Issue/renewal	Licensing Authority	Particulars of the License	License/Registration Number.	Date of expiry
3.	February 12, 2022	Office of Superintendent of Narcotics and Excise- State of Gujarat.	MA-II License for sale and trade of specified chemicals.	NA	March 31, 2025
4.	March 09, 2022	Additional District Magistrate Kuchh, Bhuj, Gujarat.	Form of license issued under the rules made under section 2 of the Poison Act 1919 permitting sale and trade of Methanol.	NA	December 31, 2024

C. Tax approvals in relation to our business-

Sr. No	Date of Issue	Licensing Authority	Particulars of the License	License/Registration Number.	Date of Expiry
7.	September 2, 2024	State Tax Department, Government of Gujarat	Professional Tax Certificate issued under the Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976	PE2110004862	NA

III. Material approvals or renewals applied for but not received

Nil

OTHER REGULATORY AND STATUTORY COMPLIANCES

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations.

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 face value 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 SME Platform of BSE Limited.

We further confirm that:

- (i) In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue is 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 Allottees in the issue will be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within two (2) days of such intimation. If such money is not repaid within two (2) 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 two (2) days, be liable to repay such application money, with interest at the rate 15% 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 terms of Regulation 246(1) of the SEBI ICDR Regulations, a copy of the prospectus will be filed with the SEBI through the Book Running Lead Manager immediately upon filing of the prospectus with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI ICDR Regulations, the SEBI will not issue any observation on the issue document. Further, in terms of Regulation 246(3) of the SEBI ICDR Regulations, the Book Running Lead Manager will also submit to SEBI a due diligence certificate as per the format prescribed by SEBI, along with the prospectus.
- (iv) In accordance with Regulation 261 of the SEBI ICDR Regulations, we confirm that we have entered into an agreement dated August 22, 2024 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 SME Platform of BSE Limited.

In terms of Regulation 229(3) of the SEBI ICDR Regulations, we confirm that we have fulfilled the eligibility criteria for SME Platform of BSE Limited, which are as follows:

- (a) The Company was incorporated on March 31, 2005, with the Registrar of Companies, Maharashtra under Companies Act, 1956 in India.
- (b) As on the date of the Draft Red Herring Prospectus, our Company has a total paid up share capital of ₹ 1,706.67 lakhs comprising 1,70,66,672 Equity Shares and the Post Issue Capital will be of ₹2,317.23 lakhs comprising 2,31,72,272 Equity Shares having face value of ₹10 which is below ₹ 2,500.00 lakhs.
- (c) Our Company has Net Tangible Assets of ₹ 19,284.07 lakhs which is more than ₹ 300.00 Lakhs.
- (d) Our Company was converted into Public Limited Company and name of company was changed from “Shiv Texchem Private Limited” to “Shiv Texchem Limited” vide fresh certificate of incorporation dated July 05, 2024 was issued by the ROC, Mumbai. Hence, our Company fulfils the criteria of having track record of 3 years.

- (e) Our Company's operating profit (earnings before interest, depreciation and tax) and net worth, based on the Restated Financial Statements included in the Draft Red Herring Prospectus are set forth below:

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net Worth	19,284.07	12,272.91	10,670.93
Operating profit	5,991.56	3,710.19	2,274.96

- (i) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting intangible assets, deferred tax assets and miscellaneous expenditure not written off, if any.
- (ii) Operating profit has been defined as the Earnings before interest, depreciation and tax.

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Leverage Ratio*	1.54	2.68	1.13

* Leverage Ratio is calculated as sum of total borrowings (long term borrowings and short term borrowings) divided by net-worth of the Company

- (f) We confirm that the company has not been referred to NCLT under IBC
- (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 Promoter of the Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
- (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 www.shivtexchem.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 the Draft Red Herring Prospectus
- (m) We confirm that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- (n) We further confirm that the Promoter(s) or directors shall not be promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
- (o) We further confirm that Directors of the Company are not disqualified/ debarred by any of the Regulatory Authority
- (p) We confirm that there are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies
- (q) The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

1. Material Contracts for the Issue

- i. Market Making Agreement dated August 22, 2024 between our Company, Book Running Lead Manager and Market Maker
- ii. Monitoring Agreement dated August 28, 2024 between our Company and Monitoring Agency.
- iii. Banker to the Issue Agreement dated August 28, 2024 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or 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 the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, 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 are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Vikas Pavankumar

Chairman & Managing Director

Place: Mumbai

Date: September 9, 2024

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or 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 the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, 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 are true and correct.

SIGNED BY THE DIRECTOR AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

Hemanshu S. Chokhani

Whole Time Director and Chief Financial Officer

Place: Mumbai

Date: September 9, 2024

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or 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 the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, 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 are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Shyamsundar Chokhani

Whole Time Director

Place: Mumbai

Date: September 9, 2024

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or 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 the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, 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 are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Neha Hemanshu Chokhani

Whole Time Director

Place: Mumbai

Date: September 9, 2024

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or 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 the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, 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 are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Girdhari Lal Kundalwal

Independent Director

Place: Mumbai

Date: September 9, 2024

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or 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 the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, 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 are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Sushil Kumar Relan

Independent Director

Place: Mumbai

Date: September 9, 2024

DECLARATION

I hereby declare that all relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or 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 the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, 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 are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Rajen Gada

Independent Director

Place: Mumbai

Date: September 9, 2024