(Please scan this QR Code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
Dated January 9, 2025
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

Jesons
Touching everyone's life

JESONS INDUSTRIES LIMITED

CORPORATE IDENTITY NUMBER: U24295MH1999PLC122193

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
904, Peninsula Tower 1 Ganpat Rao Kadam Marg Lower Parel West, Mumbai – 400 013 Maharashtra	Kushal Vasantbhai Gala *Company Secretary and Compliance Officer*	**Email**: cs@jesons.net **Telephone**: + 91 22 6651 5253	www.jesons.net

OUR PROMOTERS ARE DHIRESH SHASHIKANT GOSALIA AND MADHAVI DHIRESH GOSALIA

DETAILS OF THE OFFER TO PUBLIC

TYPE	FRESH ISSUE SIZE#	OFS SIZE (NO. OF EQUITY SHARES/ AMOUNT	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBS, NIBS, RIBS AND ELIGIBLE EMPLOYEES
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹5 each aggregating up to ₹3,000.00 million	Up to 9,460,800 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million	Up to [●] Equity shares of face value of ₹5 each aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”). For further details, see “*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*” on page 356. For details in relation to share allocation and reservation among QIBs, NIBs, RIBs and Eligible Employees, see “*Offer Structure*” on page 374.

DETAILS OF OFFER FOR SALE BY OUR PROMOTER SELLING SHAREHOLDER

NAME	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE ON FULLY DILUTED BASIS (IN ₹)*
Dhiresh Shashikant Gosalia	Promoter Selling Shareholder	Up to 9,460,800 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million	1.44

**As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025. For further details, see “Summary of the Offer Document” on page 62.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹5 each. The Floor Price, Cap Price and the Offer Price (as determined by our Company, in consultation with the Book Running Lead Managers), on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in “*Basis for Offer Price*” on page 107, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” on page 25.

ISSUER’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Promoter Selling Shareholder accepts responsibility for and confirms the statements made by him in this Draft Red Herring Prospectus to the extent of information specifically pertaining to him and the Equity Shares offered by him under the Offer for Sale and confirms that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges, being BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**” and together with the BSE, the “**Stock Exchanges**”). For the purposes of the Offer, [●] shall be the Designated Stock Exchange.

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Dated January 9, 2025
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(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

BOOK RUNNING LEAD MANAGERS			
NAMES AND LOGO OF THE BOOK RUNNING LEAD MANAGER		**CONTACT PERSON**	**E-MAIL AND TELEPHONE**
MOTILAL OSWAL INVESTMENT BANKING	**Motilal Oswal Investment Advisors Limited**	Ritu Sharma/ Ronak Shah	**Telephone**: +91 22 7193 4380 **E-mail:** jesonsipo@motilaloswal.com
IIFL CAPITAL	**IIFL Capital Services Limited** (*formerly known as IIFL Securities Limited*)	Vaibhav Agrawal/Pawan Jain	**Telephone**: +91 22 4646 4728 **E-mail:** project.jesons@iiflcap.com

REGISTRAR TO THE OFFER		
NAME OF THE REGISTRAR	**CONTACT PERSON**	**EMAIL AND TELEPHONE**
MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*)	Shanti Gopalkrishnan	**Telephone:** +91 81081 14949 **E-mail**: jesons.ipo@linkintime.co.in

BID/OFFER PROGRAMME	
ANCHOR INVESTOR BIDDING DATE	[●][1]
BID/OFFER OPENS ON	[●]
BID/OFFER CLOSES ON	[●][2] [3]

(1) *Our Company, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

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

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

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

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Jesons
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JESONS INDUSTRIES LIMITED

Jesons Industries Limited ("**Company**" or "**Issuer**") was incorporated as a public limited company under the provisions of the Companies Act, 1956 pursuant to a certificate of incorporation dated October 12, 1999, issued by the Registrar of Companies, Maharashtra, at Mumbai ("**RoC**"), and subsequently received a certificate for commencement of business from the RoC dated December 27, 1999. For details in relation to change in the address of the registered office of our Company, see "*History and Certain Corporate Matters*" on page 235.

Registered and Corporate Office: 904, Peninsula Tower 1, Ganpat Rao Kadam Marg, Lower Parel West, Mumbai - 400013, Maharashtra
Contact Person: Kushal Vasantbhai Gala, Company Secretary and Compliance Officer**; Tel**: + 91 22 6651 5253
E-mail: cs@jesons.net; **Website**: www.jesons.net; **Corporate Identity Number**: U24295MH1999PLC122193

OUR PROMOTERS ARE DHIRESH SHASHIKANT GOSALIA AND MADHAVI DHIRESH GOSALIA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 3,000.00 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 9,460,800 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ [●] MILLION BY DHIRESH SHASHIKANT GOSALIA (THE "PROMOTER SELLING SHAREHOLDER" AND SUCH OFFER, THE "OFFER FOR SALE").

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A PRE-IPO PLACEMENT FOR AN AMOUNT AGGREGATING UP TO ₹ 600.00 MILLION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SCRR. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER, OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RHP AND PROSPECTUS.

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ [●] MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) (THE "EMPLOYEE RESERVATION PORTION"). THE EMPLOYEE RESERVATION PORTION CONSTITUTES UP TO 5% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE [●]% AND [●]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, THE RUPEE AMOUNT OR DISCOUNT, IF ANY, TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT") AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF [●] HINDI NATIONAL DAILY NEWSPAPER AND [●] EDITIONS OF [●], A MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, may, in consultation with the Book Running Lead Managers, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Managers and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Banks, as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders ("**Non-Institutional Category**" or "**Non-Institutional Portion**") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders ("**Retail Category**" or "**Retail Portion**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter)) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. For details, see "*Offer Procedure*" on page 378.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 5 each. The Floor Price, the Offer Price or the Price Band (determined by our Company, in consultation with the BRLMs and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 107), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to "*Risk Factors*" on page 25.

OUR COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholder accepts responsibility for, and confirms, that the statements made or confirmed by him in this Draft Red Herring Prospectus to the extent that the statements and information specifically pertain to him and the Equity Shares offered by him under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 437.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
MOTILAL OSWAL INVESTMENT BANKING	IIFL CAPITAL	MUFG
Motilal Oswal Investment Advisors Limited Motilal Oswal Tower Rahimtullah Sayani Road Opposite Parel ST Depot, Prabhadevi Mumbai 400025 Maharashtra, India **Telephone:** + 91 22 7193 4380 **E-mail:** jesonsipo@motilaloswal.com **Investor Grievance E-mail:** moiaplredressal@motilaloswal.com **Website:** www.motilaloswalgroup.com **Contact person:** Ritu Sharma/ Ronak Shah **SEBI Registration No.:** INM000011005	**IIFL Capital Services Limited** (*formerly known as IIFL Securities Limited*) 24th Floor, One Lodha Place Senapati Bapat Marg, Lower Parel (West) Mumbai 400 013 Maharashtra, India **Tel:** +91 22 46464728 **E-mail:** project.jesons@iiflcap.com **Investor Grievance E-mail:** ig.ib@iiflcap.com **Website:** www.iiflcap.com **Contact Person:** Vaibhav Agrawal/Pawan Jain **SEBI Registration No.:** INM000010940	**MUFG Intime India Private Limited** *(formerly known as Link Intime India Private Limited)* C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India **Telephone:** +91 81081 14949 **E-mail:** jesons.ipo@linkintime.co.in **Investor grievance E-mail:** jesons.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE	[●](1)
BID/OFFER OPENS ON	[●]
BID/OFFER CLOSES ON	[●](2) (3)

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Draft Red Herring Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, terms in "Industry Overview", "Key Regulations and Policies", "Statement of Special Tax Benefits", "Financial Information", "Basis for the Offer Price", "Outstanding Litigation and Other Material Developments", "Restriction on Foreign Ownership of Indian Securities" and "Main Provision of Articles of Association", on pages 124, 230, 117, 262, 107, 347, 401 and 403, respectively, will have the meaning ascribed to such terms in those respective sections.

Company related terms

Term	Description
"our Company", "the Company" or "the Issuer"	Jesons Industries Limited, a company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at 904, Peninsula Tower 1, Ganpat Rao Kadam Marg, Lower Parel West, Mumbai - 400013, Maharashtra, India
"we", "us", "our" or "Group"	Unless the context otherwise indicates or implies, refers to our Company, our Subsidiaries and our Associate Company
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations and as described in "*Our Management*" on page 243
Associate Company	The associate of our Company, being Dura – Jesons LLC
"Board" or "Board of Directors"	The board of directors of our Company, as constituted from time to time
Chief Financial Officer	The chief financial officer of our Company, being Deepak Kumar Jain
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, being Kushal Vasantbhai Gala
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013 as described in "*Our Management*" on page 243
Director(s)	Director(s) on the Board of our Company, as appointed from time to time
Equity Shares	Equity shares of our Company of face value of ₹5 each
ESOP 2024	Employee Stock Option Reward Plan 2024
Executive Directors	Executive director(s) of our Company. For further details of the Executive Directors, see "*Our Management*" on page 243
CRISIL	CRISIL Limited
CRISIL Report	Report titled "*Assessment of Paints, Coatings and Adhesives Market*" dated January 6, 2025, (which is a paid report and commissioned by us in connection with the Offer), available on our Company's website at https://jesons.net/investor-relations/, prepared and issued by CRISIL who was appointed by our Company pursuant to an engagement letter dated October 5, 2024
Group Company	The company identified as 'group company' in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations and the Materiality Policy, as disclosed in the section "*Our Group Company*" on page 354
IPO Committee	The IPO committee of our Board constituted *vide* resolution of the Board dated December 11, 2024
Independent Director	A non-executive, independent Director appointed as per the Companies Act, 2013 and the Listing Regulations. For further details of our Independent Directors, see "*Our Management*" on page 243
"KMP" or "Key Managerial Personnel"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, as disclosed in "*Our Management*" on page 243
Managing Director	The managing director of our Company, being Dhiresh Shashikant Gosalia
Material Subsidiary	The material subsidiary of our Company, being Jesons Techno Polymers LLP, as described in "*History and certain corporate matters*" on page 235
Materiality Policy	The materiality policy of our Company adopted pursuant to a resolution of our Board dated December 17, 2024, for identification of the (a) outstanding material litigation proceedings; (b) group companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus
"Memorandum" or "Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended

Term	Description
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, and as described in "*Our Management*" on page 243
Non – executive Director(s)	A Director, not being an Executive Director as described in "*Our Management –Board of Directors*" on page 243
Promoter	Promoters of our Company namely, Dhiresh Shashikant Gosalia and Madhavi Dhiresh Gosalia. For further details, see "*Our Promoter and Promoter Group*" on page 258
"Promoter Selling Shareholder" or "Selling Shareholder"	The selling shareholder of our Company and also our Promoter, namely, Dhiresh Shashikant Gosalia.
Promoter Group	Such individuals and entities which constitute the promoter group of our Company pursuant to Regulation 2(1) (pp) of the SEBI ICDR Regulations. For further details, see "*Our Promoter and Promoter Group*" on page 258
Registered and Corporate Office	The registered and corporate office of our Company situated at 904, Peninsula Tower 1, Ganpat Rao Kadam Marg, Lower Parel West, Mumbai – 400 013, Maharashtra, India.
"Registrar of Companies" or "RoC"	Registrar of Companies, Maharashtra at Mumbai
Restated Consolidated Financial Information	The restated consolidated financial information of Jesons Industries Limited, and its subsidiaries (together referred to as the "**Group**") and its associate which comprises of the restated consolidated statement of assets and liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows along with material accounting policies and other explanatory notes for the six month period ended September 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022 as approved by the Board of Directors of the Company and are prepared as per the requirements of Section 26(1) of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the Guidance Note on Reports in Company's Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, and as disclosed in "*Our Management –Senior Management*" on page 255
Shareholder(s)	The holders of the Equity Shares from time to time
Subsidiaries	The subsidiaries of our Company being, Jesons Innovative Polymers Private Limited and Jesons Techno Polymers LLP. For further details, see "*History And Certain Corporate Matters - Our Subsidiaries, Associate Companies and Joint Ventures*" on page 242
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, as described in "*Our Management*" on page 243
Statutory Auditor	The statutory auditor of our Company, being M S K A & Associates, Chartered Accountants

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid cum Application Form
"Allotment", "Allot" or "Allotted"	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares offered by the Promoter Selling Shareholder pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allottee(s)	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs
Anchor Investor Application Form	Form used by an Anchor Investor to Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The date, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of this Draft Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs

Term	Description
Anchor Investor Pay – in Date	With respect to Anchor Investor(s), the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Offer Price a date being, not later than two Working Days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Applications Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by RIBs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB, as specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account of such UPI Bidder, maintained by an RIB linked to a UPI ID, which will be blocked in relation to a Bid on acceptance of a UPI Mandate Request by a RIB Bidding through the UPI Mechanism
"ASBA Bid(s)"	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Banks, as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 387
Bid(s)	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of an Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000. However, the initial allocation to an Eligible Employee Bidding in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees Bidding in the Employee Reservation Portion who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. In the case of Retail Individual Bidders Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidders and mentioned in the Bid cum Application Form.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●], an English daily national newspaper, all editions of [●], a Hindi national daily newspaper and Mumbai edition of [●], a Marathi newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation. In case of any revisions, the extended Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Banks, as required under the SEBI ICDR Regulations.

Term	Description
	Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Banks, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, being [●], which shall also be published in all editions of English national daily newspaper [●], all editions of Hindi national daily newspaper [●] and Mumbai edition of Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) , and in case of any revision, the extended Bid/Offer Opening Date also be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the Book Running Lead Managers and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereto in accordance with the SEBI ICDR Regulations. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. The Bid/Offer Period will comprise of Working Days only
Book Building Process	The book building process as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, namely Motilal Oswal Investment Advisors Limited and IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*)
Broker Centre	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms, provided that RIBs may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism, to a Registered Broker and details of which are available on the websites of the respective Stock Exchanges. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
"CAN" or "Confirmation of Allocation Note"	The notice or advice or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated the Equity Shares on / after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	The agreement dated [●] entered into between our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Member, the Banker(s) to the Offer, *inter alia*, for, among other things, the appointment of the Sponsor Banks in accordance with the UPI Circular, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	The Offer Price, as finalized by our Company in consultation with the BRLMs which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion and Eligible Employees Bidding under the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
"Cut-Off Time"	For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on after the Bid/Offer Closing Date
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, PAN, DP ID, Client ID and bank account details and UPI ID, where applicable
Designated SCSB Branches	Such branches of the SCSBs which shall collect ASBA Forms, a list of which is available on the website of the SEBI at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Offer Account or the Refund Account, as appropriate, or the funds blocked by the SCSBs are transferred from the ASBA Accounts to the Public Offer Account, as the case may be, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors or IPO Committee may Allot Equity Shares to successful Bidders in the Offer

Term	Description
Designated Intermediaries	SCSBs, Syndicate, sub-Syndicate, Registered Brokers, CDPs and RTAs who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer In relation to ASBA Forms submitted by RIBs and NIBs Bidding with an application size of up to ₹ 0.50 million (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Stock Exchange	[●]
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated January 9, 2025, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the price at which the Equity Shares will be Allotted and the size of the Offer, and includes any addenda or corrigenda thereto
Eligible Employee	All or any of the following: (i) a permanent employee of our Company and/ or Subsidiaries working in India or out of India, as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company, until the submission of the Bid cum Application Form; or (ii) director of our Company and/ or Subsidiaries, whether wholetime or not, as on the date of the filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company or any of our Subsidiaries or be our Director(s), as the case may be until the submission of the Bid cum Application Form, but excludes: (a) an employee who is the Promoter or belongs to the Promoter Group; (b) a director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of outstanding Equity Shares of our Company. It is clarified that Eligible Employees shall only mean those employees who are employees and are present in India as on the date of this Draft Red Herring Prospectus
Eligible FPIs	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible NRIs	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid Cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
Employee Discount	Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% of the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees and which shall be announced at least two Working Days prior to the Bid/Offer Opening Date
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares aggregating up to ₹[●] million, available for allocation to Eligible Employees, on a proportionate basis. Such portion shall not exceed 5% of the post-Offer equity share capital of our Company
Escrow Account(s)	Accounts opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, i.e. ₹ [●] subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids, will be accepted
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
Fresh Issue	The fresh issue component of the Offer comprising of an issuance of up to [●] Equity Shares at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹3,000.00 million by our Company Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant

Term	Description
	disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.
"General Information Document" or "GID"	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The Offer proceeds from the Fresh Issue
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion, or [●] Equity Shares bearing face value ₹[●] each, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	The Gross Proceeds less our Company's share of the Offer-related expenses applicable to the Fresh Issue. For further details about use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer*" on page 92
Net QIB Portion	QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors
"Non-Institutional Investors" or "NII(s)" or "Non-Institutional Bidders" or "NIB(s)"	The portion of the Offer being not less than 15% of the Net Offer, consisting of [●] Equity Shares bearing face value ₹5 each, which shall be available for allocation to Non-Institutional Investors on a proportionate basis, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which one-third shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹1,000,000, 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 Offer Price
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net-Offer, consisting of up to [●] Equity Shares, which shall be available for allocation to Non-Institutional Investors on a proportionate basis, subject to valid Bids being received at or above the Offer Price
"Non-Resident" or "NR"	A person resident outside India, as defined under FEMA, and includes non-resident Indians, FVCIs and FPIs
NPCI	National Payments Corporation of India
Offer	Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million consisting of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 3,000.00 million by our Company and an offer for sale of up to 9,460,800 Equity Shares aggregating up to ₹ [●] million, by the Promoter Selling Shareholder. The Offer comprises the Net Offer and the Employee Reservation Portion. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.
Offer Agreement	The agreement dated January 9, 2025, amongst our Company, the Promoter Selling Shareholder and the BRLMs, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 9,460,800 Equity Shares aggregating up to ₹[●] million by the Promoter Selling Shareholder
Offer Price	₹ [●] per Equity Share, being the final price within the Price Band, at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of this Draft Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company in consultation with the BRLMs, in accordance with the Book Building Process on the Pricing Date and in terms of this Draft Red Herring Prospectus
Offered Shares	Up to 9,460,800 Equity Shares being offered by Promoter Selling Shareholder as part of the Offer for Sale
Pre-IPO Placement	Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant

Term	Description
	to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) and includes any revisions thereof. The Cap Price shall be at least 105% of the Floor Price. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company in consultation with the BRLMs, and will be advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●] a Marathi newspaper (each of which are widely circulated English, Hindi and Marathi newspapers, respectively, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC, in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account Bank(s)	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Offer Account(s) will be opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Public Offer Account(s)	Bank account to be opened in accordance with the provisions under Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Accounts and from the ASBA Accounts on the Designated Date
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net-Offer, consisting of [●] Equity Shares which shall be allocated to QIBs, including the Anchor Investors (which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs up to a limit of 60% of the QIB Portion) subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price
"Qualified Institutional Buyers" or "QIBs"	A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
"Red Herring Prospectus" or "RHP"	The red herring prospectus dated [●], including any corrigenda or addenda thereto, issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The red herring prospectus will be filed with the RoC at least three working days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	Bank(s) which is a clearing member and registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being Axis Bank Limited
Registered Broker	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals other than the members of the Syndicate, and eligible to procure Bids in terms of the SEBI ICDR Master Circular, the circular No. CIR/CFD/14/2012 dated October 4, 2012, and the UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated January 9, 2025, entered amongst our Company, the Promoter Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the website of BSE and NSE, and the UPI Circulars
"Registrar", or "Registrar to the Offer"	MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*)
Resident Indian	A person resident in India, as defined under FEMA
"Retail Individual Bidders" or "RIB(s)" or "Retail Individual Investors" or "RII(s)"	Individual Bidders (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the Bidding options in the Offer
Retail Portion	The portion of the Offer being not less than 35% of the Net-Offer consisting of [●] Equity Shares which shall 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 Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail

Term	Description
	Portion and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
"Self Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Form from the Members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Form from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement
Share Escrow Agreement	The agreement dated [●] entered into amongst our Company, the Promoter Selling Shareholder, and the Share Escrow Agent for deposit of the Equity Shares offered by the Promoter Selling Shareholder in escrow and credit of such Equity Shares to the demat account of the Allottees.
Sponsor Banks	The Bankers to the Offer registered with SEBI which are appointed by the Company to act as conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the UPI Mandate Requests and / or payment instructions of the RIBs using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	Agreement dated [●] entered into among our Company, the Promoter Selling Shareholder, the BRLMs, and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Member	Intermediary (other than BRLMs) registered with SEBI who is permitted to accept bids, applications and place orders with respect to the Offer and carry out activities as an underwriter namely, [●]
"Syndicate" or "members of the Syndicate"	Together, the BRLMs and the Syndicate Member
"Systemically Important Non-Banking Financial Company" or "NBFC-SI"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into amongst the Underwriters, the Promoter Selling Shareholder and our Company on or after the Pricing Date, but prior to filing of the Red Herring Prospectus or the Prospectus, with the RoC as the case may be
UPI	Unified Payments Interface, which is an instant payment mechanism developed by the NPCI
UPI Bidder(s)	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, Eligible Employees in Employee Reservation Portion (subject to the Bid Amount being up to ₹ 0.50 million, and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 0.50 million in the Non-Institutional Portion and Bidding under the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) and the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	The SEBI ICDR Master Circular read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, SEBI circular

Term	Description
	(SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2021/47) dated March 31, 2021, SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021, SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/P/2022/45) dated April 5, 2022, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022, SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI circular (SEBI/HO/CFD/TPD1/CIR/P/2023/140) dated August 9, 2023, each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations, NSE circulars (23/2022) dated July 22, 2022 and (25/2022) dated August 3, 2022, the BSE notices (20220722-30) dated July 22, 2022 and (20220803-40) dated August 3, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular, to the extent applicable), SEBI master circular number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard from time to time
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by the SCSBs on the website of SEBI and by way of an SMS directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Banks to authorise blocking of funds in the relevant ASBA Account through the UPI linked mobile application equivalent to Bid Amount and subsequent debit of funds in case of Allotment In accordance with the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&int mId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make Bids in the Offer in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	A wilful defaulter, as defined under the SEBI ICDR Regulations
Working Day	All days, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, Working Day shall mean all days except all Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in India, as per the circulars issued by SEBI.

Technical/Industry Related Terms/Abbreviations

Term	Description
Adhesives market	Adhesive, also known as glue, cement, mucilage, or paste, is any non-metallic substance applied to one or both surfaces of two separate items that binds them together and resists their separation. Adhesives market refers to the value of Adhesives market in respective regions.
CAGR	Compounded Annual Growth Rate (as a %): (End Year Value/ Base Year Value) ^ (1/No. of years between Base year and End year) –1 (^ denotes 'raised to')
Capital Employed	Capital Employed is defined as total debt (Long Term borrowings + Short Term borrowings) plus Net Worth as on the last date of the reporting period.
Cost of Goods Sold	Cost of material consumed, plus Purchase of stock-in-trade, plus Changes in inventories of finished goods, stock-in-trade and work-in-progress
EBIT	Earnings before interest, tax calculated as restated profit after tax for the year, plus total tax expenses and finance cost, less other income
EBITDA	EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less other income
EBITDA Margin	EBITDA margin is calculated as EBITDA divided by revenue from operations
Emulsions market	An Emulsion is a mixture of two or more liquids that are normally immiscible owing to liquid-liquid phase separation. Emulsion paint is water-based paint, which contains small polymer particles that have pigments inside. The particles containing pigment are suspended in water. After the paint dries, the particles combine, producing a film of paint on the wall. Emulsions Market refers to the value of Emulsions market
Assets Turnover Ratio	Asset Turnover ratio is calculated as Revenue from operations divided by average fixed assets (Property, plant and equipment, Right of use assets, Capital work in progress).
KPI	Key Performance Indicator
Net Debt	Total debt less cash and cash equivalents and bank balances other than cash and cash equivalents
Net Debt/EBITDA	Net debt divided by EBITDA
Net Debt/Equity	Net debt divided by total net worth as on the last date of the reporting period
Number of Products	The total number of unique products or variants the company offers.

Term	Description
Number of Distributors	The total number of distributors of the company.
Number of Direct Customers	The total number of direct customers of the company
Number of Total Customers	The total number of customers including the distributors and direct customers.
NWC	Net working capital calculated as total current assets less total current liabilities
PAT	Profit After Tax is Profit after tax as reported in the Restated Consolidated Financial Information
PAT Margin	PAT Margin is calculated as profit after tax divided by Total Income
PSA	Pressure sensitive adhesives
R&D	Research and development
R&D Center	Jesons Innovation Center located at Plot No. A-739, TTC Industrial Area, MIDC, Koparkhairane, Navi Mumbai- 400 710, is leased by us for a period of 60 years from November 17, 2022
Revenue from operations	Revenue from Operations as reported in the Restated Consolidated Financial Information.
ROCE	RoCE (in %) defined as EBIT divided by average Capital Employed, where Capital Employed is defined as total debt (Long Term borrowings + Short Term borrowings) plus Net Worth as on the last date of the reporting period
ROE	RoE (in %) is calculated as Profit after Tax for the period divided by average net worth as on the last date of the reporting period.
RONW	Return on net worth calculated as Net Profit after tax attributable to owners of the Company, as restated/ Average Restated net worth at the end of the year/period.
Sealants market	Any of various liquids, paints, chemicals, or soft substances that may be applied to a surface or circulated through a system of pipes or the like, drying to form a hard, watertight coating. sealants are used as mechanical seal for blocking fluid passage. Sealants market refers to the value of Sealants market
Segment Wise Revenue	Revenue bifurcated by business segments – Coating Material and Adhesives
Revenue Split	Revenue bifurcated by domestic sales and exports sales

Conventional and General Terms or Abbreviations

Term	Description
"₹" or "Rs." or "Rupees" or "INR"	Indian Rupees
AIFs	Alternative investment funds as defined in and registered under the AIF Regulations
AS	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time
BSE	BSE Limited
BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
CAGR	Compounded Annual Growth Rate
"Calendar Year" or "year"	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	*Erstwhile* Companies Act, 1956 along with the relevant rules made thereunder
"Companies Act" / "Companies Act, 2013"	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended and to the extent currently in force
Cr.P.C.	Code of Criminal Procedure, 1973
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996
"Depository" or "Depositories"	NSDL and CDSL
DIN	Director Identification Number
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's Identification Number
EPS	Earnings per share
FDI	Foreign direct investment
FDI Policy	The consolidated FDI policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India *(earlier known as the Department of Industrial Policy and Promotion*)
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
"Financial Year", "Fiscal", "FY" or "F.Y."	Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year, unless stated otherwise
FIR	First information report

Term	Description
FPI(s)	Foreign Portfolio Investor, as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
FIPB	The erstwhile Foreign Investment Promotion Board
Fugitive Economic Offender	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GDP	Gross domestic product
"GoI" or "Government" or "Central Government"	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ICWAI	The Institute of Cost & Works Accountants of India
ICDS	Income Computation and Disclosure Standards
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
India	Republic of India
"Ind AS" or "Indian Accounting Standards"	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with IAS Rules
"IGAAP" or "Indian GAAP"	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended) and the Companies (Accounts) Rules, 2014, as amended
IPC	The Indian Penal Code, 1860
IPR	Intellectual property rights
IPO	Initial public offer
IST	Indian standard time
IT Act	The Income Tax Act, 1961
IT	Information technology
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
MCA	Ministry of Corporate Affairs, Government of India
"Mn" or "mn"	Million
N.A.	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NBFC	Non-Banking Financial Company
NEFT	National electronic fund transfer
NPCI	National Payments Corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
"NRI" or "Non-Resident Indian"	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the Income Tax Act, 1961
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ICDR Master Circular	SEBI ICDR Master Circular - SEBI master circular bearing reference SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

Term	Description
“SEBI Listing Regulations” or “Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1999
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
SEBI SBEB Regulations 2021	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI VCF Regulations	The *erstwhile* Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
State Government	Government of a State of India
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
“U.S.A” or “U.S.” or “United States”	The United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
“USD” or “US$”	United States Dollars
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	United States Securities Act of 1933, as amended
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

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

Certain Conventions

All references to "India" in this Draft Red Herring Prospectus are to the Republic of India and its territories and possession and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

All references herein to the "US", the "U.S." or the "United States" are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless the context otherwise requires or indicates, the financial information and any percentage amounts (excluding certain operational metrics), as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 199 and 318, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from our Restated Consolidated Financial Information. Our Restated Consolidated Financial Information have been compiled from (i) audited special purpose interim consolidated financial statements as at and for the six-month period ended September 30, 2024; and (ii) audited consolidated financial statements as at and for the Financial Year ended March 31, 2024, 2023 and 2022. The restated consolidated statement of assets and liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statements of profit and loss, the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the six month period ended September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, together with the of material accounting policies, and other explanatory notes, have been prepared in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus have been derived from our Restated Consolidated Financial Information.

For further information on our Company's financial information, see "*Restated Consolidated Financial Information*" on page 262.

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

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, see *"Risk Factors — Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and US GAAP, which may be material to investors' assessments of our financial condition"* on page 54.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Non-GAAP Measures

This Draft Red Herring Prospectus contains certain Non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBIDTA Margin, PAT Margin, return on equity, return on capital employed, fixed asset turnover ratio, net debt, working capital days and certain other statistical information relating to our operations and financial performance that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance.

Currency and Units of Presentation

All references to:

1. "Rupees" or "INR" or "Rs." or "₹" are to the Indian Rupee, the official currency of India; and

2. "USD" or "US$" or "$" or "U.S. Dollar" are to the United States Dollar, the official currency of the United States of America.

Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in "million", "billion" and "trillion" units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Exchange Rates

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

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

Currency	As on September 30, 2024	As on March 31, 2024(₹)	As on March 31, 2023 (₹)	As on March 31, 2022(₹)
1 USD	83.79	83.37*	82.22	75.81

(Source: www.fbil.org.in)

* *The exchange rate has been included as on March 28, 2024, as March 29, 2024, March 30, 2024 and March 31, 2024 were Good Friday, a Saturday and a Sunday, respectively.*

Industry and Market Data

The industry and market data set forth in this Draft Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 25.

This Draft Red Herring Prospectus contains certain industry and market data and statements concerning our industry obtained or derived from the report titled "*Assessment of Paints, Coatings and Adhesives Market*" dated January 6, 2025 prepared by CRISIL Market Intelligence & Analytics ("**CRISIL MI&A**"), who was appointed by our Company on October 5, 2024, (the "**CRISIL Report**") and publicly available information as well as other industry publications and sources. The CRISIL Report has been commissioned by our Company exclusively for the purposes of the Offer for an agreed fee and is available at our Company's website, at https://jesons.net/investor-relations/. Further, CRISIL, *vide* their letter dated January 6, 2025, ("**Letter**") has accorded their no objection and consent to use the CRISIL Report and the contents thereof CRISIL *vide* their Letter has also confirmed that they are an independent agency, and confirmed that they are not related to our Company, our Directors and our Promoters. The CRISIL Report is available on our website, at https://jesons.net/investor-relations/. For further details in relation to risks involving the CRISIL Report, see "*Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from CRISIL Report which has been exclusively commissioned and paid for by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*" on page 47.

Disclaimer of CRISIL Report

This Draft Red Herring Prospectus contains certain data and statements from the CRISIL Report, which is subject to the following disclaimer:

*CRISIL Market Intelligence & Analytics (**CRISIL MI&A**), a division of CRISIL Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. CRISIL MI&A operates independently of CRISIL's other divisions and subsidiaries, including, CRISIL Ratings Limited. CRISIL MI&A's informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies. CRISIL MI&A's strong benchmarking capabilities, granular grasp of sectors, proprietary analytical frameworks and risk management solutions backed by deep understanding of technology integration, makes it the partner of choice for public & private organisations, multi-lateral agencies, investors and governments for over three decades.*

For the preparation of this report, CRISIL MI&A has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in this report are based on certain assumptions, which in its opinion are true as on the date of this report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. This industry report is intended for use only within India.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical facts and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "*aim*", "*anticipate*", "*are likely*", "*believe*", "*continue*", "*can*", "*shall*", "*could*", "*expect*", "*estimate*", "*intend*", "*may*", "*likely*" "*objective*", "*plan*", "*project*", "*propose*", "*seek to*", "*will*", "*will continue*", "*will likely*", "*will pursue*" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations, taxes, changes in competition in our industry and incidents of any natural calamities and/or acts of violence. Certain important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Any decline in the demand for the end-products in the end-use industries;
- Any failure to procure significant portion of raw materials from key suppliers;
- Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations or under-utilization of our manufacturing capacities;
- Any adverse events affecting the countries to which we export including Asia-Pacific, Middle East, and Africa;
- Our inability to accurately forecast demand for our products and manage our inventory or working capital balance;
- Competition from existing players and new entrants and consequent pricing pressures;
- Our failure to comply with the quality standards and technical specifications prescribed by our customers; and
- Our inability to obtain or maintain regulatory approvals for our manufacturing facilities and products could impact production.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 25, 199 and 318, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

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

Neither our Company, our Directors, our Promoters (including the Promoter Selling Shareholder), the BRLMs, the Syndicate Member nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements under the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. The Promoter Selling Shareholder shall ensure (through our Company and the BRLMs) that the investors are informed of material developments in relation to statements specifically confirmed or undertaken by the Promoter Selling Shareholder in this Draft Red Herring Prospectus, the Draft Red Herring Prospectus and the Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Only statements and undertakings which are specifically confirmed or undertaken by the Promoter Selling Shareholder, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by the Promoter Selling Shareholder.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of the terms of the Offer, certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "*Risk Factors*", "*The Offer*", "*Capital Structure*", "*Industry Overview*", "*Our Business*", "*Objects of the Offer*", "*Our Promoter and Promoter Group*", "*Restated Consolidated Financial Information*", "*Outstanding Litigation and Material Developments*", *"Offer Structure", "Management's Discussions and Analysis of Financial Position and Results of Operations*" on pages 25, 60, 77, 124, 199, 92, 258, 262, 347, 374, and 318 respectively.

Primary business of our Company

We are one of the leading manufacturers of coating emulsions to the paint sector and water-based pressure sensitive adhesives in tape and label segments (in terms of sales value), in India (*Source: CRISIL Report*). Our products are used in various end user industries, such as paints, packaging, wood working (furniture), construction industry, tile industry, textiles, leather chemicals, carpet chemicals and paper chemicals. Amongst the Indian manufacturers, we have one of the largest range of products in coating materials and adhesives product categories (S*ource: CRISIL Report*). We are one of the leading coating emulsion suppliers to the Indian paint sector with a non-captive domestic market share of 27%, in terms of sales value (*Source: CRISIL Report*). We have a 35% market share in India in the water-based pressure sensitive adhesives for tapes and labels (*Source: CRISIL Report*).

For further details, see "*Our Business*" on page 199.

Summary of the industry in which our Company operates

Global paints and coating market size was valued at USD 185 billion in 2023 and is expected to grow at 5.2% till 2029, reaching a value of USD 251 billion on the back of strong demand of paints & coating from architectural, and transportation end use. The surge in demand is primarily attributed to the robust expansion of the construction and automotive industries. Additionally, the increasing focus on sustainability and environmental regulations is prompting manufacturers to develop eco-friendly products such as low-VOC and waterborne coatings. Furthermore, innovations in coating technologies, coupled with growing urbanization and significant government investments in infrastructure, further bolster market growth. (*Source: CRISIL Report*)

For further details, see "*Industry Overview*" on page 124.

Name of the Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters are Dhiresh Shashikant Gosalia and Madhavi Dhiresh Gosalia.

For further details, see "*Our Promoter and Promoter Group*" on page 258.

Offer Size

Offer of Equity Shares(1)	Up to [●] Equity Shares of face value of ₹5 each for cash at price of ₹[●] per Equity Share (including a share premium of [●] per Equity Share), aggregating up to ₹ [●] million
of which	
Fresh Issue(1)(2)^	[●] Equity Shares of face value of ₹5 each, aggregating up to ₹ 3,000.00 million
Offer for Sale(3)	Up to 9,460,800 Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million by the Promoter Selling Shareholder
of which	
Employee Reservation Portion(4)	Up to [●] Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million
Net Offer(5)	Up to [●] Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million

(1) The Offer includes the Employee Reservation Portion.

(2) The Offer has been authorized by a resolution of our Board dated December 11,2024 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated December 16, 2024.
^ Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

(3) The Promoter Selling Shareholder has confirmed and authorized his participation in the Offer for Sale. The Equity Shares to be offered by the Promoter Selling Shareholder in the Offer for Sale have been held by him for a period of at least one year prior to the date of filing of this Draft Red Herring

Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and are accordingly, eligible for being offered for sale in the Offer for Sale. For further details of authorisations pertaining to the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 356.

(4) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ 500,000), shall be added to the Net Offer. For further details, see "Offer Structure" on page 374.*

(5) *Our Company may in consultation with the BRLMs, 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 domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription 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 Offer 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 "Offer Procedure" on page 378.*

The Offer and the Net Offer shall constitute [●] % and [●] %, respectively, of the post Offer paid up Equity Share capital of our Company.

The above table summarises the details of the Offer. For further details of the offer, see "*The Offer*" and "*Offer Structure*" on pages 60 and 374, respectively.

Objects of the Offer

The Promoter Selling Shareholder will be entitled to the entire proceeds of the Offer for Sale after deducting the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale.

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

(In ₹ million)

Particulars	Amount
Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Company and/ or our Subsidiaries	1,650.00
Funding of capital expenditure through investment in our wholly owned subsidiary, Jesons Innovative Polymers Private Limited, for setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives	779.00
General corporate purposes*	[●]
Net Proceeds*#	[●]

* *To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from Fresh Issue.*

\# *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

For further details, see "*Objects of the Offer*" on page 92.

Aggregate pre-Offer shareholding of our Promoters, our Promoter Group and Promoter Selling Shareholder

The aggregate pre-Offer shareholding of our Promoters, Promoter Group and Promoter Selling Shareholder as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S No.	Name of shareholder	Pre-Offer equity share capital	
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital
Promoter/ Promoter Selling Shareholder			
1.	Dhiresh Shashikant Gosalia*	4,78,87,100	89.32%
2.	Madhavi Dhiresh Gosalia	4,206,000	7.85%
	Total (A)	**5,20,93,100**	**97.17%**
Promoter Group			
1.	Ravina Gaurav Shah	1,500,000	2.8%
2.	Jhelum Dhiresh Gosalia	100	Negligible
3.	Usha Shashikant Gosalia	6,000	0.01%
4.	Madhuri Madhusudan Mehta	6,000	0.01%
5.	Parul Rajesh Mody	6,000	0.01%

S No.	Name of shareholder	Pre-Offer equity share capital	
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital
	Total (B)	**15,18,100**	**2.83%**
	Total (A+B)	**5,36,11,200**	**100%**

* *Dhiresh Shashikant Gosalia is the Promoter Selling Shareholder.*

Summary of select financial information

The summary of our select financial information as per the Restated Consolidated Financial Information is set forth below:

(In ₹ million except per share data)

Particulars	Six-month period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Equity share capital	268.06	268.06	268.06	268.06
Net Worth	4,741.42	4,430.25	3,870.66	3,388.83
Revenue from Operations	7,279.08	14,962.29	17220.99	20,659.62
Profit for the period/ year(4)	311.83	565.91	490.40	858.92
Total comprehensive income for the period/ year	311.17	561.68	481.83	859.35
Earnings per share (1))(2)				
- Basic	5.81	10.50	9.13	16.03
- Diluted	5.81	10.50	9.13	16.03
Net Asset Value per equity share (5)	88.44	82.64	72.20	63.21
Total Borrowing (3)	1,689.40	653.00	717.96	2,023.20

Notes:

*(1) After share split and bonus issue**

(2) Not Annualised

(3) Total borrowings includes current maturities of long term borrowings, current and non-current borrowings.

(4) Excluding other comprehensive income.

(5) Net Asset Value per equity share =

$$\frac{\textit{Net-worth}}{\textit{Number of equity shares outstanding at the end of the relevant period/year (after giving effect to sub-division and bonus issue*)}}$$

For further details see "*Restated Consolidated Financial Information*" on page 262.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

The Statutory Auditors have not made any qualifications in the examination report that have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Promoter and our Directors as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Material Developments*" in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations	Aggregate amount involved* (in ₹ million)
Company						
By the Company	12	NA	NA	NA	Nil	49.37
Against the Company	1	13	1	NA	Nil	393.17
Directors						
By the Directors	Nil	NA	NA	NA	Nil	Nil
Against the Directors	Nil	Nil	Nil	NA	Nil	Nil
Promoters						
By the Promoter	Nil	NA	NA	NA	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By the Subsidiaries	Nil	NA	NA	NA	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil

**To the extent quantifiable*

There are no pending proceedings involving the Group Company which has a material impact on our Company.

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" on page 347.

Risk Factors

For details of certain risks applicable to us, see "*Risk Factors*" on page 25. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. Set forth below are the top 10 risk factors:

S. No.	Particulars
1.	Our business and the demand for our products is heavily reliant on the demand for certain end-use industries, and any decline in the demand for the end-products in such industries could have an adverse impact on our business, results of operations, cash flows and financial condition.
2.	We are significantly dependant on our suppliers for supply of raw materials (Top 10 suppliers contribute 73.85% for the six-month period ended September 30, 2024, 61.58% for the Financial Year 2024, 75.51% for the Financial Year 2023 and 66.30% for the Financial Year 2022 of total raw materials purchased of respective year/period). Any failure to maintain our relationship with these suppliers or any adverse changes affecting their financial condition will have an adverse effect on our business, results of operations, financial condition and cash flows.
3.	Our business is dependent on our manufacturing facilities, and we are subject to certain related risks. Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations or under-utilization of our manufacturing capacities could have an adverse effect on our business, results of operations, cash flows and financial condition.
4.	We export our products to various countries including Asia-Pacific, Middle East, and Africa. Any adverse events affecting these countries could have an adverse impact on our results from operations.
5.	Our inability to accurately forecast demand for our products and manage our inventory or working capital balances may have an adverse effect on our business, results of operations, cash flows and financial condition.
6.	Our intellectual property rights may not be adequately protected against third party infringement.
7.	We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on our business growth and prospects, financial condition and results of operations.
8.	We are subject to quality requirements and strict technical specifications by our customers. Our failure to comply with the quality standards and technical specifications prescribed by such customers may lead to loss of business from such customers and could negatively impact our reputation, which would have an adverse impact on our business prospects and results of operations.
9.	Non-compliance with increasingly stringent safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial condition. Further, we may not be able to renew or maintain our statutory and regulatory permits and approvals required to operate our business.
10.	If we are unable to obtain or maintain regulatory approvals for our manufacturing facilities and products, we may be unable to operate our manufacturing facilities or sell our products, which could adversely affect our business, cash flows and results of operations.

Summary of Contingent Liabilities and Commitments

Details of our contingent liabilities and commitments as at September 30, 2024 derived from the Restated Consolidated Financial Information are set forth below:

(in ₹ million)

Particulars	As at September 30, 2024
Contingent Liabilities not provided for in respect of -	
Claims against the Group not acknowledged as debts comprise of claims disputed by the Group relating to issues of applicability, classification, deductibility, etc:	
a. Custom duty	4.72
b. Bank guarantee	56.94
c. Income tax	0.15
d. Others	0.82
Total	**62.63**
Capital Commitments	
Estimated value of contracts for property, plant and equipment remaining to be executed and not provided for (net of capital advances)	947.49
Total	**1,010.12**

For further details of our contingent liabilities and commitments as on September 30, 2024, see "*Restated Consolidated Financial Information - Contingent Liability and Commitments*" on page 298.

Summary of Related Party Transactions

Summary of the related party transactions derived from the Restated Consolidated Financial Information, is as follows:

(In ₹ million)

Sr. No.	Nature of Transactions	Six months ended September 30, 2024	Financial year ended March 31,		
			2024	2023	2022
1	*Revenue from Operations*				
	Dura-Jesons LLC	-	2.82	19.37	25.44
2	*Director Remuneration*				
	Dhiresh Gosalia	22.50	45.00	45.00	45.00
	Madhavi Gosalia	4.20	8.40	8.40	8.40
	Raju Vinod Palvia	5.78	9.14	8.57	8.13
	Sadayapillai Kameshwaran	3.58	3.66	-	-
3	*Salary Expense*				
	Jhelum Gosalia	3.61	5.40	3.60	3.60
	Ravina Shah	3.60	5.40	3.60	3.60
	Parul Mody	-	-	1.42	1.36
4	*Capital Contribution*				
	Dhiresh Gosalia	-	-	3.04	3.00
5	*Withdrawal of Capital*				
	Dhiresh Gosalia	-	-	0.54	56.00
6	*Investments in equity shares*				
	Dura-Jesons LLC	2.09	-	-	-
7	*Contributions for Gratuity*				
	Jesons Industries Limited Employees Group Gratuity Assurance Scheme	11.94	8.38	9.03	5.02
8	*Dividend paid*				
	Dhiresh Gosalia	-	-	-	69.58
	Madhavi Gosalia	-	-	-	6.31
	Jhelum Gosalia	-	-	-	2.25
	Ravina Shah	-	-	-	2.25
	Parul Mody	-	-	-	0.01
	Usha Shashikant Gosalia				0.01
9	*Purchase of share from Dhiresh Gosalia*	-	-	-	44.01
10	*Director Sitting Fees*				
	Shreyas Mahendra Patel	-	0.07	0.07	0.07
	Alyza Nihar Sanghai	-	-	-	0.01
	Jyoti Himanshu Doshi	-	-	-	0.01
	Amitabh Verma	0.03	0.08	0.05	0.04
	Deeti Ojha	0.04	0.05	0.04	0.03
	Shriram Dandekar	0.02	-	-	-
11	*Recovery of expenses incurred for initial public offer*				
	Dhiresh Gosalia	-	-	1.66	37.43
12	*Legal and Professional*				
	Shreyas Mahendra Patel	-	0.39	0.19	0.18

Financing Arrangements

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase of any securities of our Company by any other person during a period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Draft Red Herring Prospectus.

Details of the price at which the Equity Shares were acquired by our Promoters (including Promoter Selling Shareholder) and members of our Promoter Group and Shareholders with the right to nominate Directors or any other special rights in the three years preceding the date of this Draft Red Herring Prospectus in the three years immediately preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, none of our Promoters (including Promoter Selling Shareholder) and members of our Promoter Group have acquired any Equity Shares in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name	No. of Equity Shares acquired	Date of acquisition of Equity Shares	Cost of acquisition per Equity Share (in ₹)	Mode of acquisition
Dhiresh Shashikant Gosalia	14,99,900	December 16, 2023	Nil[#]	Gift

* *As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025*

[#] *Transfer of 14,99,900 equity shares by Jhelum Dhiresh Gosalia to Dhiresh Sashikant Gosalia on December 16, 2023 by way of gift.*

As on date of this Draft Red Herring Prospectus, we have no Shareholders with right to nominate directors or other special rights.

Weighted average price at which Equity Shares were acquired by our Promoters (including the Promoter Selling Shareholder) in the last one year preceding the date of this Draft Red Herring Prospectus

Our Promoters (including the Promoter Selling Shareholder) have not acquired any Equity Shares in the one year immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average cost of all shares transacted at which the Equity Shares were transacted in the last one year, 18 months and three years immediately preceding the date of this Draft Red Herring Prospectus

The weighted average price, on a fully diluted basis, at which Equity Shares were transacted in the last one year, 18 months and three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Period	Weighted average cost of acquisition (₹)	Cap price in 'x' times the weighted average cost of acquisition	Range of acquisition price (Lowest price – Highest price, in ₹)
Last one year preceding the date of this Draft Red Herring Prospectus	Nil	NA	NA
Last 18 months from the date of this Draft Red Herring Prospectus	0*	NA	NA
Last three years preceding the date of this Draft Red Herring Prospectus	0*	NA	NA

As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025.
**Transfer of 14,99,900 equity shares by Jhelum Dhiresh Gosalia to Dhiresh Sashikant Gosalia on December 16, 2023, by way of gift.*

Average cost of acquisition of Equity Shares of our Promoters and Promoter Selling Shareholder

The average cost of acquisition per Equity Share of the Equity Shares held by our Promoters (including the Promoter Selling Shareholder) as at the date of this Draft Red Herring Prospectus, is set forth below:

Name of the Promoter and Selling Shareholder	Number of Equity Shares	Average cost of acquisition per Equity Share (₹)
Dhiresh Shashikant Gosalia#	4,78,87,100	1.44
Madhavi Dhiresh Gosalia	42,06,000	1.67

As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025.
 # Dhiresh Shashikant Gosalia is also the Promoter Selling Shareholder.

For further details of the acquisition of Equity Shares of our Promoters, including details of purchase/ transfer of Equity Shares, see "*Capital Structure – Details of Shareholding of our Promoters, members of the Promoter Group in our Company*" on page 83.

Details of Pre-IPO placement

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

Issue of Equity Shares for consideration other than cash in the last three years

Our Company has not issued any Equity Shares for consideration other than cash in the three years preceding the date of this Draft Red Herring Prospectus.

Split / Consolidation of Equity Shares in the last one year

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

Exemption from complying with any provisions of securities law, if any, granted by SEBI

Our company has not applied for or received any exemption by SEBI from complying any provisions of securities laws, as on date of this Draft Red Herring Prospectus.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors together with all other information set forth in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described below are not the only risks that we currently face or are relevant to us, Equity Shares, the industry in which we operate or to India or the other geographies in which we sell our products. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, prospects, results of operations, cashflows and financial condition. In order to obtain a complete understanding about us, you should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Restated Consolidated Financial Information" on pages 199, 124, 318 and 262, respectively, and other financial information included elsewhere in this Draft Red Herring Prospectus.

If any or some combination of the following risks, or other risks that are not currently known, actually occur, our business, results of operations, cashflows and financial condition could suffer. In making an investment decision with respect to this Offer, you must rely on your own examination of our Company, our Subsidiaries and Associate, our business, and the terms of this Offer, including the merits and risks involved and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. You should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See "Forward-Looking Statements" on page 16.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Consolidated Financial Information. For further details, please see "Restated Consolidated Financial Information" on page 262.

*Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report titled "Assessment of Paints, Coatings and Adhesives Market" dated January 6, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Limited and commissioned by our Company exclusively in connection with the Offer, pursuant to an engagement letter dated October 5, 2024. The CRISIL Report is available on our website, at https://jesons.net/investor-relations/ and has also been included in "Material Contracts and Documents for Inspection –Material Documents" on page 437. Unless otherwise indicated, all financial, operational, industry and other related information derived from CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. The industry related data included in this section may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner. See, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 13.*

INTERNAL RISKS

1. ***Our business and the demand for our products is heavily reliant on the demand for certain end-use industries, and any decline in the demand for the end-products in such industries could have an adverse impact on our business, results of operations, cash flows and financial condition.***

We are one of the leading manufacturers of coating emulsions to the paint sector and water-based pressure sensitive adhesives in tape and label segments (in terms of sales value), in India (*Source: CRISIL Report*). Our products are used in various end user industries, such as paints, packaging, wood working (furniture), construction industry, tile industry, textiles, leather chemicals, carpet chemicals and paper chemicals. Amongst the Indian manufacturers, we have one of the largest range of products in coating materials and adhesives product categories (*source: CRISIL Report*).

A significant portion of our revenue from operations is generated from coating materials and adhesive products, sold to the paints and packaging industries as set forth below, along with end-user industry wise break-up of our revenue contribution:

Product group	End-user industry	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
		Revenue from operations (in ₹ million)	% contribution to revenue from operations	Revenue from operations (in ₹ million)	% contribution to revenue from operations	Revenue from operations (in ₹ million)	% contribution to revenue from operations	Revenue from operations (in ₹ million)	% contribution to revenue from operations
Coating materials	Paints, Textile, Construction	4,516.44	62.05%	9,285.38	62.06%	9,558.64	55.51%	10,309.58	49.90%

Product group	End-user industry	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
		Revenue from operations (in ₹ million)	% contribution to revenue from operations	Revenue from operations (in ₹ million)	% contribution to revenue from operations	Revenue from operations (in ₹ million)	% contribution to revenue from operations	Revenue from operations (in ₹ million)	% contribution to revenue from operations
	Paper, Leather, carpets								
Adhesives	Packaging, FMCG, Pharmaceuticals, E-commerce Joineries, construction	2,637.66	36.24%	5,025.72	33.59%	6,115.12	35.51%	8,540.98	41.34%
Total		7,154.10	98.28%	14,311.10	95.65%	15,673.75	91.02%	18,850.56	91.24%

The demand for our products is also dependent on and directly affected by factors affecting these industries, specifically the paints and packaging industries. Some of the key factors affecting sales in the paint industry are substitution of coatings with decorative concretes, house wraps and wallpapers.

Any material downturn in any of the end-user industries that we service, as a result of increased competition, regulatory action, litigation, pricing fluctuation or outbreak of an infectious disease may have an adverse impact on us. There can be no assurance that the lack of demand from any one of these industries can be offset by sales to other industries in which our products find application or by successfully introducing new products in these industries.

2. ***We are significantly dependant on our suppliers for supply of raw materials (Top 10 suppliers contribute 73.85% for the six-month period ended September 30, 2024, 61.58% for the Financial Year 2024, 75.51% for the Financial Year 2023 and 66.30% for the Financial Year 2022 of total raw materials purchased of respective year/period). Any failure to maintain our relationship with these suppliers or any adverse changes affecting their financial condition will have an adverse effect on our business, results of operations, financial condition and cash flows.***

We source our raw materials including Butyl Acrylate Monomer and Styrene Monomer from a limited number of third-party suppliers. We do not have long-term contracts with our suppliers for such raw materials. We cannot assure that we will be able to procure raw materials that meet the specified quality standards on commercially acceptable terms.

The table below sets forth details of our cost of goods sold, including as a percentage of our total expenses, during the periods indicated:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	₹ in million	% of total expenses	₹ in million	% of total expenses	₹ in million	% of total expenses	₹ in million	% of total expenses
Cost of goods sold	5,833.24	84.74%	12,231.83	85.96%	14,573.24	87.60%	17,567.75	89.32%

The table below sets forth the raw material purchased from our top 10 suppliers contributing to more than 50% of our total raw materials purchases, for the period indicated below:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	₹ in million	% of total raw materials purchased	₹ in million	% of total raw materials purchased	₹ in million	% of total raw materials purchased	₹ in million	% of total raw materials purchased
Top 10 suppliers	5,252.18	73.85%	7,759.29	61.58%	10,698.23	75.51%	10,838.01	66.30%

The table below sets forth our cost of materials from our top 10 suppliers in the financial year ended March 31, 2024:

Particulars	Financial year ended March 31, 2024	
	₹ in million	% of total raw materials purchased
Bharat Petroleum Corporation Limited	3,245.42	25.76%
Supplier 2*	1,012.52	8.04%

Particulars	Financial year ended March 31, 2024	
	₹ in million	% of total raw materials purchased
Tricon Energy Ltd	691.48	5.49%
Supplier 4*	477.13	3.79%
Supplier 5*	472.58	3.75%
Supplier 6*	408.97	3.25%
Supplier 7*	390.02	3.10%
Supplier 8*	384.27	3.05%
Kolmar Group Ag	370.67	2.94%
Supplier 10*	306.22	2.43%

**Names of these suppliers have not been included in this Draft Red Herring Prospectus due to non-receipt of consent from such suppliers to be named in the Offer Documents.*

The table below sets forth details of raw materials purchased by the suppliers within India and outside India in the periods indicated:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	₹ in million	% of total raw materials purchased	₹ in million	% of total raw materials purchased	₹ in million	% of total raw materials purchased	₹ in million	% of total raw materials purchased
India	3,460.84	48.67%	5,991.75	47.56%	7,247.09	51.15%	4,562.23	27.91%
Outside India	3,650.69	51.33%	6,607.82	52.44%	6,921.00	48.85%	11,784.08	72.09%
Total	7,111.53	100.00%	12,599.57	100.00%	14,168.09	100.00%	16,346.32	100.00%

Our dependence on foreign suppliers subjects us to certain risks and uncertainties which include political and economic instability in the countries in which such suppliers are located, disruptions in transportation, currency exchange rates and transport costs, amongst others. If we fail to (i) receive the quality of raw materials that we require; (ii) negotiate appropriate financial terms; (iii) obtain adequate supply of raw materials in a timely manner, or if our principal suppliers discontinue the supply of such raw materials, or were to experience business disruptions or become insolvent, we cannot assure you that we will be able to find alternate sources for the procurement of raw materials in a timely manner. Moreover, in the event that either our demand increases, or our suppliers experience a scarcity of resources, our suppliers may be unable to meet our demand for raw materials. While other than in the ordinary course of business, there has not been any reduction or interruption in the supply of raw materials to our Company during the last three financial years or six-month period ended September 30, 2024, any reductions, or interruptions in the supply of raw materials, and any inability on our part to find alternate sources in a timely manner for the procurement of such raw materials, may have an adverse effect on our ability to manufacture our products in a timely or cost-effective manner. Further, if we cannot reasonably offset increases in the prices of raw materials with the increase in the prices of our products, we will experience lower margins which will adversely affect our profitability. The occurrence of any such event may adversely affect our business, results of operations, cash flows and financial condition. In addition, the absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials and we may be unable to pass these costs onto our customers, which may adversely affect our profitability.

3. ***Our business is dependent on our manufacturing facilities, and we are subject to certain related risks. Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations or under-utilization of our manufacturing capacities could have an adverse effect on our business, results of operations, cash flows and financial condition.***

We have seven manufacturing facilities comprising two facilities at Daman (Dadra and Nagar Haveli and Daman and Diu), and one facility each at Roorkee (Uttarakhand), Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu), Mundra (Gujarat), Vapi (Gujarat) and Saykha (Gujarat). For details of the actual quantity manufactured and capacity utilised in the six-month period ended September 30, 2024, and the Financial Years ended March 31, 2024, 2023 and 2022 at each of our Manufacturing Facilities, see "*Our Business –Manufacturing Facilities*" on page 216.

Our business is dependent upon our ability to efficiently manage our manufacturing facilities, which are subject to various operating risks, including productivity of our workforce, compliance with regulatory requirements and circumstances beyond our control, such as the breakdown and failure of equipment or industrial accidents, failure to comply with environmental laws, localised social unrest, severe weather conditions, natural disasters and infectious disease outbreaks. Our customers rely on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Although we take precautions to minimize the risk of any significant operational problems at our manufacturing facilities, our customer relationships, business, financial condition, results of operations, and cash flows, may be adversely affected by any disruption of operations at our manufacturing facilities, including due to any of the factors mentioned above. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. We may also experience loss of, or a decrease in, revenue due to lower manufacturing levels. In addition, we may be required to shut down our manufacturing facilities for various reasons such as maintenance, inspection, testing and capacity expansion. Further, the capacity utilization at our manufacturing facilities is subject to various factors such as availability of raw materials, power, water, efficient working of machinery and equipment and optimal manufacturing planning. In the event there are any disruptions at our manufacturing facility, due to natural or man-made disasters, workforce disruptions, regulatory approval delays, fire, failure of machinery, lack of access to assured supply of electrical power and water at reasonable costs or any significant social, political or economic disturbances, could reduce our ability to meet the conditions of our contracts, manufacture our products and adversely affect sales and revenues from operations in such period. While there has been no such fire or industrial accident in the last three financial years and or six-month period ended September 30, 2024. In addition to the loss as a result of such fire or industrial accident, any shutdown of our manufacturing facility could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition.

An inability to utilize our manufacturing facility to its full or optimal capacity, non-utilization of such capacities could have an adverse effect on our results of operations, cash flows and financial condition.

Further, our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to an adverse effect on our business, results of operations, cash flows, and financial condition. Any unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations or under-utilization of our manufacturing capacities could have an adverse effect on our business, results of operations, cash flows and financial condition.

In the event of prolonged interruptions in the operations of our manufacturing facility, we may have to import various supplies and products or purchase them locally in order to meet our obligations towards customers, which could affect our profitability, business and financial condition.

4. ***We export our products to various countries including Asia-Pacific, Middle East, and Africa. Any adverse events affecting these countries could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We exported our products to 48 countries including Asia-Pacific, Middle East, and Africa in the six-month period ended September 30, 2024, and during the last three financial years. A significant portion of our revenue from operations is attributable to export of our products. The contribution of export products (including export incentives) to our revenue from operations is set out below:

Region	**Six-month period ended September 30, 2024**		**Financial year ended March 31, 2024**		**Financial year ended March 31, 2023**		**Financial year ended March 31, 2022**	
	Revenue from Operations (in ₹ million)	**% contribution to total export revenue**	**Revenue from Operations (in ₹ million)**	**% contribution to total export revenue**	**Revenue from Operations (in ₹ million)**	**% contribution to total export revenue**	**Revenue from Operations (in ₹ million)**	**% contribution to total export revenue**
Africa	968.22	43.66%	2,044.19	45.45%	1,807.33	38.91%	2,604.34	46.03%
Asia Pacific	616.24	27.79%	1,112.25	24.73%	1,568.74	33.77%	1,917.26	33.89%
Middle East	624.90	28.18%	1,255.83	27.92%	1,214.78	26.15%	1,029.54	18.20%
Others	8.18	0.37%	84.95	1.89%	54.36	1.17%	106.75	1.89%
Total	**2,217.55**	**100.00%**	**4,497.21**	**100.00%**	**4,645.21**	**100.00%**	**5,657.90**	**100.00%**

While there has not been any unfavourable development in the last three financial years and six-month period ended September 30, 2024, any unfavourable development in geographies where we export our products or in India (particularly in the western region of India), could have an adverse effect on our business, results of operations, cash flows and financial condition. For example, our revenue may be adversely affected due to unfavourable developments, such as increase in levy of import duties and anti-dumping duties on products manufactured and supplied by us in foreign markets. For further details of risks emanating from currency fluctuations, please see *"- We face foreign exchange fluctuation risks that could adversely affect our results of operations*" on page 37.

5. ***Our inability to accurately forecast demand for our products and manage our inventory or working capital balances may have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our business depends on accurate forecasting of the long-term demand for our products from our customers. While we maintain a reasonable level of inventory of raw materials, work in progress and finished goods, if we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may end up manufacturing lesser quantities of products than required, which could result in the loss of business. While there has not been any instance in the last three financial years or six-month period ended September 30, 2024, of us being unable to meet the demand for our products due to inadequate capacity, there can be no assurance that such incidents will not happen in future. Similarly, an error in our forecast could also result in surplus stock, which may not be sold in a timely manner or at all. At times when we have overestimated demand, we may have incurred costs to build capacity or purchased more raw materials and manufactured more products than required. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations, cash flows and financial condition. We evaluate our inventory balances of materials based on shelf life, expected sourcing levels, known uses and anticipated demand based on forecasted customer order activity and changes in our product sales mix. If our raw materials purchase decisions do not accurately predict sourcing levels, or if our estimation of customer requirements and trends are inaccurate, we may have to take unanticipated markdowns or impairment charges to dispose of the excess or obsolete inventory, which can adversely affect our results of operations.

6. ***Our intellectual property rights may not be adequately protected against third party infringement.***

We have 72 registered trademarks across Classes 1, 2, 8, 16, and 41. We have been granted Patent for an invention entitled a biocidal composition and a process for its preparation. We have also applied for registration of one patent in India for Re-dispersible Powder ("**RDP**") and its preparation process. Further, we have applied for 11 new trademarks in India, each of which are pending as on the date of this Draft Red Herring Prospectus. For further details, please see "*Our Business – Intellectual Property Rights*" on page 224. The applications are currently under review and pending grant. We may not be able to protect our intellectual property rights against third party infringement and any unauthorized use of our intellectual property including our brand on products which are not manufactured by us and which are of inferior quality, and which may adversely affect our brand value and consequently our business. The use of trade names or trademarks by third parties which are similar to our trade names or trademarks may result in confusion among customers and loss of business. Further, entities in India could pass off their own products as ours, including counterfeit or pirated products. For example, certain entities could imitate our brand names, packaging materials or attempt to create look-alike products. While there has not been any imitation of our brand names, packaging materials of attempt to create look-alike products, in the last three financial years and six-month period ended September 30, 2024, we cannot assure you of any such incident not occurring in the future. As a result, our market share could be reduced due to replacement of demand for our products and adversely affect our goodwill. In addition, any adverse experience of customers of such third-party products, or negative publicity attracted by such third-party products could adversely affect our reputation, brand and business. The proliferation of unauthorized copies of our products, and the time and attention lost to defending claims and complaints about spurious products, could decrease our revenue and have an adverse effect on our reputation, goodwill and results of operations.

While there has been no claim, in the last three financial years or during the six-month period ended September 30, 2024, susceptible to claim from third parties asserting infringement or other related claims relating to trademarks and brands under which we sell our products, there can be no assurance that we will not be susceptible to such claims. If we inadvertently infringe on the patents of others, we may be subjected to legal action. Any such claim could adversely affect our relationship with existing or potential customers, result in costly litigation and divert management's attention and resources. An adverse ruling arising out of any intellectual property dispute could subject us to liability for damages and could adversely affect our business, results of operations and financial condition.

7. ***We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on our business growth and prospects, financial condition and results of operations.***

We operate in a highly competitive industrial environment. We expect that competition will continue to intensify both through the entry of new players and consolidation of existing players. Our competitors may succeed in developing products that are more effective, more popular or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Some of our competitors may have greater financial resources, better distribution network, technical and marketing resources and generate greater revenues, and therefore may be able to respond better to market changes than we can. Further, our customers operate within the highly competitive packaging, paints, construction, textile and other industries, where they are constantly required to adapt to factors such as changing consumer preferences, consolidation and the entry of new regional and local players, and constantly exert downward pricing pressure. We may be adversely affected in case our customers are unable to effectively respond to any factors that adversely impact the competitive landscape of our products.

Our ability to compete depends on a number of factors beyond our control, including the ability of our competitors to attract, train, motivate and retain highly skilled technical employees, the price at which our competitors offer comparable products and the extent of our competitor's responsiveness to customer needs. Our inability to adequately address competitive pressures may have a material adverse effect on our business, prospects, financial condition and results of operations. For further details of our competition, please see "*Our Business – Competition*" and "*Industry Overview – Peer Comparison*" on pages 222 and 186.

8. ***We are subject to quality requirements and strict technical specifications by our customers. Our failure to comply with the quality standards and technical specifications prescribed by such customers may lead to loss of business from such***

customers and could negatively impact our reputation, which would have an adverse impact on our business prospects and results of operations.

We develop, manufacture and market a diverse range of coating materials and adhesives products, which are primarily used as raw materials for host of products of our customers. Further, our customers maintain strict quality standards. Our products go through various quality checks at various stages at our manufacturing facilities. Further, we also rely on certain third-party manufacturers for certain manufacturing processes, and while we have quality control systems in place, there can be no assurance that such quality controls may not be subject to failure. Failure of our products to meet the quality standards expected by our customers may result in rejection and reworking of our products. This may result in our customers cancelling present or future purchases of our products. While there have been no product liability claims in the last three financial years or six-month period ended September 30, 2024, we cannot assure that we will not face such product liability claims in future. We do not have product liability insurance to protect us against such claims and any liability incurred pursuant to such claims is required to be funded by the Company. For further details, please see "- *Our insurance coverage may not be sufficient or adequate to protect us against all material hazards or business losses, which may adversely affect our business, results of operations and financial condition"* on page 41.

While we have put in place quality control procedures, we cannot assure that our products will always be able to achieve the quality standards expected by our customers. Our quality control procedures may fail to test for all possible conditions of use or identify all defects in the manufacturing of our products. Further, any lapses in quality may impact our long-term relationships with customers, which is one of our key strengths. Any failure on our part to successfully maintain quality standards for our products may affect our customer relationships, which may adversely affect our business, prospectus and results of operations.

9. Non-compliance with increasingly stringent safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial condition. Further, we may not be able to renew or maintain our statutory and regulatory permits and approvals required to operate our business.

Our operations generate pollutants and waste, some of which may be hazardous and therefore, we are subject to various laws and government regulations, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, disposal of bio-medical waste, storage, transport, handling, disposal, employee exposure to hazardous substances and other aspects of our manufacturing operations. Improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. While there has been no accidents, injury or damage due to non-compliance with any rules or regulations, in the last three financial years or during the six-month period ended September 30, 2024, there can be no assurance that such events would not occur in future and occurrence of any such event could have an adverse effect on our business, results of operations, cash flows and financial condition.

We are also subject to the laws and regulations governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, maternity leave, hiring and termination of employees, contract labour and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital expenditures on an on-going basis to comply with all applicable environmental, health and safety and labour laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. If we are unable to remain in compliance with all applicable environmental, health and safety and labour laws, our business, results of operations, cash flows and financial condition may be adversely affected.

10. If we are unable to obtain or maintain regulatory approvals for our manufacturing facilities and products, we may be unable to operate our manufacturing facilities or sell our products, which could adversely affect our business, cash flows and results of operations.

The export, manufacture, storage, marketing and sale of our products require several regulatory approvals, including but not limited to, the authorizations under Factories Act, authorizations by various state pollution control boards, Industrial Entrepreneur's Memorandum etc. For further details, please see "*Government Approvals*" on page 351. Regulatory requirements with respect to our products and the products of our customers are subject to change. While there has not been any change in the last three years and six-month period ended September 30, 2024, any adverse change in the laws governing the manufacturing and storage of our products and their usage by our customers, including the development of licensing requirements and technical standards and specifications or the imposition of onerous requirements, may have an adverse impact on our operations. We may be required to alter our manufacturing process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers. In the event that we are unable to renew or maintain such statutory permits and approvals or comply with any or all of their applicable terms and conditions or seek waivers or extensions of time for complying with such terms and conditions, our operations may be interrupted, and penalties may be imposed on us by the relevant authorities.

We cannot assure you that such approvals will be received in a timely manner, or at all. Any delay or failure in obtaining such approvals may have an adverse impact on our operations.

11. ***There are outstanding litigations involving our Company, and any adverse outcome in any of these proceedings may adversely affect our results of operations and financial condition.***

There are outstanding legal proceedings involving us. These proceedings are pending at different levels of adjudication before courts, tribunals and statutory, regulatory and other judicial authorities. We cannot assure you that the currently outstanding legal proceedings will be decided favorably or that no further liability will arise from these claims in the future. The amounts involved in these proceedings have been summarized to the extent ascertainable and quantifiable.

A summary of outstanding legal proceedings involving us, our Directors, our Subsidiaries and our Promoters as on the date of this Draft Red Herring Prospectus is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations	Aggregate amount involved* (in ₹ million)
Company						
By the Company	12	NA	NA	NA	Nil	49.37
Against the Company	1	13	1	NA	Nil	393.17
Directors						
By the Directors	Nil	NA	NA	NA	Nil	Nil
Against the Directors	Nil	Nil	Nil	NA	Nil	Nil
Promoters						
By the Promoter	Nil	NA	NA	NA	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By the Subsidiaries	Nil	NA	NA	NA	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil

* *To the extent quantifiable*

Our Group Company is currently not party to any pending litigations which would have a material impact on our Company.

For details, see "*Outstanding Litigation and Material Developments*" on page 347.

We cannot assure you that these legal proceedings will be decided in favour of our Company, or that no further liability will arise out of these proceedings. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our Restated Consolidated Financial Information that could increase our expenses and current liabilities. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may have an adverse effect on our results of operations and financial condition.

12. ***Any increase in the cost of our raw material or other purchases, delay, interruption or reduction in the supply of raw materials to manufacture our products may adversely affect our business, results of operations, cash flows and financial condition.***

The success of our operations depends on, among other things, our ability to source raw materials at competitive prices. Raw materials are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in domestic as well as force majeure events and supply disruptions, international government policies and regulatory sanctions.

Certain of our key raw materials have witnessed volatility in their prices.

(price per kg)

Particulars	Six-month period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Butyl Acrylate Monomer	135.41	102.86	127.43	177.08
Styrene Monomer	95.78	90.07	98.79	92.99

Note: - The above are average purchase price procured during the period.

Any increase in raw material prices may result in corresponding increases in our product costs. A failure to maintain our required supply of raw materials at the desired prices, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to our customers in an efficient, reliable and timely manner, and consequently adversely affect our business, results of operations and financial condition.

Further, we are dependent on a few suppliers for supply of our key raw materials such as Butyl Acrylate Monomer, and Styrene Monomer, and any disruption in supply would have a material adverse effect on our business, results of operations and financial condition. As per the CRISIL Report, over the last two decades, the worldwide coatings industry has become highly consolidated, with the top ten suppliers currently accounting for about half of the whole market. The Indian paints market is dominated by the decorative market contributing to ~75% of the total paints market. The organized market accounts for the top 10-12 players who make up for 77% of the decorative market share while the remaining 23% is made up of many small players. Larger players have their captive capacities for meeting ~75-80% of their requirements. They source the balance from players like players like Visen, BASF and Dow and our Company

We presently do not have any long-term or exclusive arrangements with any of our suppliers of raw materials and we cannot assure you that we will be able to purchase the quantities at the terms we have historically from such suppliers. Most of our transactions with our suppliers are typically on a purchase order basis without any commitment for a fixed volume of business. There can also be no assurance that our suppliers will renew their arrangements with us on current or similar terms, or at all. While we negotiate product prices and payment terms with our raw material suppliers, in the event our suppliers alter their requirements, it could have a material adverse effect on our business. In addition, our suppliers may also cancel purchase orders at short notice or without notice, which could have an impact on our inventory management. Termination of any of the above-mentioned arrangements or frequent cancellation of purchase orders could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Further, any disruptions in sourcing of our raw material could also increase our working capital requirements in case we have to identify substitutes, which may not be available at competitive rates. Any disruption in the supply of the aforesaid raw material may disrupt our manufacturing operations, which may have a material adverse effect on our business, results of operations and financial condition.

13. ***We do not have long term contractual arrangements with most of our customers and the loss of them or a reduction in their demand for our products, or any adverse developments in our relationship with our customers, could have an adverse effect on our business, results of operations, cash flows and financial condition.***

We currently do not have long-term contractual arrangements with most of our customers and conduct business with them on the basis of purchase orders that are placed from time to time. Consequently, there is no commitment on the part of such customers to continue to place new purchase orders with us and as a result, our revenue and consequent cash flow may fluctuate significantly from time to time. Further, the deterioration of the financial condition or business prospects of these customers could reduce their requirement of our services and their ability to pay us, on a timely basis or at all, which could result in a significant decrease in the revenues we derive from them. Although we do not have significant customer concentration, any loss of such customers or a reduction in the demand for our products or any impact on the business of our customers could also impact our reputation, business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business from our customer base. Further, we operate in a competitive environment, and our competitors may offer better prices for products that we manufacture, which could lead to a loss of customers, in the absence of exclusivity arrangements.

We also undertake contract manufacturing as per product specifications for various customers who are leading players in the industries in which they operate. As part of our contact manufacturing operations, our customers provide us with the technical assistance, information required, and raw materials for the required products, which are manufactured by our Company based on purchase orders. Our customers may start such manufacturing operations internally and may discontinue the use of our contract manufacturing operations. The loss of our significant customer or a reduction in the amount of business we obtain from such customer could have an adverse effect on our business, results of operations, cash flows and financial condition.

14. ***We have incurred significant indebtedness, and our lenders may impose certain conditions on us under our financing arrangements. While we may need additional capital or financing in the future to support our growth strategies, if we are unable to raise additional capital or financing, our business, results of operations and financial condition could be adversely affected.***

As of September 30, 2024, we had total outstanding borrowings (including current and non-current borrowings) of ₹ 1,689.40 million (fund and non-fund based), which primarily consists of term loans and working capital facilities. For further details, please see "*Financial Indebtedness*" on page 314. Many of our financing agreements include conditions and restrictive covenants, including the requirement that we obtain consent from or intimate our respective lenders prior to carrying out certain activities and entering into certain transactions including, among others, effecting any change in our Company's capital structure, carrying out or entering into any amalgamation, consolidation, demerger, merger, restructuring, reorganization, corporate reconstruction by our Company and investing by way of share capital or lending or advancing funds to or placing deposits with any other concerns except in normal course of our business.

The conditions and restrictions may limit our flexibility in responding to business opportunities, competitive developments and adverse economic or industry conditions. Further, a breach of any of the covenants, or a failure to pay interest or indebtedness when due, under this or any of our other financing arrangements, could result in a variety of adverse consequences, including the termination of one or more of our credit facilities, levy of penal interest, the enforcement of any security provided, acceleration of all amounts due under such facilities, right to appoint nominee on our Board and cross-defaults under certain of our other financing agreements, any of which may adversely affect our business, results of operations and financial condition.

Our financing agreements also generally contain certain financial covenants including the requirement to maintain, among others, specified debt-to-equity ratios. These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time. We cannot assure you that we will comply with the covenants with respect to our financing arrangements in the future or that we will be able to secure waivers for any such non-compliance in a timely manner or at all. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. While there has not been any instances of defaults in the last three financial years or during the six month period ended September 30, 2024, any of these circumstances could adversely affect our business, credit ratings, financial condition, results of operations and cash flows.

We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. Our total capital expenditure including capital work in progress and capital advances made ₹479.26 million in Financial Year ended March 31, 2022, ₹266.43 million in Financial Year ended March 31, 2023, ₹1,022.89million in Financial Year ended March 31, 2024, and ₹ 517.85 million in the six-month period ended September 30, 2024. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our cash in hand, cash flow from operations and our fund based and non-fund based working capital limits to be adequate to fund our existing commitments, our ability to incur any future borrowings, including non-fund based limits, is dependent upon the success of our operations. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions and the effect of events, credit availability from banks, investor confidence, the continued success of our operations and laws that are conducive to our raising capital in this manner. Any unfavourable change to terms of borrowings may adversely affect our ability to import raw materials and our cash flows, results of operations and financial conditions. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants and may have to grant security interests over certain of our assets. If we are unable to raise adequate capital, including through non fund based limits, in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected.

15. ***The success of our business and operations are dependent upon certain quality accreditations which are valid for a limited time period. An inability to renew such accreditations in a timely manner, or at all, may adversely affect our business and prospects.***

Our various manufacturing facilities are certified to ISO 9001: 2015, ISO 14001: 2015 and ISO 45001:2018 standards from TUV NORD CERT GmBH, Responsible Care and AEO (Authorised Economic Operator) certifications, to the extent required. For further details, please see "*Our Business- Manufacturing Facilities*" on page 216. Receipt of certifications and accreditations under the standards of quality is important for the success and wide acceptability of our products. To ensure continued accreditation with such agencies, we must ensure consistency and maintain the quality of our products and our manufacturing processes. While there has been no failure in the last three financial years or six-month period ended September 30, 2024, if we fail to comply with the requirements for applicable quality standards, or if we are otherwise unable to obtain or renew such quality accreditations in the future, in a timely manner, or at all, our reputation, business and prospects may be adversely affected.

16. ***Some of the raw materials that we use as well as our finished products are hazardous, corrosive and flammable and require expert handling and storage, as applicable. Any accidents may result in loss of property of our Company and/or disruption in the manufacturing processes which may have an adverse effect on our results of operation, cash flows and financial condition. Further, improper storage, processing or handling of raw material and finished goods may result in damage to such raw material or finished goods, which may adversely affect our business prospects, results of operations and financial condition.***

Certain of the raw materials that we use as well as our finished goods are corrosive and flammable and require expert handling and storage, as applicable. Any failure of our control systems, mishandling of hazardous chemicals, leakages, explosion or any adverse incident related to the use of these chemicals or otherwise during the manufacturing process, transportation, handling or storage of products and certain raw materials, may cause industrial accidents, fire, loss of human life and property, damage to our and third-party property and, or, environmental damage, require shutdown of one or more of our manufacturing facilities and expose us to civil or criminal liability. While there have not been any such events in the last three financial years or six-month period ended September 30, 2024, if any such event were to occur we could be subject to significant penalties, other actionable claims and, in some instances, criminal prosecution. In addition to adversely affecting our reputation, any such accidents, may result in a loss of property of our Company and/or disruption in our manufacturing operations entirely, which may have an adverse effect on our results of operations, cash flows and financial condition.

We manufacture a wide range of products which are used in interior and exterior paints, Biaxially Oriented PolyPropylene ("**BOPP**") tapes, labels, protective films, water proofing compound, cementous water proofing compound, elastomeric / flexible coating carpet back coating, wood adhesive, leather finishing and coating, textile printing and finishing agents. These products have various attendant requirements in relation to storage such as storage in sealed containers in dry conditions, maintaining distance from direct heat, sunlight, dust and moisture, and protections from frost, depending on the nature of the product. Further, certain of our other raw material such as Styrene are required to be stored and handled carefully and under certain safety conditions such as maintaining distance from aerosols, flammables, oxidizing agents, corrosives and from other flammable products, and prevention of release of vapours into the atmosphere.

In the event that the raw materials and finished products are not appropriately stored, handled and transported, the quality of products may be affected. Further, we rely on certain third parties for the transportation of raw materials procured by us and our inability to monitor the transport of the raw materials at each stage may result in deterioration of the quality of our products.

We have, in the past, faced instances where certain of our supplied products have been returned by our customers due to deterioration in quality of goods. Any sale of such products that may be of inferior quality may expose us to liabilities and claims which could adversely affect our brand image and reputation and have a material and adverse effect on our business prospects, results of operations and financial condition. Further, improper storage, processing or handling of raw material and finished goods may result in damage to such raw material or finished goods, which may adversely affect our business prospects, results of operations and financial condition.

17. ***We import a portion of our raw material supply. Any restrictions on raw materials from the countries we import our raw materials from, may adversely affect our business prospects, financial performance and cash flows.***

We import our major raw materials, Butyl Acrylate Monomer, Styrene Monomer, Vinyl Acetate Monomer from Saudi Arabia, China and Southeast Asian countries. The table below sets forth our cost of imported materials as a percentage of our total cost of materials imported for the year/period indicated:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Amount (in ₹ million)	% of imported raw materials	Amount (in ₹ million)	% of imported raw materials	Amount (in ₹ million)	% of imported raw materials	Amount (in ₹ million)	% of imported raw materials
Butyl Acrylate Monomer, Styrene Monomer, Vinyl Acetate Monomer	2,980.17	81.63%	5,616.57	85.00%	6,075.21	87.78%	10,969.58	97.09%

We are dependent on import of raw materials, which has a lead time of about 30 to 45 days. Typically, our average holding period on inventories is 30-40 days. The table below indicates the trend in purchase of imported raw materials for the respective financial periods:

(in ₹ million)

Raw Material	Six-month period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Butyl Acrylate Monomer	1,395.06	3,136.85	3,775.18	8,135.45
Styrene Monomer	1,492.74	2,272.37	1,940.99	1,850.97
Vinyl Acetate Monomer	92.37	207.35	359.03	980.15
Others	670.52	991.26	845.79	817.51
Total	**3,650.69**	**6,607.83**	**6,921.00**	**11,784.08**

For details of our trade receivables, inventory and trade payables, please see "*Restated Consolidated Financial Information* on pages 304, 287 and 291.

In the event we are unable to import these materials, there can be no assurance that we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner or at all.

18. Delay in payment of statutory dues may attract penalties and in turn have an adverse impact on our financial condition.

We are required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax and excise duty. The table below sets forth details of statutory dues paid by our Company in relation to our employees for the years indicated:

TAX DEDCUTED AT SOURCE

Name of Entity	Relevant Act	Month	Financial year	Interest amount (in ₹ million)	Date of deposit	Delay in days	Reason for delay
Our Company	Income Tax Act, 1961	March	2023-2024	0.00*	May 28, 2024	28	Others
Our Company	Income Tax Act, 1961	January	2023-2024	0.00*	February 9, 2024	2	Others
JTPL	Income Tax Act, 1961	March	2023-2024	0.00*	May 24, 2024	24	Others
JTPL	Income Tax Act, 1961	January	2023-2024	0.00*	February 29, 2024	22	Others
JTPL	Income Tax Act, 1961	August	2023-2024	0.00*	October 25, 2023	48	Others
Our Company	Income Tax Act, 1961	October	2022- 2023	0.00*	November 8, 2022	1	Others
Our Company	Income Tax Act, 1961	June	2022- 2023	0.00*	July 12, 2022	5	Others
Our Company	Income Tax Act, 1961	Jube	2022- 2023	0.00*	July 25, 2022	18	Others
Our Company	Income Tax Act, 1961	May	2022- 2023	0.00*	July 25, 2022	18	Others
JTPL	Income Tax Act, 1961	March	2022- 2023	0.00*	October 28, 2022	82	Others
JTPL	Income Tax Act, 1961	May	2022- 2023	0.00*	January 17, 2023	224	Others
JTPL	Income Tax Act, 1961	March	2022- 2023	0.00*	May 9, 2022	9	Others
Our Company	Income Tax Act, 1961	June	2021-2022	0.00*	February 23, 2022	238	Change in TDS rate
Our Company	Income Tax Act, 1961	September	2021-2022	0.00*	February 23, 2022	146	Change in TDS rate
Our Company	Income Tax Act, 1961	December	2021-2022	0.00*	February 23, 2022	54	Change in TDS rate
Our Company	Income Tax Act, 1961	November	2021-2022	0.00*	January 25, 2022	49	Others

**Amount is negligible.*

The table below sets forth the details of delays in statutory dues paid by our Company in relation to our employees for the periods indicated below:

Name of Entity	Relevant Act	Due date of deposit	Interest amount (in ₹ million	Date of Deposit	Delay in days	Reason for delay
As of March 31, 2024						
Our Company	EPF	May 15, 2023	0.01	June 13, 2023	29	Due to technical error
	EPF	June 15, 2023	0.00	July 3, 2023	18	Due to technical error
	ESIC	August 15, 2923	0.01	August 25, 2023	10	Due to technical error
JIPPL	PTs	April 30, 2024	0.00	December 6, 2024	220	Due to technical error
As of March 31, 2023						
Our Company	Employees PF	May 15, 2022	0.00	June 10, 2022	26	Due to technical error

Name of Entity	Relevant Act	Due date of deposit	Interest amount (in ₹ million	Date of Deposit	Delay in days	Reason for delay
	PF	May 15, 2022	0.00	June 14, 2022	30	Due to technical error
	PF	May 15, 2022	0.00	July 12, 2022	58	Due to technical error
	PF	June 15, 2022	0.00	July 12, 2022	27	Due to technical error
	ESIC	May 15, 2022	0.00	June 14, 2022	30	Due to technical error
As of March 31, 2022						
Our Company	PF	June 15, 2021	0.75	June 16, 2021	1	Due to technical error
	PF	September 15, 2021	0.00	October 13, 2021	28	Due to technical error
	PF	March 15, 2022	0.00	April 13, 2022	29	Due to technical error
	PT	April 30, 2022	0.00	September 19, 2022	135	Due to technical error

Further, the table below provides the employees for which the provident fund, employee state insurance and income tax is applicable, and the details of the relevant paid and unpaid dues are as follows:

Fiscal	No. of Employee*	Total amount due for the year	Amount Paid	Unpaid
		(₹ million)	(₹ million)	(₹ million)
Provident Fund				
As of March 31, 2024	747	46.41	46.41	Nil
As of March 31, 2023	769	33.77	33.77	Nil
As of March 31, 2022	707	23.44	23.44	Nil
ESIC				
As of March 31, 2024	197	1.38	1.38	Nil
As of March 31, 2023	240	1.38	1.38	Nil
As of March 31, 2022	245	1.11	1.11	Nil
Professional Tax				
As of March 31, 2024	572	1.41	1.41	Nil
As of March 31, 2023	541	1.29	1.29	Nil
As of March 31, 2022	525	1.04	1.04	Nil
Income Tax				
As of March 31, 2024	839	92.50	92.50	Nil
As of March 31, 2023	840	66.92	66.92	Nil
As of March 31, 2022	807	51.34	51.34	Nil
Gratuity				
As of March 31, 2024	800	12.11	12.11	Nil
As of March 31, 2023	841	15.08	15.08	Nil
As of March 31, 2022	806	2.33	2.33	Nil

**Number of employees for PF, ESIC and PT considered as per payment challan of March 2024, March 2023 and March 2022 for the respective Financial Years. For Gratuity as per the actuarial reports of the respective financial years and for the Income Tax as per the quarterly returns.*

While our Company has undertaken corrective actions to avoid any such delays in payments in the future, we cannot assure you that no such delays will occur in the future. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations, cash flows and financial condition.

19. ***Our inability to manage the expansion of our products range and manufacturing capacities and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition.***

Our inability to manage the expansion of our products range and manufacturing capacities and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition. We intend to continue expansion of our product range and manufacturing capacities to pursue existing and potential market opportunities. Our future prospects will depend on our ability to grow our business and operations, which could be affected by many factors, including our ability to introduce and innovate new products and maintain the quality of our products, general political and economic conditions in the geographies in which we operate, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and raw materials, energy supply and currency exchange rates.

20. ***We have in the past entered into related party transactions and will continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.***

We have in the past entered into transactions with certain of our related parties and are likely to do so in the future. For details, see "*Related Party Transactions*" on page 312. Further, there may be an increase in the volume and/or value of transactions we undertake with our related parties. Further, our Company has provided guarantees/ securities to related parties. There can be no assurance that guarantees/securities will not be invoked, and any such invocation could have an adverse effect on our financial condition.

While all such transactions have been conducted on an arm's length basis and in the ordinary course of business, we cannot assure you that we could not have obtained more favourable terms had such transactions been entered into with unrelated parties. Although all related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act, 2013, as amended and the SEBI Listing Regulations, we cannot assure you that such transactions in the future, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

21. ***Financial information in relation to our Associate used for preparation of our Restated Consolidated Financial Information, as included in this Draft Red Herring Prospectus, has not been audited.***

Financial information in relation to our Associate, which is a foreign entity, used for preparation of our Restated Consolidated Financial Information, has not been audited for Financial years ended March 31, 2022, March 31, 2023, March 31, 2024, and six-month period ended September 30, 2024, and has been based on the management accounts as furnished by the management of the Associate, as they are not required to be audited as per local applicable legislation.

Details in relation to our Associates are set for the below:

(in ₹ million)

Particulars	Six-month period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Net assets	9.77	15.35	11.15	1.71
Revenue and other income	2.43	10.10	31.69	25.04

For further details, please see, "*Restated Consolidated Financial Information*" on page 262.

While we do not regard the revenue, net profit/loss or net worth of the unaudited financial information of such associate to be material, we may face risks associated with such financial information not being audited by an independent third party. If such financial information had been audited, adjustments and modifications may have arisen during the course of audit process, which could have resulted in differences compared to that unaudited financial information which were furnished and relied on for preparation of our Restated Consolidated Financial Information.

22. ***A shortage or non-availability of electricity or water or an increase their prices may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations, cash flows and financial conditions.***

Our manufacturing facilities require a significant amount and continuous supply of water and electricity or any shortage or non-availability may adversely affect our operations. We source electricity and water for our manufacturing facilities from the relevant private power producers, state departments, industrial estates or diesel generators, pursuant to contractual arrangements entered into with them. For certain manufacturing facilities, ground water is extracted as per approvals of relevant regulatory authorities and diesel generators may also require approval from relevant regulatory authorities depending upon their generation capacity.

Set forth below are water, power and fuel charges:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Amount (in ₹ million)	% of contribution to expenses	Amount (in ₹ million)	% of contribution to expenses	Amount (in ₹ million)	% of contribution to expenses	Amount (in ₹ million)	% of contribution to expenses
Water charges	6.07	0.09%	18.23	0.13%	14.00	0.08%	13.30	0.07%
Power and fuel	45.88	0.67%	102.98	0.72%	98.78	0.59%	77.19	0.39%

In addition, some of our raw materials have attendant storage requirements, which are supported by continuous supply of electricity. If the supply of electricity and water is not available for any reason, we will need to rely on alternative sources. Although we have diesel generators to meet exigencies at certain of our facilities, we cannot assure you that our facilities will be operational during power failures. Any failure on our part to obtain alternate sources of electricity and water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations, cash flows and financial condition.

23. ***We face foreign exchange fluctuation risks that could adversely affect our results of operations.***

We import our raw materials from Saudi Arabia, China and Southeast Asian countries and export to various countries including Asia-Pacific, Middle East, and Africa. These sales or purchases, together with a portion of our raw materials expenditure, are denominated in foreign currencies, primarily in U.S. dollars. The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future as well. During times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted, as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect on depreciation of the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Moreover, we expect that our cost of borrowing as well as our cost of imported raw materials, freight costs or any other expenditure incurred by us may rise during a sustained depreciation of the Indian Rupee against the U.S. Dollar. Further, due to the time gap between the accounting of purchases and actual payments, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of Rupee. We may, therefore, be exposed to risks arising from exchange rate fluctuations, may not be able to pass on all losses on account of foreign currency fluctuations to our customers, and suffer losses on account of foreign currency fluctuations. While our Company maintains a foreign exchange management policy, there is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline.

24. ***Our success depends on our ability to develop and commercialize new products in a timely manner. Our investments in research and development to build our product pipeline may not achieve expected profits.***

Our success largely depends upon our ability to commercialize new products in India and across various markets around the world. We must successfully develop, test and manufacture generic products and all of our products must meet and continue to comply with regulatory and safety standards and receive regulatory approvals from appropriate authorities. The process of development and commercialization of formulations is time-consuming, involves significant investments and entails a high degree of business risk. Our overall profitability depends on, among other things, our ability to introduce new generic products in a timely manner, to continue to manufacture products cost-efficiently and to manage the life cycle of our global generic portfolio.

We are an innovation led company with a dedicated focus on developing value-added products and services, customized to the specific needs of our customers. Our research and development ("**R&D**") facility houses a team of 40 qualified personnel as of September 30, 2024, which enables us to develop a robust pipeline of specialized products and solutions, which are customized to our customer requirements. We have also invested substantially in our R&D to create and develop our products.

Details of our R&D expenditure are set out below:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations
R&D	54.15	0.74%	104.36	0.70%	67.57	0.39%	50.74	0.25%

Further, we continually invest in R&D to improve our products and customise solutions for our customers, and there can be no assurance that such investment will yield the desired results or returns. In the event we are unable to meet the customised requirements of customers, or if our R&D does not yield the expected results, it could have an adverse effect on our business, results of operations, cash flows and financial condition.

We increasingly invest greater resources to develop our new products pipeline, both through our own efforts and through collaborations with third parties, which results in higher risks. The time from commencing R&D activity to a possible commercial launch of a product varies between six months to three years and involves multiple stages during which the product may be abandoned as a result of factors such as developmental problems, the inability to achieve our clinical goals, the inability to obtain necessary regulatory approvals in a timely manner or at all, and the inability to produce and market such new products successfully and profitably. Our products currently under development, if and when fully developed and tested, may not perform as we expect. Our investment in the R&D of new products may result in significant cost with no assurances of future revenues or profits. Delays in any part of the process or our inability to obtain regulatory approvals for our products could have a material adverse effect on our business, prospects, results of operations and financial condition by restricting or delaying the introduction of new products.

25. ***We operate our manufacturing facilities on parcels that are held by us on a leasehold as well as a free hold basis.***

We operate our manufacturing facilities on parcels of land that are held by us on a leasehold as well as freehold basis. For details of the land on which our manufacturing facilities are located, please see "*Our Business*" on page 199. Further, none of the lessors are related parties of our Company.

We cannot assure you that we will be able to renew our leases on commercially acceptable terms, or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements, and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations or shut down our manufacturing facilities, we may suffer a 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. For further details of our properties and duration of leases, please see "*Our Business – Property*" on page 228.

26. ***Our management team and human resources are critical to our continued success and the loss of such personnel could adversely affect our business.***

Our success significantly depends upon the continued service of our management team and human resources who we believe are necessary to successfully lead the development of our business. Our ability to retain and attract qualified individuals is critical to our success.

The following table sets forth details on the attrition of our other personnel, for the periods/years indicated:

Particulars	For six-month period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Attrition (*Number of personnel*)	119	329	333	154
Attrition rate (%)	15.18%	41.13%	39.60%	19.11%

Competition for individuals with specialized knowledge and experience is intense in our industry. Further, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel. If we are unable to retain or attract such members or are unable to locate suitable or qualified replacements, our results of operations may be adversely affected. For details of changes in our key management personnel, please see "*Our Management*" on page 243.

27. ***Our operations depend on the availability of timely and cost-efficient transportation and other logistic facilities and any prolonged disruption may adversely affect our business, results of operations, cash flows and financial conditions.***

Our operations depend on the timely transport of raw materials to our manufacturing facilities and of our products to our customers. We use a combination of land and water transport and typically rely on third party transportation providers for such purposes, which are subject to various bottlenecks and other hazards beyond our control, including customs, weather, strikes or civil disruptions. We may experience disruption in the transportation of raw materials by ship due to bad weather conditions. Further, we do not have any long-term arrangements with such third parties. Any failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient, reliable and timely manner could have an adverse effect on our business, results of operations, cash flows and financial conditions.

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Amount (in ₹ million)	% of Total revenue from Operations	Amount (in ₹ million)	% of Total revenue from Operations	Amount (in ₹ million)	% of Total revenue from Operations	Amount (in ₹ million)	% of Total revenue from Operations
Outward freight and handling charges	315.10	4.33%	512.64	3.43%	626.45	3.64%	835.87	4.05%

28. ***Information relating to the historical installed capacity and capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and our future production and capacity may vary.***

For details of certain information relating to our capacity utilization of all our manufacturing facilities for coating materials and adhesives products, calculated on the basis of total installed production capacity and actual production as of/ for the periods, please see "*Our Business – Capacity and Capacity Utilisation*" on page 218.

Information relating to the historical installed capacity and capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management and an independent chartered engineer, including assumptions relating to expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns as well as expected operational efficiencies. Actual production volumes and capacity utilization rates may differ significantly from the estimated production capacities and historical capacity utilization of our manufacturing facilities. Investors should therefore not place undue reliance on our historical installed capacity information for our existing manufacturing facilities included in this Draft Red Herring Prospectus.

29. ***Our Promoters have provided personal 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 and thereby, impact our business and operations.***

Our Promoter, Dhiresh Shashikant Gosalia, who is also the Selling Shareholder has provided personal guarantee towards loan facilities taken by our Company. The table sets forth below provides the details of guarantees given by our Promoter, as on September 30, 2024:

Guarantee given in favour of	Guarantee value(1) (₹ in million)	Reason for the guarantee	Obligation on our Company to the guarantors	Period of guarantee	Financial implication in case of default	Consideration, if any
Working Capital Facilities availed by Jesons Industries Limited under Multiple banking (HDFC Bank Limited, DBS Bank India Limited, Axis Bank Limited, ICICI Bank Limited, IDFC First Bank Limited, RBL Bank Limited)	5,000.00	Personal guarantee in respect of the working capital facilities availed by our company	Nil	Till all the loan obligation have been repaid in full	Personally liable in the extent of guarantee value	Nil
Working Capital Facilities availed by Jesons Techno Polymers LLP ("**JTPL**") from Axis Bank Limited	730.00	Personal guarantee in respect of the working capital facilities availed by JTPL	Nil			Nil
Working Capital Facilities availed by JTPL HDFC Bank Limited	450.00	Personal guarantee in respect of the working capital facilities availed by JTPL	Nil			Nil
Working Capital Facilities availed by	250.00	Personal guarantee in respect of the working capital	Nil			Nil

Guarantee given in favour of	Guarantee value(1) (₹ in million)	Reason for the guarantee	Obligation on our Company to the guarantors	Period of guarantee	Financial implication in case of default	Consideration, if any
JTPL HDFC Bank Limited		facilities availed by JTPL				
Term loan availed by JTPL from HDFC Bank Limited	350.00	Personal guarantee in respect of the term loan facilities availed by JTPL	Nil			Nil
Term loan availed by JTPL from HDFC Bank Limited	72.00	Personal guarantee in respect of the term loan facilities availed by JTPL	Nil			Nil
Term loan availed by Jesons Innovative Polymer Private Limited ICICI Bank Limited	800.00	Personal guarantee in respect of the term loan facilities availed by JIPPL	Nil			Nil

Note:(1) The guarantee value indicates the aggregate amount sanctioned as on September 30, 2024.

For further information, see "*History and Certain Corporate Matters –Guarantees given by our Promoter Seling Shareholder*" on page 239. Any default or failure by our Company to repay the loans in a timely manner, or at all could trigger repayment obligations of our Promoter Selling Shareholder in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that our Promoter Selling Shareholder withdraws or terminates his guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. Accordingly, our business, results of operations, financial condition and prospects may be adversely affected by the revocation of the personal guarantee provided by our Promoter Selling Shareholder.

30. ***Our business prospects and continued growth depends on our ability to access financing at competitive rates and competitive terms, which amongst other factors is dependent on our credit rating. Any downgrade of our credit ratings may restrict our access to capital and thereby adversely affect our business and results of operations.***

The cost and availability of capital, amongst other factors, is also dependent on our current and future results of operations and financial condition, our ability to effectively manage risks, our brand and our credit ratings. We may not be able to avail the requisite amount of financing or obtain financing at competitive interest rates if we fail to repay our debts. We had been last rated by CRISIL Ratings Limited for our Fund based - long-term borrowing as CRISIL A-Positive and for our non-fund based short term borrowing as CRISIL A2+. Ratings reflect a credit rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Any downgrade made to our credit ratings could lead to high borrowing costs and limit our access to capital and lending markets and, as a result, could adversely affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

31. ***Our insurance coverage may not be sufficient or adequate to protect us against all material hazards or business losses, which may adversely affect our business, results of operations and financial condition.***

Our operations are subject to hazards inherent in chemical manufacturing facilities. Our principal types of coverage include property fire policy, stock fire policy and marine insurance. While there have been no accidents in the past three financial years and six-month period ended September 30, 2024, we could be held liable for accidents that occur at our manufacturing facilities or otherwise arising out of our operations. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries.

The following table sets forth details on our insurance coverage on our tangible assets, in absolute terms and as a percentage of our total tangible assets, as of the periods indicated:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net Block of Property, plant and Equipment (*₹ in millions*)	1,777.35	1,279.23	1,284.40	1,313.60
Insurance coverage (%)	100%	100%	100%	100%

Further, we do not have product liability insurance to protect us against claims in relation to the products we supply to our customers, and any liability incurred pursuant to such claims is required to be funded by the Company. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, to the extent that we suffer loss or damage, for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations and financial condition could be adversely affected. In addition, our insurance policies expire from time to time and we may not be able to renew our policies in a timely manner, or at acceptable cost.

32. ***We are susceptible to potential product liability claims that may not be covered by insurance, which may require substantial expenditure and may adversely affect our reputation and if successful, could require us to pay substantial sums.***

We have to be compliant with regulatory as well as typical customer specific requirements and all our products and manufacturing processes are subject to stringent quality standards and specifications. Our business inherently exposes us to potential product liability claims, and the severity and timing of such claims are unpredictable. While our products are extensively researched before being commercialized and we obtain and maintain quality certifications and accreditations from independent certification entities and also comply with prescribed specifications and standards of quality approved by the relevant authorities in connection with the products we manufacture, if we fail to comply with the applicable quality standards or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, in a timely manner or at all, it may give rise to product liability claims. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling, which may lead to the deterioration of our products, or from defects arising from deterioration in our quality controls. Product liability claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation, divert our management's time, adversely affect our goodwill and impair the marketability of our products. We have not obtained product liability insurance coverage for any of our product liability claims, and are constrained to fund claims, if any, from our internal accruals. For further details, please see "*Our insurance coverage may not be sufficient or adequate to protect us against all material hazards or business losses, which may adversely affect our business, results of operations and financial condition"* on page 41.

We have, in the past, faced instances in the normal course of business, where certain of our supplied products have been returned by our customers due to deterioration in quality of goods. Any sale of such products that may be of inferior quality may expose us to liabilities and claims which could adversely affect our brand image and reputation and have a material and adverse effect on our business prospects, results of operations and financial condition. Therefore, any such claim may harm our business and financial condition. Insurance coverage for product liability may become prohibitively expensive in the future. We may also experience a product recall. Any product recall, product liability claim or adverse regulatory action may adversely affect our reputation, business, results of operations and financial condition.

33. ***We have incurred significant capital expenditure in the past and will continue to incur significant capital expenditure in the future, and such expenditure may not yield the benefits we anticipate.***

We will incur significant capital expenditure in the coming future in the ordinary course of business, which is typical to our industry.

Our total capital expenditure including capital work in progress and capital advances, if any, is set forth below for the periods indicated, was incurred primarily towards addition of installed capacities at our manufacturing facilities at Mundra, Chennai and Roorkee. There can be no assurance that the necessary clearances to materialise such capital expenditure will be received in a timely manner, or at all.

Particulars	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	₹ in million	% of gross block*	₹ in million	% of gross block*	₹ in million	% of gross block*	₹ in million	% of gross block*
Capital Expenditure including CWIP and Intangible assets under development	517.85	13.11%	1,022.89	29.79%	266.43	10.73%	479.26	21.63%

**Gross block includes property, plant and equipment, intangible assets, right of use assets, CWIP and intangible assets under development.*

Our capital expenditure plans are subject to a number of variables, including possible cost overruns, accidents, construction and development delays or defects, construction being affected by adverse weather conditions, satisfactory and timely performance by construction contractors, receipt of any governmental or regulatory approvals and permits, political risk, availability of financing on acceptable terms, and changes in management's views of the desirability of current plans, among others. We may also require additional financing in order to expand and upgrade our existing facilities as well as to construct new facilities. However, we cannot assure you that our operations will be able to generate cash flows sufficient to cover such costs. Further, financing required for such investments may not be available to us on acceptable terms, or at all, and we may be restricted by the terms and conditions of our existing or future financing agreements. If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase, which could significantly affect financial measures such as our earnings per share. If we decide to raise additional funds through the issuance of equity, your ownership interest in our Company will be diluted.

Further, any inability to obtain sufficient financing could result in the delay, reduction or abandoning of our development and expansion plans. As a result, if adequate capital is not available, there could be an adverse effect on our business and results of operations. The actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, engineering design changes, weather- related delays and technological changes.

Consequently, we cannot assure you that any expansion or improvement of our existing manufacturing facility or setting up of multi-purpose facility, will be completed as planned or on schedule, or that we will achieve our increased planned output capacity or operational efficiency. If we experience significant delays in the implementation of our expansion plans or if there are significant cost overruns, the overall benefit of such plans to our revenues and profitability may decline. If the expenditure that we incur does not produce anticipated or desired results, our profitability, cash flows and financial condition will be adversely affected.

34. ***Any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on our cash flows, results of operations and financial condition.***

Credit risk is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. We are exposed to credit risk from our operating activities, primarily from trade receivables.

Details of our trade receivables is set forth below:

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade receivables	2,557.78	2,633.07	2,382.23	3,840.35

We have, in the past, written off certain trade receivables on account of non-payment of dues. Any default or delays in payment of receivables by our customers may have adverse effect on cash flows, results of operations and financial condition.

35. ***We have certain contingent liabilities, which, if materialized, may affect our financial condition and results of operations.***

Our contingent liabilities and capital commitments as per Ind AS 37 as of September 30, 2024 were as follows:

(₹ in million)

Particulars	As at September 30, 2024
Contingent Liabilities not provided for in respect of -	
Claims against the Group not acknowledged as debts comprise of claims disputed by the Group relating to issues of applicability, classification, deductibility, etc:	
a. Custom duty	4.72
b. Bank guarantee	56.94
c. Income tax	0.15
d. Others	0.82
Capital Commitments	
Estimated value of contracts for property, plant and equipment remaining to be executed and not provided for (net of capital advances)	947.49
Total	**1,010.12**

For further details of our contingent liabilities and commitments as on September 30, 2024, see "*Restated Consolidated Financial Information - Contingent Liability and Commitments*" on page 298.

If a significant portion of these liabilities materialize, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future. For the six-month period ended September 30, 2024, the bad debts written off by the Company is ₹ 0.02 million and for Financial Year 2023, it is ₹ 1.62 million.

36. ***Our Promoters will be able to exercise significant influence and control over our Company after this Offer and may have interests along with certain of our other Directors in our Company, other than remuneration and reimbursement of expenses.***

As on the date of this Draft Red Herring Prospectus, our Promoters hold 52,093,100 Equity Shares representing 97.17% of the issued, subscribed and paid-up equity share capital of our Company. By virtue of their shareholding, our Promoters will have the ability to exercise significant influence over our Company and our affairs and business, including the election of our Directors, the timing and payment of dividends, the adoption of and amendments to our Memorandum and Articles of Association, the approval of a merger, amalgamation or sale of our assets and the approval of most other actions requiring the approval of our Shareholders. Further, our Promoters and certain of our Directors, while managing the day to day operations, are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding and benefits arising therefrom. Our Directors may also be interested to the extent of any transaction entered into by our Company with any other company/firm/entity in which they are director/promoter/partner. While our Promoter and Directors believe that they act in the benefit and best interest of the Company, there can be no assurance of continuing the same. For details, see "*Our Promoter and Promoter Group*", "*Our Management*" and "*Restated Consolidated Financial Information – Related Party Transactions*" on pages 258, 243, and 299, respectively.

37. We may also enter into strategic alliances or joint ventures to explore opportunities. If we are unable to successfully identify and integrate acquisitions, our growth strategy, business, financial condition, results of operations and prospects may be adversely affected.

In the future, we may consider making strategic acquisitions of other companies whose resources, capabilities and strategies are complementary to and are likely to increase our product portfolio and expand our distribution network. We may also enter into strategic alliances or joint ventures to explore such opportunities or make significant investments in entities that we do not control to capitalize on such business opportunities, and there can be no assurance that such strategic alliances, joint ventures or investments will be successful.

As we have historically grown organically, we may face several risks in relation to entering into strategic alliances and acquisitions in the future, including, but not limited to, the following:

- we may be unable to identify suitable acquisition or investment or strategic alliance targets;
- we may be unable to arrange for adequate financing on commercially reasonable terms or to negotiate commercially reasonable terms for such acquisitions or investments, or we may incur higher than anticipated costs in relation to proposed strategic transactions;
- our due diligence processes may fail to identify all the risks, liabilities and challenges in relation to proposed strategic transactions;
- we may not be able to achieve the strategic purpose of our proposed acquisitions, investments, alliances, collaborations or partnerships;
- we may face difficulties in integrating acquired entities' accounting, management information, human resources and other administrative systems with our own;
- our management may be distracted or strained by the challenges posed by strategic transactions, or related transition and integration activities;
- we may fail to maintain the quality and consistency or sustain compliance and due performance of contractual obligations by our business partners or acquisition targets;
- our relationships with our current and new employees, distributors, dealers, customers and business partners may be strained or impaired, as a result of our inability to successfully integrate an acquisition target; and
- we may inherit claims or liabilities, as a result of a strategic acquisition, including claims from erstwhile employees, distributors, dealers, customers, business partners or other third parties.

Accordingly, we cannot assure you that our future alliances, collaborations, partnerships, investments or acquisitions will prove value accretive to us. In the event that any of the risks discussed above, or any other incidental risks should materialize, our business, financial condition, results of operations and prospects may be adversely affected.

38. Our Statutory Auditor has included certain emphasis of matters in our Restated Consolidated Financial Information.

Our Statutory Auditor has included the following emphasis of matter:

*"**Basis of Accounting and Restriction on Distribution and Use***

We draw attention to Note 1(B) to the Special Purpose Interim Consolidated Financial Statements which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the management of the Holding Company solely for the purpose of preparation of the Restated Consolidated Financial Information to be included in the Draft Red Herring Prospectus ("DRHP") of the Holding Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, these Special Purpose Interim Consolidated Financial Statements may not be suitable for any another purpose.

Our report is addressed to the Board of Directors of the Holding Company solely for the purposes mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter."

39. If we are unable to manage and implement our growth strategy effectively, our business and prospects may be adversely affected. Further, our historical performance may not be indicative of our future performance and we may not be able to sustain the same rate of historical growth.

The primary elements of our business strategy are to continue to expand our production capacities, focus on developing and improving our product portfolio and improve our financial performance through focus on operational efficiencies. However, our growth strategies may strain our managerial, operational, financial and other resources. If we are unable to manage our growth strategy effectively, our business, results of operations, cash flows, and financial condition may be adversely affected. Further, any change in government policies and regulations including any ban imposed on a particular product by the respective governments, or any duties, pre-conditions or ban imposed by countries from where we source certain raw materials may have an adverse impact on our operations.

We cannot assure you that our future product development initiatives will be successful, or that our newly developed or improvised products will achieve wide market acceptance from our customers. Further, we cannot assure you that our existing or potential competitors will not develop products that are similar or superior to our products. It is often difficult to estimate the time to market new products and there is a substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the development of such product. If we fail in our product launching efforts, our business, prospects, financial condition, results of operations, and cash flows may be materially and adversely affected.

The success of our business depends greatly on our ability to manage our resources efficiently and effectively implement our business strategy. While we have experienced significant growth in the recent past, we cannot assure you that we will be able to maintain the same rate of growth and financial performance in the future.

For further details of our historical performance, please see *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* on page 318.

40. We are entitled to certain tax benefits at our manufacturing facility at Mundra, Gujarat, which is located in an SEZ and Saykha, Gujarat, a greenfield project. We cannot assure you that we will continue to be eligible to receive such tax benefits in the future.

We are entitled to certain tax benefits at our manufacturing facilities at Mundra, Gujarat which is located in an SEZ and Saykha, Gujarat which is a greenfield project. The Mundra facility is situated at APSEZ, which provides various tax benefits for exports, such as, duty free imports inward supply of goods without levy of GST, exemption from state taxes and electricity duty. In order for us to be eligible for such tax benefits, we have to comply with certain attendant conditions prescribed under SEZ Act, Income tax Act, 1961, Customs Act, 1962 and the GST Act. Additionally, certain tax benefits are available to our manufacturing facility situated at Saykha, Gujarat under Gujarat government incentive schemes such as interest subsidy or exemption from electricity duty or concessional tax rate provided the prescribed conditions are fulfilled by our Subsidiary, JIPPL. We cannot assure you that we will continue to be eligible to receive such tax benefits in the future. Any inability to avail such tax benefits could have an adverse effect on our growth strategy, and financial performance. For further details, please see "*Statement of Special Tax Benefits*" on page 117.

41. We may be affected by strikes, work stoppages or increased wage demands by our employees that could interfere with our operations.

As at September 30, 2024, we had 784 employees, in addition to contractual labour. The success of our operations depends on availability of labour and maintaining good relationship with our workforce. Additionally, our success also depends on our ability to attract, hire, train and retain skilled workers who are experienced in passenger vehicle manufacturing operations and batch process chemical manufacturing. For details, see "*Our Business – Employees*" on page 224. While we have not faced any disruption in the last three financial years or six-month period ended September 30, 2024, as a result of disputes or disagreements with our work force, there can be no assurance that we will not experience any such disruption, which may adversely affect our ability to continue our business operations.

We are also subject to a number of stringent labour laws that protect the interests of workers, including the Industrial Disputes Act, 1947 that imposes financial obligations on employers upon retrenchment. Any labour unrest including labour disputes, strikes, lockouts or industrial accidents experienced by us or delays in resolving such labour unrest, could directly or indirectly prevent or hinder our normal operating activities. While there has not been any labour unrest in the last three financial years or six-month period ended September 30, 2024, any such prolonged disruptions in future to our business could materially and adversely affect our results of operations and financial condition. Furthermore, historically, wage costs in the Indian Chemical industry have been significantly lower than wage costs in developed countries for comparable skilled technical personnel. However, in the long term, wage increases in India may make us less competitive unless we are able to increase our efficiency and productivity proportionately and we can pass on such costs in the prices that we charge our customers. Any significant increase in our wage costs could have a material adverse effect on our business, results of operations and financial condition.

42. ***Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit and prior to or during godown stocking. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the last three financial years or six-month period ended September 30, 2024, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, losses due to theft, fire, breakage or damage caused by other casualties, theft of confidential information such as manufacturing processes, customers and product formulations, could adversely affect our results of operations and financial condition.

43. ***Changes in technology may render our current technologies obsolete or require us to incur substantial capital expenditure.***

Our industry rapidly changes due to technological advances and scientific discoveries. These changes result in the frequent introduction of new products and significant price competition. Although we strive to keep our technology, facilities and machinery current with the latest international standards, the technologies, facilities and machinery we currently employ may become less competitive or even obsolete due to advancement in technology or changes in market demand, which may require us to incur substantial capital expenditure. If we cannot make enhancements to our technology to remain competitive, for any reason, our competitive position, and in turn our business, results of operations and financial condition may be adversely affected.

44. ***Significant disruptions of information technology systems or breaches of data security could adversely affect our business.***

We depend upon information technology systems and third-party software, including internet-based systems, for our business operations, and these systems facilitate the flow of real-time information across departments and allows us to make information driven decisions and manage performance. For details in relation to our information technology, please see "*Our Business*" on page 199. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Any such disruption may result in the loss of key information and disrupt our operations. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Although we have not experienced any significant disruptions to, or security breaches of, our information technology systems, in the last three financial years and six-month period ended September 30, 2024, we cannot assure you that we will not encounter such disruptions in the future and any such disruptions or security breaches could have an adverse effect on our business and reputation.

45. ***If we cannot secure skilled and unskilled contract labour at reasonable rates, it will adversely affect our business and operations. Any default on payments to them by the agencies could lead to disruption of the manufacturing facilities and our business operations.***

Our workforce comprises contract workers and employees. In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract workers for performance of certain of our operations, including material handling on the shop floor, loading and unloading, housekeeping, maintenance, and security services.

Set forth below are the details of our contractual services and our employee benefit expenses for the periods indicated:

(*in ₹ million*)

Particulars	For six-month period ended September 20, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Contractual services	10.89	16.37	19.70	23.58
Employee benefit expenses	366.42	668.57	541.98	409.60
Total Workforce Expenses	377.31	684.94	561.68	433.18

If we are unable to obtain the services of skilled and unskilled contract workers at reasonable rates or at all, it will have an adverse effect on our business and results of operations.

Although we do not engage these contract workers directly, we could be held responsible for any wage payments to be made to such workers in the event of default by such independent contractors. While the amount paid in such an event may be recoverable from the independent contractor, there is a risk that we may not be able to recover the full amount. Any requirement to fund the wage requirements of the engaged workers could have an adverse effect on our cash flows until such amount is recovered from the contractor and on our results of operations and financial condition in the event we are unable to recover such amount from the independent contractor. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we could be required to absorb a number of such contract workers as permanent employees. We could also be subject to legal proceedings in this regard. Any order from a regulatory body or court would increase our costs and decrease our flexibility to increase or decrease our workforce in response to changes in demand for our products and would have an adverse effect on our business and results of operations. Since April 1, 2021, we have not been required to make wage payments for contract workers due to default by independent contractors, nor have we faced any legal proceedings under the Contract Labour (Regulation and Abolition) Act, 1970.

46. ***Certain sections of this Draft Red Herring Prospectus contain information from CRISIL Report which has been exclusively commissioned and paid for by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

We have availed the services of an independent third-party research agency, CRISIL MI&A, appointed by our Company on October 5, 2024 and paid for by us, to prepare an industry report titled "*Assessment of Paints, Coatings and Adhesives Market*" dated January 6, 2025 for purposes of inclusion of such information in this Draft Red Herring Prospectus to understand the industry in which we operate. This report is subject to various limitations and is based upon certain assumptions that are subjective in nature. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus. The CRISIL Report uses certain methodologies for market sizing and forecasting. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. For further details, including disclosures made by CRISIL MI&A in connection with the preparation and presentation of their report, see "*Certain Conventions, Presentation of Financial, Industry and Market Data*" on page 13.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Offer.

47. ***Our ability to pay dividends in the future will depend upon our earnings, financial condition, cash flows and capital requirements.***

Our ability to pay dividends in the future will depend on a number of factors including our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including, among others, our future earnings, financial condition, cash requirements, business prospects and our financing arrangements. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Further, we cannot assure you that we will be able to pay any dividends in the future. Accordingly, the realisation of a gain on your investments may depend on the appreciation of the price of our Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. In addition, our Subsidiaries are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, charter provisions and the terms of their financing arrangements. We cannot assure you that our Subsidiaries will generate sufficient profits and cash flows, or otherwise be able to pay dividends to us in the future. Failure to pay dividends in the future may lead to a negative perception of our business among investors, which may have a material adverse effect on our business, results of operations, financial condition and the price of the Equity Shares. Please see "*Dividend Policy*" on page 261.

48. ***Our proposed capacity expansion plans via our new machine lines are subject to the risk of unanticipated delays in implementation and cost overruns.***

We have made and intend to continue making investments to expand our manufacturing capacities to aid our growth efforts. The construction and development of these proposed machine lines are intended to be funded from our internal accruals. Additionally, in relation to the land

Our new machine lines remain subject to the potential problems and uncertainties that construction projects face including cost overruns or delays. Problems that could adversely affect our expansion plans include inability to raise significant additional funds on reasonable terms or at all, labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction, failure of third-parties to adhere to our specifications, quality standards and/ or timelines, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. Further, there can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have a material adverse impact on our business, results of operations, growth, prospects, cash flows, financial condition and future prospects. Moreover, there is a possibility that our asset turnover may be low in the future considering our new manufacturing facilities will be larger than our existing facilities, which could result in an adverse effect on our business, prospects and results of operations.

The new manufacturing facilities will require us to obtain various approvals, which are routine in nature including approvals such as consent to establish, consent for operations, fire-no objection certificate under applicable law in relation to the manufacturing facilities. There can be no assurance that we will be able to obtain these registrations, licenses and approvals including approvals in relations to power and water procurement in a timely manner or at all, which could result in an adverse effect on our business, prospects and results of operations.

49. ***There is no assurance that the Objects of the Offer will be achieved within the timeframe expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.***

Our Company intends to use the Net Proceeds for (i) repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Company and its Subsidiaries; (ii) setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives; and (iii) general corporate purposes. For details, "*Objects of the Offer*" on page 92. Our setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives remains subject to the potential problems and uncertainties that construction activities face including cost overruns or delays, and since the critical plant and machinery are imported from several countries and are of long lead time, this could pose risk in terms delay in commencement of operations. In addition, problems that could adversely affect our expansion plans and as included in the Detailed Project Report include labour shortages, unforeseen delays, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our facilities, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs, failure of technology, and other external factors which may not be within the control of our management. Further, our funding requirements for the proposed project is based on management estimates and quotations received from third parties and our funding requirements for the proposed project is based on the Detailed Project Report issued by Chemplant Project Consultants. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost and other financial and operational factors. For further details see "*Objects of the Offer*" on page 92. Our Company may have to revise its management estimates from time to time on account of various factors, including factors beyond its control such as market conditions, competition, cost of commodities and interest rate fluctuations, and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section, may limit or delay our Company's efforts to use the Net Proceeds to achieve profitable growth in its business.

50. ***We have not placed orders for any machinery to be purchased for setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives for objects of the issue at our greenfield plant. Any***

delays in placing orders for such machinery may result in a cost and time overrun, which could have an adverse effect on the operations and profitability of our Company.

We intend to use a portion of the Net Proceeds towards setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives, thereby expanding the installed capacity of greenfield project. For details, see "*Objects of the Offer*" on page 92. As of the date of this Draft Red Herring Prospectus, our Company has not placed orders for any machinery required for the of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives. For details regarding such machinery, see "*Objects of the Offer*" on page 92. We cannot assure you that we will be able to purchase such machinery from the suppliers disclosed or at the prices quoted in this Draft Red Herring Prospectus, including due to cost fluctuations. Any delays in placing orders for such machinery may result in a cost and time overrun, which could have an adverse effect on the operations and profitability of our Company. While we have obtained the quotations from various vendors in relation to the proposed capital expenditure, these quotations are valid for certain periods of time. Our funding requirements are based on our current business plans and management estimates. The estimated cost of the machinery may be subject to change based on various factors such as the timing of completion of the Offer, market conditions outside the control of our Company, and any other business and commercial considerations. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and results of operations.

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

We propose to utilize the Net Proceeds towards (i) repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Company and/ or our Subsidiaries; (ii) funding of capital expenditure through investment in our wholly owned subsidiary, Jesons Innovative Polymers Private Limited, for setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives; and (iii) general corporate purposes. For further details of the proposed objects of the Offer, see "*Objects of the Offer*" on page 92. However, these objects of the Offer have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all.

We will appoint the monitoring agency for monitoring the utilisation of Net Proceeds in accordance with Regulation 41 of the SEBI ICDR Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters or controlling shareholders, if applicable, would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Offer, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders, if applicable, to provide an exit opportunity to such dissenting shareholders of our Company may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company if applicable, will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Offer to use any unutilized proceeds of the Fresh Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

52. ***Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency are based on management estimates and may be subject to change based on various factors, some of which beyond our control. Any changes in the estimated funding requirements could affect our business and results of operations.***

We intend to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 92 of this Draft Red Herring Prospectus. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. Whilst a monitoring agency will be appointed for monitoring the utilization of the Gross Proceeds, the proposed utilization of the Gross Proceeds is based on current conditions, internal management estimates and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of the Gross Proceeds.

Further, pending utilization of the Net Proceeds towards the objects of the Offer, our Company will have to temporarily deposit the Net Proceeds with one or more scheduled commercial banks listed in the Second Schedule of Reserve Bank of India Act, 1934, in a manner as may be approved by our Board.

53. ***Our Company will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholder is selling Equity Shares in the Offer for Sale and will receive proceeds as part of the Offer for Sale.***

The Offer includes an Offer for Sale of Equity Shares by the Promoter Selling Shareholder. The proceeds from the Offer for Sale will be paid to the Promoter Selling Shareholder, and we will not receive any such proceeds. For further details, see "*Objects of the Offer*" and "*Capital Structure*" on pages 92 and 77, respectively.

EXTERNAL RISK FACTORS

Risks Related to India

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

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Our Company is incorporated in India, and all of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy as well as the economies of the regional markets in which we operate. Further, the following illustrative external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to trade barriers have led to increased incidents of social unrest in India over which we have no control;
- instability in other countries and adverse changes in geopolitical situations;
- civil unrest, local agitation, acts of violence, terrorist attacks, regional conflicts or situations or war;
- a decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins;
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so;
- India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years; and
- change in the government or a change in the economic and deregulation policies.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

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

Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Set for below are India's sovereign debt rating from certain credit rating agencies:

Name of Agency	Rating	Outlook	Date
Fitch	BBB-	Stable	January 16, 2024
Moody's	Baa3	Stable	August 18, 2023
DBRS	BBB (low)	Positive	May 14, 2024
S&P	BBB-	Positive	May 29, 2024

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India s foreign exchange reserves, all which are outside the control of our Company. Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional external financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

56. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations and prospects.***

The regulatory and policy environment in which we operate is evolving and is subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For instance, GoI has announced the Union Budget for the Financial Year 2024-2025 pursuant to which the Finance Act, 2024. While the Finance Act, 2024 does not propose any significant changes to Income Tax Act, the full union budget which is likely to be announced later this year may introduce amendments to the Income Tax Act. There is no certainty on the impact of the full union budget on tax laws or other regulations, which may affect our business, financial condition, results of operations or on the industry in which we operate.

Further, the GoI introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations, were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the implementation of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where payments made by the employer to the employee exceeds half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration. Accordingly, such amount shall be added to wages for the purposes of the Social Security Code. Further, any future amendments may affect our tax benefits such as exemptions for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemptions for interest received in respect of tax-free bonds, and long-term capital gains on equity shares. Changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

We cannot predict the impact of any changes in or interpretations of existing, or the promulgation of, new laws, rules and regulations applicable to us and our business. We may incur increased costs and expend resources relating to compliance with such new requirements, which may also require significant management time, and any failure to comply may adversely affect our business, results of operations, cash flows and financial condition. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

Our Company cannot predict whether any tax laws or other regulations affecting it will be enacted or predict the nature and effect of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business, results of operations, financial condition and cash flows.

57. ***If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

58. Investors may not be able to enforce a judgment of a foreign court against our Company outside India.

Our Company is incorporated under the laws of India. Our Company's assets are located in India and all of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore, Hong Kong and United Arab Emirates. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, Singapore, Hong Kong and United Arab Emirates, among others, have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages on the same basis and to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice or public policy. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

59. We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding, or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment, or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and liable to be punished.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and give the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and financial condition.

If we pursue acquisitions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, financial condition and cash flows.

60. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Therefore, any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition. The Indian economy could be adversely affected by various factors, such as pandemics, epidemics, political and regulatory changes, including adverse changes in the Government's liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war such as ongoing Ukraine-Russia conflict, natural calamities, volatility in interest rates, volatility in commodity and energy prices, a loss of investor confidence in other emerging market economies and any worldwide financial instability. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and thereby adversely affect our business, results of operations, cash flows and financial condition.

61. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, results of operations, cash flows and financial condition. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have an adverse effect on our business, results of operations, cash flows and financial condition and reduce the price of the Equity Shares.

62. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 401.

Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

63. ***Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.***

The Restated Consolidated Financial Information included in this Draft Red Herring Prospectus have been derived from audited consolidated financial statements and restated in accordance with SEBI ICDR Regulations and Guidance Note on Report in Company Prospectuses (Revised), issued by the Institute of Chartered Accountants in India and are based on Ind AS. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Consolidated Financial Information, which are restated as per the SEBI ICDR Regulations included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

64. ***Rights of shareholders under Indian laws may differ to those under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be similar to the shareholders' rights under the laws of other countries or jurisdictions.

Risks related to the offer and the equity shares

65. ***Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges which may adversely affect trading price of our Equity Shares.***

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

On listing of our Equity Shares, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after listing of our Equity Shares due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any political or economic factors. The occurrence of any of the abovementioned factors may trigger the parameters listed by SEBI and/or the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, concentration of business associates, close to close price variation, market capitalization, variation in volume, delivery percentage and average unique PAN traded over a period of time. In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and/or the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for trading of our Equity Shares.

66. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.

The Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs, and through the Book Building Process. This price is based on numerous factors, as described under "*Basis for Offer Price*" on page 107 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further information, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" on page 363. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

67. After the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.

An active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares has been determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;

- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our performance. Consequently, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all. A decrease in the market price of the Equity Shares could cause investors to lose some or all of their investment.

68. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

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

69. You may not purchase Equity Shares in the Offer if you are outside India unless you receive a copy of the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the international wrap attached to it.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S. In order to ensure compliance with Regulation S, each purchaser of the Equity Shares in the Offer who has not received a copy of the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, shall be deemed to make the representations, warranties, agreements and undertakings set forth in "*Other Regulatory and Statutory Disclosures- Selling Restrictions and Transfer Restrictions*" on page 359. Do not submit a bid for Equity Shares in the Offer if you are unable to make the representations, warranties, agreements and undertakings set forth therein. As set forth therein, each purchaser of the Equity Shares in the Offer agrees to indemnify and hold our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of those representations, warranties or agreements.

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

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. The Finance Act, 2020, has, among others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, both resident as well as non-resident, and that such dividends likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Historically, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

Further, we cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows. The Government of India announced the interim union budget for Fiscal 2025 and the Finance Bill in the Lok Sabha on February 1, 2024. The Finance Bill, 2024 has received assent from the President of India on February 15, 2024 and has been enacted as the Finance Act 2024. We cannot predict whether any amendments made pursuant to the Finance Act 2024 would have an adverse effect on our business, financial condition, future cash flows and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

71. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

72. ***Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.***

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

73. ***Any future issuance of Equity Shares, or stock options, or convertible securities or other equity-linked securities by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, or stock options, or convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, and adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter or Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares.

74. ***U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.***

A non-U.S. corporation will be a PFIC if either (i) 75.00% or more of its gross income is passive income or (ii) 50.0% or more of the total value of its assets is attributable to assets, including cash that produce or are held for the production of passive income. Our Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock.

Based on the current and expected composition of our Company's and the Subsidiaries' income and assets, including the expected cash proceeds from this offering, our Company believes it was not a PFIC for financial year ended March 31, 2024, and for the six-month period ended September 30, 2024, and does not expect to be a PFIC for the current year or any future years. However, no assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company's and the Subsidiaries' income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

75. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offer document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

76. ***The average cost of acquisition of Equity Shares for the Promoter Selling Shareholder may be lower than the Offer Price.***

The average cost of acquisition of Equity Shares for the Promoter Selling Shareholder may be lower than the Offer Price. The details of the average cost of acquisition of Equity Shares held by the Promoter Selling Shareholder as at the date of the Draft Red Herring Prospectus is set out below:

Name	Number of equity shares	Average Cost of Acquisition per Equity Share (in ₹)*
Dhiresh Shashikant Gosalia	4,78,87,100	1.44

* *As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025*

For more details regarding weighted average cost of acquisition of Equity Shares by the Promoter Selling Shareholder and build-up of Equity Shares by the Promoter Selling Shareholder in our Company, see "*Summary of the Offer Document*" and "*Capital Structure*" on pages 18 and 77, respectively.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. RIBs can revise or withdraw their Bids during the Bid/Offer Period. While our Company is required to complete Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

78. ***Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed, within such time as mandated under applicable laws subject to any change in the prescribed timeline in this regard, before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

79. ***The Offer Price of our Equity Shares, our price-to-earnings ratio and our enterprise value to EBITDA ratio may not be indicative of the trading price of the Equity Shares upon listing on the Stock Exchanges subsequent to the Offer and, as a result, you may lose a significant part or all of your investment.***

While our market capitalization is subject to the determination of the Offer Price, which will be determined by our Company in consultation with the BRLMs through the book building process, our enterprise value to EBITDA and our price-to-earnings ratio for Financial Year 2024 are set out below:

(In multiples, unless otherwise specified)

Particulars	Ratio vis-à-vis Floor Price	Ratio vis-à-vis Cap Price
Enterprise value to EBITDA*	[●]	[●]
Price-to-earnings ratio*	[●]	[●]

* *To be populated at the Prospectus stage.*

Further, our Offer Price, the multiples and ratios specified above may not be comparable to the market price, market capitalization and price-to-earnings ratios of our peers and would be dependent on the various factors included under "*Basis for Offer Price*" on page 107.

Accordingly, any valuation exercise undertaken for the purposes of the Offer by our Company in consultation with the BRLMs, would not be based on a benchmark with our industry peers. The relevant financial parameters on the basis of which Price Band will be determined, have been disclosed under "*Basis for Offer Price*" on page 107 and shall be disclosed in the price band advertisement. For details of comparison with listed peers, please see "*Basis for Offer Price*" on page 107.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares(1)^	Up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
***of which*:**	
Fresh Issue (1)^	Up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 3,000.00 million
Offer for Sale (2)	Up to 9,460,800 Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
which includes	
Employee Reservation Portion(3)(4)	Up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
The Net Offer comprises of:	
A) QIB Portion(5)(6)	Not more than [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
***of which*:**	
(i) **Anchor Investor Portion(5)**	Up to [●] Equity Shares of face value of ₹ 5 each
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	
of which	
(a) **Available for allocation to Mutual Funds only (5% of the Net QIB Portion)**	At least [●] Equity Shares
(b) **Balance for all QIBs including Mutual Funds**	Up to [●] Equity Shares
B) Non-Institutional Portion	Not less than [●] Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million
of which:	
One-third available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	Up to [●] Equity Shares of face value of ₹5 each
Two-third available for allocation to Bidders with an application size of more than ₹ 1.00 million	Up to [●] Equity Shares of face value of ₹5 each
C) Retail Portion (7)	Not less than [●] Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	53,611,200 Equity Shares
Equity Shares outstanding post the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 92 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) *The Offer has been authorized by a resolution of our Board dated December 11, 2024, and the Fresh Issue has been authorized by a special resolution of our Shareholders dated December 16, 2024.*
^Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

(2) *The Equity Shares being offered by the Promoter Selling Shareholder are eligible for being offered for sale as part of the Offer in terms of the SEBI ICDR Regulations and have been held by the Promoter Selling Shareholder for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations. The Promoter Selling Shareholder has, approved participation in the Offer for Sale as set out below.*

Name of the Promoter Selling Shareholder	Number of Equity Shares offered in the Offer for Sale	Date of consent letter
Dhiresh Shashikant Gosalia	9,460,800	January 8, 2025

For further details, see "Other Regulatory and Statutory Disclosures" on page 356.

(3) *Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee Bidding in the Employee Reservation Portion shall not exceed ₹0.20 million. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million , subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after such allocation up to ₹0.50 million), shall be added to the Net Offer.*

(4) *Our Company, in consultation with the BRLMs, may offer an Employee Discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share), which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.*

(5) *Our Company, in consultation with the BRLMs, may 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 domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription 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 Offer 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 "Offer Procedure" on page 378.*

(6) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill- over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. In the event of an under-subscription in the Offer, (i) the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares through the Offer for Sale to meet the minimum subscription of 90% of the Fresh Issue. Additionally, even if the minimum subscription to the Fresh Issue is reached, the Equity Shares in the remaining portion of the Fresh Issue will be issued prior to the Equity Shares being offered as part of the Offer for Sale.*

(7) *Allocation to Bidders in all categories, except Anchor Investors, if any and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For further details, see "Offer Procedure" on page 378.*

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of our financial information derived from the Restated Consolidated Financial Information as at and for the six-month period ended September 30, 2024 and as at and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022.

The summary financial information presented below should be read in conjunction with "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 262 and 318, respectively.

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
I. ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	1,777.35	1,279.24	1,284.40	1,313.60
(b) Right of use assets	554.47	572.96	311.44	340.80
(c) Capital work in progress	573.16	660.58	218.21	78.82
(d) Other intangible assets	70.51	3.17	2.01	2.39
(e) Intangible assets under development	2.74	58.05	-	-
(f) Financial assets				
(i) Investments	4.54	6.33	5.35	1.11
(ii) Loans	-	0.03	0.33	0.27
(iii) Other financial assets	22.68	25.01	26.45	25.10
(g) Non-current tax assets (net)	30.87	35.84	37.72	14.24
(h) Other non-current assets	200.19	97.64	336.98	28.49
Total Non-current assets	**3,236.51**	**2,738.85**	**2,222.89**	**1,804.82**
(2) Current assets				
(a) Inventories	2,516.23	1,907.29	1,762.99	1,859.88
(b) Financial assets				
(i) Trade receivables	2,557.78	2,633.07	2,382.23	3,840.35
(ii) Cash and cash equivalents	166.44	36.44	267.99	947.72
(iii) Bank balances other than cash and cash equivalents	3.30	2.77	0.05	1.35
(iv) Loans	0.53	0.92	0.96	0.65
(v) Other financial assets	38.19	79.85	15.17	140.19
(c) Other current assets	282.58	268.91	303.60	254.79
Total Current assets	**5,565.05**	**4,929.25**	**4,732.99**	**7,044.93**
Asset Held for Sale	-	70.12	-	-
Total Assets	**8,801.56**	**7,738.22**	**6,955.88**	**8,849.75**
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	268.06	268.06	268.06	268.06
(b) Other equity	4,462.83	4,151.76	3,595.09	3,114.26
Equity attributable to owners of the parent	**4,730.89**	**4,419.82**	**3,863.15**	**3,382.32**
(c) Non-controlling interest	10.53	10.43	7.51	6.51
Total Equity	**4,741.42**	**4,430.25**	**3,870.66**	**3,388.83**
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	772.59	491.24	199.89	290.10
(ii) Lease liabilities	126.16	133.74	109.87	133.16
(b) Provisions	25.47	13.50	9.66	10.06
(c) Deferred tax liabilities (net)	52.75	39.80	34.44	18.26
Total Non-current liabilities	**976.97**	**678.28**	**353.86**	**451.58**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	916.81	161.76	518.07	1,733.10
(ii) Lease liabilities	17.26	23.92	23.58	19.97
(iii) Trade payables				
(A) Total outstanding dues of micro enterprises and small enterprises	85.81	153.76	55.17	14.65
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,907.85	2,060.44	1,874.93	3,084.10
(iv) Other financial liabilities	66.16	99.83	107.29	101.77
(b) Other current liabilities	57.28	87.50	127.30	43.87
(c) Provisions	18.62	27.36	23.19	11.88
(d) Current tax liabilities (net)	13.38	15.12	1.83	-
Total current liabilities	**3,083.17**	**2,629.69**	**2,731.36**	**5,009.34**
Total liabilities	**4,060.14**	**3,307.97**	**3,085.24**	**5,460.93**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total Equity and Liabilities	**8,801.56**	**7,738.22**	**6,955.88**	**8,849.75**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(in ₹ million)

Particulars	For the six months period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Income				
Revenue from operations	7,279.08	14,962.29	17,220.99	20,659.62
Other income	20.50	15.86	37.96	187.83
Total income	**7,299.58**	**14,978.15**	**17,258.95**	**20,847.45**
Expenses				
Cost of material consumed	5,858.11	10,933.80	12,819.14	15,823.68
Purchases of stock-in-trade	212.19	1,180.84	1,624.19	1,872.38
Changes in inventories of finished goods, work-in-progress and stock in trade	(237.06)	117.19	129.91	(128.31)
Employee benefits expense	366.42	668.57	541.98	409.60
Finance costs	43.46	89.73	141.31	158.91
Depreciation and amortisation expense	113.62	195.75	189.61	144.53
Other expenses	526.66	1,044.12	1,190.86	1,386.57
Total expenses	**6,883.40**	**14,230.00**	**16,637.00**	**19,667.36**
Profit before tax	**416.18**	**748.15**	**621.95**	**1,180.09**
Tax expense				
Current tax	87.74	177.19	117.83	300.99
Deferred tax charge	12.73	4.56	14.14	12.78
Tax adjustment related to previous year	-	1.47	3.82	6.96
Total tax expense	**100.47**	**183.22**	**135.79**	**320.73**
Profit before share of profit of equity accounted investee	**315.71**	**564.93**	**486.16**	**859.36**
Share of net (loss)/ profit of associate accounted using equity method	(3.88)	0.98	4.24	(0.44)
Profit for the period/year	**311.83**	**565.91**	**490.40**	**858.92**
Other comprehensive (loss)/income ("OCI")				
Items that will not be reclassified to Profit or Loss				
(a) Re-measurement losses on defined benefit plans	(0.88)	(5.03)	(10.61)	0.57
(b) Tax on above	0.22	0.80	2.04	(0.14)
Total other comprehensive (loss)/income for the period/year (net of tax)	**(0.66)**	**(4.23)**	**(8.57)**	**0.43**
Total comprehensive income for the period/year	**311.17**	**561.68**	**481.83**	**859.35**
Profit for the period/year attributable to:				
Owners of the parent	311.73	562.99	489.40	859.42
Non-controlling interest	0.10	2.92	1.00	(0.50)
Profit for the period/ year	**311.83**	**565.91**	**490.40**	**858.92**
Other comprehensive (loss)/ income for the period/year attributable to:				
Owners of the parent	(0.66)	(4.23)	(8.57)	0.43
Non-controlling interest	-	-	-	-
Other Comprehensive (loss)/income (net of tax) (“"OCI”)	**(0.66)**	**(4.23)**	**(8.57)**	**0.43**
Total comprehensive income for the period/year attributable to:				

Particulars	For the six months period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Owners of the parent	311.07	558.76	480.83	859.85
Non-controlling interest	0.10	2.92	1.00	(0.50)
Total comprehensive income for the period/ year	**311.17**	**561.68**	**481.83**	**859.35**
Earnings per share (in ₹ - Basic and diluted) (Face value ₹ 5 each)	5.81#	10.50	9.13	16.03

#*Not annualised.*

RESTATED CONSOLIDATED STATEMENT OF CASH FLOW

(in ₹ million)

Particulars	For the six months period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
A. Cash flow from operating activities				
Profit before tax	416.18	748.15	621.95	1,180.09
Adjustments for:				
Depreciation and amortisation expense	113.62	195.75	189.61	144.53
Bad Debts written back	-	(0.38)	-	-
Interest income on financial assets	(3.56)	(4.46)	(15.67)	(11.62)
Interest on lease liability	6.75	15.50	13.50	11.52
Other Finance costs	36.71	74.23	127.81	147.39
Unrealised exchange (gain)/loss	(3.19)	(1.53)	-	(7.85)
Provision for doubtful debts & advances/(written back)	(8.04)	1.07	(14.82)	1.81
Amortisation of Prepaid portion of security deposit (Ind AS 109)	0.55	1.15	1.18	0.63
Amortisation of financial guarantee liability	-	(6.96)	-	-
(Profit)/Loss on sale/disposal of property, plant and equipment (Net)	(5.63)	-	1.39	1.33
Operating profit before working capital changes	**553.39**	**1,022.52**	**924.95**	**1,467.83**
Changes in working capital				
(Decrease)/Increase in trade payables	(303.77)	362.80	(1,184.70)	(111.50)
Increase/(Decrease) in other current financial liabilities	51.81	25.00	(48.16)	78.98
Increase/(Decrease) in provisions and other current liabilities	12.13	(35.19)	84.02	12.67
(Increase)/Decrease in inventories	(608.95)	(144.27)	96.90	294.09
Decrease/(Increase) in trade receivables	86.52	(340.99)	1,489.80	(994.22)
Decrease/(Increase) in financial assets	43.88	(16.58)	24.89	(82.04)
(Increase)/Decrease in other assets	(13.71)	61.16	(51.36)	(8.44)
Cash (used in) / generated from operations	**(178.70)**	**934.45**	**1,336.34**	**657.37**
Income tax paid (net)	(84.28)	(165.19)	(144.09)	(389.57)
Net cash (used in)/ generated from operating activities (A)	**(262.98)**	**769.26**	**1,192.25**	**267.80**
B. Cash flow from Investing activities				
Acquisition of property plant and equipment (net of capital advances)	(623.15)	(997.91)	(582.51)	(435.17)
Proceeds from sale/ disposal of property, plant and equipment	36.00	0.97	4.28	0.49
Investment in Associate	(2.09)	-	-	-
Net proceeds of fixed deposits	-	(2.61)	1.34	14.32
Net proceeds / (application) from other non-current assets	-	225.37	(1.23)	(7.22)
Interest received	3.57	4.09	14.76	11.62
Net cash used in investing activities (B)	**(585.67)**	**(770.09)**	**(563.36)**	**(415.96)**
C. Cash flow from Financing activities				
Repayment of long term borrowings	(46.16)	-	(90.20)	(77.26)
Proceeds from long term borrowings	327.46	291.44	-	-
Proceeds from Partners' Capital and Repayment	-	-	56.09	(94.06)
Proceeds of short-term borrowings (Net)	755.05	(406.31)	(1,110.85)	1,299.04
Payment of dividend	-	-	-	(80.42)
Non - current other Financial Liability	-	(0.01)	(7.63)	-
Payment of lease liabilities	(20.99)	(40.67)	(28.80)	(22.57)
Finance Costs	(36.71)	(75.17)	(127.23)	(144.81)
Net cash generated from/ (used in) financing activities (C)	**978.65**	**(230.72)**	**(1,308.62)**	**879.92**

Particulars	For the six months period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Net Increase/ (decrease) in cash and cash equivalents (A+B+C)	130.00	(231.55)	(679.73)	731.76
Cash and cash equivalents at the beginning of the period/year	36.44	267.99	947.72	215.96
Cash and cash equivalents at the end of the year period/year	**166.44**	**36.44**	**267.99**	**947.72**
Cash and cash equivalents comprise				
Balances with banks				
On current accounts	55.07	35.64	125.62	28.22
Fixed Deposits with original maturity less than 3 months	110.41	-	142.00	919.16
Cash on hand	0.96	0.80	0.37	0.34
Total cash and cash equivalent at end of the period/ year	**166.44**	**36.44**	**267.99**	**947.72**
Changes in Liabilities arising from Financing Activities				
Particulars	**For the six months period ended on September 2024**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Opening Balance of Debt Securities and Borrowings (Other than Debt Securities)	**653.00**	**717.96**	**2,023.20**	**782.35**
Proceeds / (Repayment) Of Borrowings (Other Than Debt Securities)	1,036.40	(64.96)	(1,305.24)	1,240.85
Closing Balance of Debt Securities and Borrowings (Other than Debt Securities)	**1,689.40**	**653.00**	**717.96**	**2,023.20**

GENERAL INFORMATION

Registered and Corporate Office

Jesons Industries Limited
904, Peninsula Tower No.1
Ganpat Rao Kadam Marg
Lower Parel (West)
Mumbai 400013
Maharashtra, India

Corporate identity number and registration number

Corporate Identity Number: U24295MH1999PLC122193
Registration Number: 122193

Address of the RoC

Our Company is registered with the Registrar of Companies situated at the following address:

Registrar of Companies, Maharashtra at Mumbai
100, Everest, Marine Drive
Mumbai 400 002
Maharashtra, India

Our Board

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

Name	Designation	DIN	Address
Dhiresh Shashikant Gosalia	Chairman and Managing Director	00217158	131, 13th Floor, Spenta Towers, Gowalia Tank, 55/57, Forjett Street, Mumbai – 400 034, Maharashtra
Madhavi Dhiresh Gosalia	Whole-time Director	00217199	131, 13th Floor, Spenta Towers, Gowalia Tank, 55/57, Forjett Street, Mumbai – 400 034 Maharashtra
Sadayapillai Kameswaran	Whole-time Director	10295328	Flat 1404, Nirvana Appts., Police Station Road, Near Lodha Appts., Kanjurmarg East, Mumbai, 400 042, Maharashtra
Amitabh Verma	Independent Director	07082285	Flat No B-2106, Floor No 21, Oberoi Esquire, Mohan Gokhale Road, Goregaon East, Mumbai, 400 063
Deeti Ojha	Independent Director	09322280	S 227, 2nd Floor, Greater Kailash Part-2, South Delhi, New Delhi – 110 048
Shriram Sharad Dandekar	Independent Director	01056318	210, Rambaug, Lady Jamshetji Road, Next to Raja Bada Chowk, Mahim, Mumbai – 400 016

For brief profiles and further details of our Directors, see "*Our Management*" on page 243.

Company Secretary and Compliance Officer

Kushal Vasantbhai Gala is the Company Secretary and the Compliance Officer of our Company. His contact details are set out below:

Kushal Vasantbhai Gala
904, Peninsula Tower No.1
Ganpat Rao Kadam Marg
Lower Parel (West)
Mumbai 400013
Maharashtra, India
Tel: +(91) 22 66515253
E-mail: cs@jesons.net

Investor Grievances

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

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Investors who make the payment of Bid Amount through the UPI Mechanism).

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

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower
Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400025
Maharashtra, India
Telephone: + 91 22 7193 4380
E-mail: jesonsipo@motilaloswal.com
Investor Grievance E-mail: moiaplredressal@motilaloswal.com
Website: www.motilaloswalgroup.com
Contact person: Ritu Sharma/ Ronak Shah
SEBI Registration No.: INM000011005

IIFL Capital Services Limited
(*formerly known as IIFL Securities Limited*)
24th Floor, One Lodha Place
Senapati Bapat Marg, Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 46464728
E-mail: project.jesons@iiflcap.com
Investor Grievance E-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Vaibhav Agrawal/Pawan Jain
SEBI Registration No.: INM000010940

Inter-se allocation of responsibilities among the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

S. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, positioning strategy and due diligence of the Company including its operations/management/ business plans/legal etc. Drafting, design and finalizing of the draft red herring prospectus, red herring prospectus and prospectus and of statutory / newspaper advertisements including a memorandum containing salient features of the prospectus. The BRLMs shall ensure compliance with SEBI ICDR Regulations and stipulated requirements and completion of prescribed formalities with the stock exchanges, RoC and SEBI and RoC filings and follow up and coordination till final approval from all regulatory authorities.	Motilal Oswal, IIFL	Motilal Oswal
2.	Drafting and approval of statutory advertisements including Audiovisual	Motilal Oswal, IIFL	Motilal Oswal

S. No.	Activity	Responsibility	Co-ordination
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, application form, abridged prospectus, etc. and filing of media compliance report.	Motilal Oswal, IIFL	IIFL
4.	Appointment of intermediaries –Registrar to the Offer and advertising agency including co-ordination for agreements.	Motilal Oswal, IIFL	Motilal Oswal
5.	Appointment of intermediaries – Bankers to the Offer, printers, monitoring agency to the Offer including co-ordination for agreements.	Motilal Oswal, IIFL	IIFL
6.	Preparation of road show marketing presentation and frequently asked questions	Motilal Oswal, IIFL	IIFL
7.	International Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule	Motilal Oswal, IIFL	IIFL
8.	Domestic Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	Motilal Oswal, IIFL	Motilal Oswal
9.	Retail marketing of the Offer, which will cover, inter alia: • Finalising media, marketing, public relations strategy and publicity • budget including list of frequently asked questions at retail road shows • Finalising collection centres • Finalising application form • Finalising centres for holding conferences for brokers etc. • Follow – up on distribution of publicity; and • Issue material including form, RHP / Prospectus and deciding on the • quantum of the Issue material	Motilal Oswal, IIFL	IIFL
10.	Non-Institutional marketing of the Offer, which will cover, inter alia: • Finalising media, marketing and public relations strategy; and • Formulating strategies for marketing to Non – Institutional Investors.	Motilal Oswal, IIFL	Motilal Oswal
11.	Managing the book and finalization of pricing in consultation with the Company	Motilal Oswal, IIFL	Motilal Oswal
12.	Coordination with Stock Exchanges for anchor intimation, book building software, bidding terminals and mock trading.	Motilal Oswal, IIFL	Motilal Oswal
13.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and Bank to the Offer, intimation of allocation and dispatch of refund to bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transaction tax ("**STT**") on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government Submission of all post Offer reports including the Initial and final Post Offer report to SEBI.	Motilal Oswal, IIFL	IIFL

Syndicate Member

[●]

Legal Counsel to the Offer as to Indian Law

Trilegal
One World Centre
10th Floor, Tower 2A & 2B
Senapati Bapat Marg
Lower Parel (West)
Mumbai – 400 013

Maharashtra, India

Statutory Auditors to our Company

M S K A & Associates
Chartered Accountants
602, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali
Railway Colony, Ram Nagar, Goregaon (E)
Mumbai 400063
Maharashtra, India
Email: ankushagrawal@mska.in
Tel: +91 22 68311600
Firm registration number: 105047W
Peer review number: 016966

Changes in the auditors

There has been no change in the statutory auditors of the Company in the last three years preceding the date of this Draft Red Herring Prospectus.

Registrar to the Offer

MUFG Intime India Private Limited
(formerly known as Link Intime India Private Limited)
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: +91 81081 14949
E-mail: jesons.ipo@linkintime.co.in
Investor grievance E-mail: jesons.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Banker(s) to the Offer

Escrow Collection Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Banks(s)

[●]

Banker(s) to our Company

Axis Bank Limited
Mega Wholesale Banking Centre, First Floor, 12A, Mittal Tower, Nariman Point, Mumbai 400021
Tel No: 022 2289 5138
Email: p.kirankumar@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Perla Kiran Kumar

DBS Bank India Limited
Ground floor Nos. 11 & 12, Capitol Point, Baba Kharak Marg, Connaught Place, Delhi 110001
Tel No: +(91) 22 6638 8888
Email: saiprasadshetye@dbs.com
Website: https://www.dbs.com/
Contact Person: Mr. Saiprasad Shetye

HDFC Bank Limited
B-Wing, 4th Floor, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400 013
Tel No: +(91) 76668 68272
Email: kartik.anantharaman@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Kartik Anantharama

ICICI Bank Limited
ICICI Towers, Bandra Kurla Complex, Bandra East Mumbai 400051
Tel No: +(91) 22 4008 2271
Email: dhruv.agarwal@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Dhruv Agarwal

IDFC FIRST Bank Limited
Vibgyor Towers, C-62, 10th Floor, Bandra Kurla Complex, Mumbai 400051
Tel No: 022 7132 6094 / 022 7132 6171
Email: navneet.agarwal@idfcfirstbank.com / pallav.jain@idfcfirstbank.com
Website: https://www.idfcfirstbank.com/
Contact Person: Mr. Navneet Agarwal / Mr. Pallav Jain

RBL Bank Limited
Tower 2B, 6th Floor, One World Centre, 841, Senapati Bapat Marg, Saidham Nagar, Lower Parel, Mumbai 400013
Tel No: +91 7573985747
Email: arpit.somani@rblbank.com
Website: www.rblbank.com
Contact Person: Arpit Somani

Designated Intermediaries

Self-Certified Syndicate Banks

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

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI ICDR Master Circular and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 read with other applicable UPI Circulars, UPI Bidders each applicable to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations, bidding using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.

Syndicate SCSB Branches

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

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the stock exchange, *i.e.* through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and https://www.nseindia.com/products/consent/equities/ipos/asba-procedures.htm, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

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

Our Company has received written consent dated January 9, 2025 from Statutory Auditor, M S K A & Associates, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) their examination report dated December 17, 2024 relating to the Restated Consolidated Financial Information; and (ii) their statement of special tax benefits dated January 7, 2025 in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent dated January 9, 2025 from D M K H & Co., Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the independent chartered accountants in respect of information certified by them, as included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated December 23, 2024 and January 8, 2025, respectively, from Anand Kumar Jain, Chartered Engineer and Chemplant Project Consultants (acting through Satish P Kulkarni (Chartered Engineer), respectively to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the chartered engineer in respect of information certified by them, as included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Monitoring Agency

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a credit rating agency registered with SEBI as the monitoring agency for the Fresh Issue prior to the filing of the Red Herring Prospectus with the RoC. The details of the monitoring agency shall be included in the Red Herring Prospectus.

Appraising Entity

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

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

IPO Grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, no debenture trustee has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of the Offer Documents

A copy of this Draft Red Herring Prospectus has been filed through SEBI's online intermediary portal at https://siportal.sebi.gov.in, as specified in Regulation 25(8) of the SEBI ICDR Regulations and in accordance with SEBI ICDR Master Circular. It will also be filed at the following address:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, Maharashtra, India

A copy of this Draft Red Herring Prospectus, along with the material documents and contracts required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, will be filed with the RoC and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of this Draft Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band and the minimum Bid Lot. The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLMs, and will be advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of the [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra where our Registered and Corporate Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. Pursuant to the book building process, the Offer Price shall be determined by our Company, in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see "*Offer Procedure*" on page 378.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIBs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs, Non-Institutional Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and Bidders are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Offer, by submitting their Bid in the Offer.

Bidders should note that the Offer is also subject to obtaining (i) filing of the Prospectus with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details on the method and procedure for Bidding, see "*Offer Structure*" and "*Offer Procedure*" on pages 374 and 378, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Terms of the Offer*" and "*Offer Procedure"* on pages 368 and 378, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Selling Shareholder, will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination of Offer Price and and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board /IPO Committee will at its meeting accept and enter into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

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

(in ₹, except share data)

		Aggregate nominal value	Aggregate value at Offer Price[(1)]
A	**AUTHORIZED SHARE CAPITAL**		
	80,000,000 Equity Shares of face value ₹5 each	400,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	53,611,200 Equity Shares of face value ₹5 each	268,056,000	-
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value ₹5 each [(1) (2)]	[●]	[●]
	Of which		
	Fresh Issue of up to [●] Equity Shares of face value ₹5 each aggregating up to ₹ 3,000.00 million [(1)^]	[●]	[●]
	Offer for Sale of up to 9,460,800 Equity Shares of face value ₹5 each aggregating up to ₹ [●] million [(3)]	[●]	[●]
	Which includes		
	Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹ [●] million [(4)]	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**[(1)]		
	[●] Equity Shares of face value ₹5 each	[●]	-
E	**SHARE PREMIUM ACCOUNT**		
	Before the Offer	Nil	
	After the Offer[(1)]	[●]	

(1) To be included upon finalization of the Offer Price.
^Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

(2) The Offer has been authorised by our Board pursuant to its resolution dated December 11, 2024, and the Fresh Issue has been authorised by our Shareholders pursuant to their resolution dated December 16, 2024.

(3) The Promoter Selling Shareholder confirms that the Equity Shares being offered by him are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For further details of authorizations received for the Offer, see "Other Regulatory and Statutory Disclosures" on page 356.

(4) Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹500,000 (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount). The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital.

For details of changes to our Company's authorised share capital in the last 10 years, see "*History and Certain Corporate Matters*" on page 235.

Notes to the Capital Structure

1. **Share capital history of our Company:**

(a) Equity Share capital

The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative no. of equity shares	Cumulative paid-up equity share capital (in ₹)	Name of allottees
October 12, 1999	700	100	100	Cash	Subscription to the MOA upon incorporation of our Company	700	70,000	100 equity shares each were allotted to Dhiresh Shashikant Gosalia, Madhavi Dhiresh Gosalia, Usha Shashikant Gosalia, Hemal M. Kampani, Kiran V. Daftary, Dr. Rajeesh D. Mody, and Madhusudan R. Mehta
June 22, 2000	95,000	100	100	Cash	Preferential allotment	95,700	9,570,000	25,000 equity shares were allotted to Dhiresh Shashikant Gosalia, 15,000 equity shares were allotted to Madhavi Dhiresh Gosalia, 5,000 equity shares were allotted to Usha Shashikant Gosalia, 25, 000 equity shares were allotted to Jhelum Dhiresh Gosalia and 25, 000 equity shares were allotted to Ravina Gaurav Shah
August 30, 2000	55,000	100	100	Cash	Further issue (1)	150,700	15,070,000	10,000 equity shares were allotted to Dhiresh Shashikant Gosalia, 35, 000 equity shares were allotted to Madhavi Dhiresh Gosalia and 10,000 equity shares were allotted to Usha Shashikant Gosalia
March 31, 2002	48,000	100	100	Cash	Further issue (2)	198,700	19,870,000	48,000 equity shares were allotted to Dhiresh Shashikant Gosalia
January 27, 2003	200,000	100	100	Cash	Rights issue (3)	398,700	39,870,000	200,000 equity shares were allotted to Dhiresh

Date of allotment	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative no. of equity shares	Cumulative paid-up equity share capital (in ₹)	Name of allottees
								Shashikant Gosalia
March 31, 2004	300,000	100	100	Cash	Preferential allotment (4)	698,700	69,870,000	130,000 equity shares were allotted to Dhiresh Shashikant Gosalia and 170,000 equity shares were allotted to Jesons Corporation*
March 15, 2005	80,000	100	100	Cash	Preferential allotment (5)	778,700	77,870,000	50,000 equity shares were allotted to Dhiresh Shashikant Gosalia, 20,000 equity shares were allotted to Madhavi Dhiresh Gosalia and 10,000 equity shares were allotted to Usha Shashikant Gosalia
March 1, 2008	114,820	100	Not applicable	Other than cash	Pursuant to Slump Sale Agreement (6)	893,520	89,352,000	75,324 equity shares of face value of ₹100 each were allotted to Dhiresh Shashikant Gosalia and 39,496 equity shares of face value of ₹100 each were allotted to Usha Shashikant Gosalia
Pursuant to a resolution of our Board dated August 2, 2021, and Shareholders' resolution dated August 20, 2021, equity shares of face value of ₹ 100 each of our Company were sub-divided into equity shares of face value of ₹ 5 each. Consequently, the issued and subscribed share capital of our Company comprising 893,520 equity shares of face value of ₹ 100 each was sub-divided into 17,870,400 equity shares of face value of ₹ 5 each.								
September 16, 2021	35,740,800	5	Not applicable	Not applicable	Bonus issue (7)	53,611,200	268,056,000	35,740,800 Equity Shares were allotted to existing shareholders of our Company - 319,20,800 equity shares to Dhiresh Shashikant Gosalia, 28,04,000 equity shares to Madhavi Dhiresh Gosalia, 4000 equity shares to Usha Shashikant Gosalia, 4000 shares to Jhelum Dhiresh Gosalia, 4000 equity shares to Madhuri Madhusudan Mehta, 10,00,000 equity shares to Ravina Gaurav

Date of allotment	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of considera tion	Reasons/natur e of allotment	Cumulative no. of equity shares	Cumulative paid-up equity share capital (in ₹)	Name of allottees
								Shah, and 4000 equity shares to Parul Rajesh Mody

(1) Pursuant to a rights issue in the ratio of 250 equity shares for every 100 equity shares held as on August 7, 2000
(2) Pursuant to a rights issue in the ratio of 150 equity shares for every 100 equity shares held as on January 21, 2002.
(3) Pursuant to a rights issue in the ratio of 245 equity shares for every *100 equity shares held as on January 21, 2003.*
** Owing to Jesons Corporation being a partnership firm, the registered owner of these shares was Dhiresh Shashikant Gosalia, its partner, for the benefit of the partnership firm.*
(4) Pursuant to the approval of board of directors of the Company on January 30, 2004, to allot 300,000 equity shares at the price of Rs. 100/- each, on preferential basis to Dhiresh Shashikant Gosalia and Jesons Corporation
(5) Pursuant to the approval of board of directors of the Company on February 26, 2005, to allot 80,000 equity shares at nominal value of Rs. 100/- each, on preferential basis to Dhiresh Shashikant Gosalia, Usha Gosalia and Madhavi Dhiresh Gosalia
(6) Pursuant to the Slump Sale Agreement, of the total consideration of ₹39.50 million, a sum of ₹11.48 million was payable by our Company by way of issue of shares of our Company to the partners of Jesons Corporation, being Dhiresh Shashikant Gosalia and Usha Shashikant Gosalia.
(7) 35,740,800 Equity Shares were allotted to existing shareholders of our Company pursuant to a bonus issue in the ratio of two new Equity Shares for each existing Equity Share held as on August 28, 2021, through capitalization of the eligible reserves.

(b) ***Preference Share capital***

Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.

All the issuances of the Equity Shares since the date of inception by our Company, have been in compliance with the relevant provisions of the Companies Act, 2013 and Companies Act, 1956 as may be applicable.

2. **Shares issued for consideration other than cash or out of revaluation reserves**

Our Company has not issued equity shares for consideration other than cash or out of revaluation of reserves at any time since incorporation, except as set out below:

Date of allotment of equity shares	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of Allotment	Nature of consideration	Benefits accrued to our Company
March 1, 2008	114,820	100*	Not applicable	Pursuant to Slump Sale Agreement*	Other than cash*	As per the terms of the Slump Sale Agreement, our Company acquired all rights, title, interest, ownership in the business of manufacturing of synthetic adhesive, vinyl acetate and acrylic emulsion from Jesons Corporation.
September 16, 2021	35,740,800	5	Not applicable	Bonus issue**	Not applicable	-

* *Pursuant to the Slump Sale Agreement, of the total consideration of ₹39.50 million, a sum of ₹11.48 million was payable by our Company to Jesons Corporation by way of issue of shares of our Company in favour of the partners of Jesons Corporation, being Dhiresh Shashikant Gosalia and Usha Shashikant Gosalia. Accordingly, 75,324 equity shares of face value of ₹100 each were allotted to Dhiresh Shashikant Gosalia and 39,496 equity shares of face value of ₹100 each were allotted to Usha Shashikant Gosalia. For more details, please see "History and other Corporate Matters" on page 235.*
** *35,740,800 Equity Shares were allotted to existing shareholders of our Company pursuant to a bonus issue in the ratio of two new Equity Shares for each existing Equity Share held, through capitalization of permitted reserves.*

3. **Allotment of shares pursuant to schemes of arrangement**

Our Company has not issued or allotted Equity Shares pursuant to schemes of arrangement approved under Sections 391 - 394 of the erstwhile Companies Act, 1956 or Sections 230 - 234 of the Companies Act, 2013.

4. **Issue of Equity Shares under employee stock option schemes**

As on the date of this Draft Red Herring Prospectus, our Company has not made any issuance of Equity Shares under Employee Stock Option Reward Based Plan 2024.

5. **Issue of shares at a price lower than the Offer Price in the last one year**

Our Company has not issued any equity shares at a price that may be lower than the Offer Price during a period of one year preceding the date of this Draft Red Herring Prospectus.

6. **Shareholding pattern of our Company**

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

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (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)
								Number of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoter and Promoter Group	7	53,611,200	-	-	53,611,200	100%	53,611,200	-	53,611,200	100%	-	-	-	-	-	-	53,611,200
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**7**	**53,611,200**	**-**	**-**	**53,611,200**	**100%**	**53,611,200**	**-**	**53,611,200**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**	**53,611,200**

7. **Other details of Shareholding of our Company**

a) As on the date of this Draft Red Herring Prospectus, our Company has seven Shareholders.

b) Set forth below is a list of shareholders holding 1% or more of the paid-up equity share capital of the Company, on a fully diluted basis, as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the shareholder	No. of equity shares of face value of ₹5 each	Percentage of the pre-Offer equity share capital as on the date of this Draft Red Herring Prospectus (%)
1.	Dhiresh Shashikant Gosalia	47,887,100	89.32%
2.	Madhavi Dhiresh Gosalia	4,206,000	7.85%
3.	Ravina Gaurav Shah	1,500,000	2.80%
Total		**53,593,100**	**99.97%**

c) Set forth below is a list of shareholders holding 1% or more of the paid-up equity share capital of the Company, on a fully diluted basis, as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the shareholder	No. of equity shares of face value of ₹5 each	Percentage of the pre-Offer equity share capital as on the date of this Draft Red Herring Prospectus (%)
1.	Dhiresh Shashikant Gosalia	47,887,100	89.32%
2.	Madhavi Dhiresh Gosalia	4,206,000	7.85%
3.	Ravina Gaurav Shah	1,500,000	2.80%
Total		**53,593,100**	**99.97%**

d) Set forth below is a list of shareholders holding 1% or more of the paid-up equity share capital of the Company, on a fully diluted basis, as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the shareholder	No. of equity shares of face value of ₹5 each	Percentage of the pre-Offer equity share capital one year prior to the date of this Draft Red Herring Prospectus (%)
1.	Dhiresh Shashikant Gosalia	47,887,100	89.32%
2.	Madhavi Dhiresh Gosalia	4,206,000	7.85%
3.	Ravina Gaurav Shah	1,500,000	2.80%
Total		**53,593,100**	**99.97%**

e) Set forth below is a list of shareholders holding 1% or more of the paid-up equity share capital of the Company, on a fully diluted basis, as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the shareholder	No. of equity shares of face value of ₹5 each	Percentage of the pre-Offer equity share capital two years prior to the date of this Draft Red Herring Prospectus (%)
1.	Dhiresh Shashikant Gosalia	46,387,200	86.53%
2.	Madhavi Dhiresh Gosalia	4,206,000	7.85%
3.	Ravina Gaurav Shah	1,500,000	2.80%
4.	Jhelum Dhiresh Gosalia	1,500,000	2.80%
Total		**53,593,200**	**99.97%**

8. **Details of Shareholding of our Directors and Key Managerial Personnel in our Company**

Except as disclosed in "*Our Management – Shareholding of Directors in our Company*" on page 247, none of our Directors or Key Managerial Personnel hold any Equity Shares in our Company.

9. **Pre-IPO Placement**

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. Our Company confirms that the details pertaining to the price and the names of the allottees pursuant to the Pre-IPO Placement (if undertaken) shall be disclosed through a public advertisement. In the event the Pre-IPO Placement is undertaken, a confirmation in this regard will be included in the "Material Contracts and Material Documents for Inspection" section of the Red Herring Prospectus.

Except for specified securities to be allotted pursuant to the Pre-IPO Placement which our Company may undertake in consultation with the BRLM, which will be completed prior to Bid/Offer Opening Date, the allotment of Equity Shares pursuant to Fresh Issue and issuance of any Equity Shares under the Offer or pursuant to exercise of options granted under the ESOP Scheme, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of the Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for the Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

10. **Details of Shareholding of our Promoter, members of the Promoter Group in our Company**

As on the date of this Draft Red Herring Prospectus, our Promoters and members of Promoter Group together hold 53,611,200 Equity Shares, equivalent to 100.00% of the issued, subscribed and paid-up equity share capital of our Company.

The build-up of the equity shareholding of our Promoter since incorporation of our Company is set forth in the table below.

1. **Dhiresh Shashikant Gosalia:**

Date of allotment/ transfer and made fully paid up	No. of equity shares	Face value (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	Nature of Transaction	Nature of consideration	% of the pre-Offer share capital	% of the post-Offer share capital
October 12, 1999	100	100	100	Subscription to the MOA upon incorporation of our Company	Cash	0.00%	[●]
June 22, 2000	25,000	100	100	Preferential allotment	Cash	0.93%	[●]
August 30, 2000	10,000	100	100	Rights Issue	Cash	0.37%	[●]
March 31, 2002	48,000	100	100	Rights Issue	Cash	1.79%	[●]
January 27, 2003	200,000	100	100	Rights Issue	Cash	7.46%	[●]
March 31, 2004	130,000	100	100	Preferential allotment	Cash	4.85%	[●]
March 15, 2005	50,000	100	100	Preferential allotment	Cash	1.87%	[●]
March 1, 2008	75,324(1)	100	Not applicable	Pursuant to Slump Sale Agreement	Other than cash	2.81%	[●]
March 31, 2012	170,000(2)	100	Not applicable	Transfer from Jesons Corporation (2)	Settlement of partners' account of Jesons Corporation(3)	6.34%	[●]
March 20, 2014	25,000	100	Nil	Gift from Jhelum Dhiresh Gosalia	Not applicable	0.93%	[●]
January 6, 2016	64,596	100	Nil	Gift from Usha Shashikant Gosalia	Not applicable	2.41%	[●]
February 12, 2016	(17,000) (3)	100	Not applicable	Transfer to Usha Shashikant Gosalia	Settlement of partners' account of Jesons Corporation	(0.63)%	[●]
February 12, 2016	17,000	100	Nil	Gift from Usha Shashikant Gosalia	Not applicable	0.63%	[●]
Pursuant to a resolution of our Board dated August 2, 2021 and Shareholders' resolution dated August 20, 2021, equity shares of face value of ₹ 100 each of our Company were sub-divided into equity shares of face value of ₹ 5 each. Consequently, the issued and subscribed share capital of our Company comprising 893,520 equity shares of face value of ₹ 100 each was sub-divided into 17,870,400 Equity Shares of face value of ₹ 5 each. Pursuant to the sub-division, our Promoter Dhiresh Shashikant Gosalia consequently held 15,960,400 Equity Shares of face value of ₹ 5 each. (5)							
September 16, 2021	31,920,800(6)	5	Not applicable	Pursuant to bonus issuance of Equity Shares	Not applicable	59.54%	[●]
October 13, 2021	(1,494,000)	5	Nil	Gift to Jhelum Dhiresh Gosalia	Not applicable	(2.78%)	**[●]**

Date of allotment/ transfer and made fully paid up	No. of equity shares	Face value (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	Nature of Transaction	Nature of consideration	% of the pre-Offer share capital	% of the post-Offer share capital
December 16, 2023	1,499,900	5	Nil	Gift from Jhelum Dhiresh Gosalia	Not applicable	2.80%	**[●]**
Total	**47,887,100**					**89.32%**	**[●]**

(1) Pursuant to Slump Sale Agreement, a sum of ₹11.48 million was payable by the Company by way of issue of shares of the Company to the partners of Jesons Corporation, being Dhiresh Shashikant Gosalia and Usha Shashikant Gosalia. Accordingly, 75,324 equity shares of face value of ₹100 each were allotted to Dhiresh Shashikant Gosalia.

(2) Upon settlement of partners' account of Jesons Corporation, the equity shares registered and held by Dhiresh Shashikant Gosalia, on behalf of the partnership firm as its partner, were transferred to Dhiresh Shashikant Gosalia on his own account. This included settlement of INR 1,70,00,000 of partners capital account of Jesons Corporation as on March 31, 2012 for which 1,70,000 equity shares of the Company owned by Jesons Corporation were transferred to its partners.

(3) These equity shares were transferred on account of settlement of partners' account of Jesons Corporation. While all the equity shares of the Company were transferred to Dhiresh Shashikant Gosalia on March 31, 2012, Usha Shashikant Gosalia's entitlement was transferred on February 12, 2016. Accordingly, the proportionate cost has been reduced.

(4) As per the clarification letter dated September 04, 2021 submitted by Company, which is available is the records of ROC, the return of allotment in the form 2 was filed by the company in May 2006 for the allotment of 80,000 shares done on 15.03.2005. However, the date(s) were inadvertently mentioned as 01.04.2004 for 70,000 & 13.04.2004 for 10,000 share due to oversight in the form 2.

(5) Pursuant to a resolution of our Board dated August 2, 2021 and Shareholders' resolution dated August 20, 2021, equity shares of face value of ₹ 100 each of our Company were sub-divided into equity shares of face value of ₹ 5 each. Consequently, the issued and subscribed share capital of our Company comprising 893,520 equity shares of face value of ₹ 100 each was sub-divided into 17,870,400 Equity Shares of face value of ₹ 5 each. Pursuant to the sub-division, our Promoter consequently held 15,960,400 Equity Shares of face value of ₹ 5 each.

(6) These shares were acquired pursuant to an allocation of 35,740,800 Equity Shares to existing shareholders of our Company pursuant to a bonus issue in the ratio of two new Equity Shares for each existing Equity Share held as on August 28, 2021, through capitalization of the eligible reserves.

2. **Madhavi Dhiresh Gosalia:**

Date of allotment/ transfer and made fully paid up	No. of equity shares	Face value (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	Nature of Transaction	Nature of consideration	% of the pre-Offer share capital	% of the post-Offer share capital
October 12, 1999	100	100	100	Subscription to the MOA upon incorporation of our Company	Cash	0.00%	[●]
June 22, 2000	15,000	100	100	Preferential Allotment	Cash	0.56%	[●] [●] [●] [●]
August 30, 2000	35,000	100	100	Rights Issue	Cash	1.31%	[●]
March 15, 2005	20,000	100	100	Preferential Allotment	Cash	0.75%	[●]
Pursuant to a resolution of our Board dated August 2, 2021, and Shareholders' resolution dated August 20, 2021, equity shares of face value of ₹ 100 each of our Company were sub-divided into equity shares of face value of ₹ 5 each. Consequently, the issued and subscribed share capital of our Company comprising 893,520 equity shares of face value of ₹ 100 each was sub-divided into 17,870,400 Equity Shares of face value of ₹ 5 each. Pursuant to the sub-division, our Promoter Madhavi Dhiresh Gosalia consequently held 14,02,000 Equity Shares of face value of ₹ 5 each.							
September 16, 2021	28,04,000	5	Not applicable	Pursuant to bonus issuance of Equity Shares	Not applicable	5.23%	[●]
Total	**4,206,000**					**7.85%**	**[●]**

None of the Equity Shares held by our Promoters are subject to any pledge as on the date of this Draft Red Herring Prospectus.

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares.

The entire shareholding of our Promoters and members of the Promoter Group is in dematerialised form as of the date of this Draft Red Herring Prospectus.

Except as disclosed below, the members of the Promoter Group (other than our Promoters) do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus:

S No.	Name of shareholder	Pre-Offer equity share capital	
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital (%)
1.	Ravina Gaurav Shah	1,500,000	2.80%
2.	Jhelum Dhiresh Gosalia	100	Negligible
3.	Usha Shashikant Gosalia	6,000	0.01%
4.	Madhuri Madhusudan Mehta	6,000	0.01%
5.	Parul Rajesh Mody	6,000	0.01%
	Total	**1,518,100**	**2.83%**

11. **Details of Promoter's contribution and lock-in**

a) Pursuant to Regulations 14 and 16 (1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoter, except for the Equity Shares offered pursuant to the Offer for Sale, shall be locked in for a period of three years as minimum Promoter's contribution ("**Minimum Promoter's Contribution**") from the date of Allotment and the shareholding of the Promoter in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment, as a majority of the Net Proceeds are proposed to be utilized for capital expenditure. Under Regulation 16 of the SEBI ICDR Regulations, "capital expenditure" includes civil work, miscellaneous fixed assets, purchase of land, building and plant and machinery, etc. For details of objects of the Offer, see "*Objects of the Offer*" at page 92.

b) Details of the Equity Shares to be locked-in for 3 years from the date of Allotment as Minimum Promoter's Contribution are set forth in the table below*:

Name of the Promoter	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Offer/ Acquisition price per Equity Share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)
Dhiresh Shashikant Gosalia	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Madhavi Dhiresh Gosalia	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]				[●]	[●]	[●]

**To be included in the Prospectus.*

c) Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as the Minimum Promoter's Contribution. Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

For details on the build – up of the Equity Share capital held by our Promoter, see *"Capital Structure - Details of Shareholding of our Promoter, members of the Promoter Group in our Company*" on page 83.

d) Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

In this connection, please note that:

(i) The Equity Shares offered for Minimum Promoter's Contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and involving any revaluation of assets or capitalisation of intangible assets in such transaction, (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Minimum Promoter's Contribution.

(ii) The Minimum Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer.

(iii) Our Company has not been formed by the conversion of one or more partnership firms or of a limited liability partnership firm into a Company.

12. **Details of equity share capital locked-in for six months**

Pursuant to the SEBI ICDR Regulations, the entire pre-Offer capital of our Company (including those Equity Shares held by our Promoter in excess of the Minimum Promoter's Contribution) shall be locked-in for a period of six months from the date of Allotment, except for (i) the Equity Shares Allotted pursuant to the Offer for Sale; (ii) any Equity Shares held by the eligible employees (whether currently employees or not) of our Company which have been allotted to them under an employee stock option scheme, prior to the Offer, except as required under applicable law, (iii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders, and (iv) as otherwise permitted under the SEBI ICDR Regulations. Further, any unsubscribed portion of the Offered Shares will also be locked in, as required under the SEBI ICDR Regulations.

13. **Secondary transfers by members of Promoter Group (holding Equity Shares in our Company as on the date of this Draft Red Herring Prospectus) and Selling Shareholder**

Except as disclosed in "– *Details of Shareholding of our Promoter*, *members of the Promoter Group in our Company*" on page 83 and disclosed below, there has been no acquisition of Equity Shares through secondary transactions by our Promoters (including the Promoter Selling Shareholder) and the members of the Promoter Group holding Equity Shares as on the date of this Draft Red Herring Prospectus:

S. No.	Name of Transferor	Name of Transferee	Date of acquisition	No. of Equity Shares Acquired	Face value (₹)*	Amount of consideration (₹)	Price of acquisition	Mode of acquisition
1.	Jhelum Dhiresh Gosalia	Dhiresh Shashikant Gosalia	March 20, 2014	25,000	100	-	-	Gift
2.	Usha Shashikant Gosalia	Dhiresh Shashikant Gosalia	January 06, 2016	64,596	100	-	-	Gift
3.	Dhiresh Shashikant Gosalia	Usha Shashikant Gosalia	February 12, 2016	17,000	100	-	-	Settlement of partners' account of Jesons Corporation
4.	Usha Shashikant Gosalia	Dhiresh Shashikant Gosalia	February 12, 2016	17,000	100	-	-	Gift
5.	Hemal Kampani	Usha Shashikant Gosalia	September 01, 2017	100	100	10,000	100	Transfer by way of purchase/sale of shares
6.	Kiran Daftary	Jhelum Dhiresh Gosalia	September 01, 2017	100	100	10,000	100	Transfer by way of purchase/sale of shares
7.	Madhusudan Mehta	Madhuri Madhusudan Mehta	July 11, 2019	100	100	-	-	Gift
8.	Dhiresh Shashikant Gosalia	Jhelum Dhiresh Gosalia	October 13, 2021	1,494,000	5	-	-	Gift
9.	Jhelum Dhiresh Gosalia	Dhiresh Shashikant Gosalia	December 16, 2023	1,499,900	5	-	-	Gift

14. **Lock-in of Equity Shares Allotted to Anchor Investors**

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of ninety days on fifty per cent of the shares allotted to the anchor investors from the date of allotment, and a lock-in of thirty days on the remaining fifty per cent of the shares allotted to the Anchor Investors from the date of Allotment.

15. **Recording on non-transferability of Equity Shares locked-in**

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

16. **Other requirements in respect of lock-in**

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan granted by a scheduled commercial bank, a public financial institution, NBFC-SI or a deposit taking housing finance company, subject to the following:

(i) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan; and

(ii) with respect to the Equity Shares locked-in as Minimum Promoter's Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in, in the hands of such transferee, for the remaining period and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons (other than our Promoter) prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of such transferee and compliance with the applicable provisions of the Takeover Regulations.

17. **Employee stock option scheme:**

Pursuant to a resolution of our Board dated December 11, 2024, and a special resolution passed by our Shareholders dated December 16, 2024, Employee Stock Option Pool (hereinafter referred to as "**ESOP Pool**") has been approved comprising of 26,80,560 (Twenty-Six Lakhs Eighty Thousand Five Hundred and Sixty) Equity Shares of Rs. 5 each and authorising the Nomination & Remuneration Committee to create, formulate plan/policy, offer, grant, issue, and allot in one or more tranches under the said ESOP Pool.

Pursuant to a resolution of our Board dated December 17, 2024, the consent of the Board of the Company has been accorded to adopt the Employee Stock Option Reward Based Plan 2024 ("**ESOP 2024**"), which provides for granting options to the eligible employees and directors of our Company and subsidiaries (excluding an employee/director who is a promoter or a person belonging to the promoter group, independent director and a director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company), not exceeding 452,572 Equity Shares of the Company. ESOP 2024 has been implemented in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. ESOP 2024 will be administered by the Nomination and Remuneration Committee which shall act as the compensation committee. The options will vest over the next four years subject to listing of the Company.

As on the date of this Draft Red Herring Prospectus, under ESOP 2024, a cumulative of 452,572 options have been granted.

The details of the ESOP, as certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025 are as follows:

Particulars	Details				
	Financial Year 2022	Financial Year 2023	Financial Year 2024	For the six-month period ended September 30, 2024	From October 1, 2024 until the date of this Draft Red Herring Prospectus
Total options outstanding as at the beginning of the period	NA	NA	NA	NA	NA
Total options granted	NA	NA	NA	NA	452,572
Exercise price of options in ₹ (as on the date of grant options)	NA	NA	NA	NA	₹ 175 per Equity Share
Options forfeited/lapsed/cancelled	NA	NA	NA	NA	NA
Variation of terms of options	NA	NA	NA	NA	NA
Money realized by exercise of options	NA	NA	NA	NA	NA

Particulars	Details				
	Financial Year 2022	**Financial Year 2023**	**Financial Year 2024**	**For the six-month period ended September 30, 2024**	**From October 1, 2024 until the date of this Draft Red Herring Prospectus**
Total number of options outstanding in force	NA	NA	NA	NA	452,572
Total options vested (excluding the options that have been exercised)	NA	NA	NA	NA	Nil
Options exercised (since implementation of the ESOP Scheme)	NA	NA	NA	NA	Nil
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	NA	NA	NA	NA	452,572
Employee wise details of options granted to:	-	-	-	-	
(a) Key managerial personnel	NA	NA	NA	NA	Nil
(b) Senior management					Shaji Thomas – 36,869
(c) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	NA	NA	NA	NA	None of the employee has been granted more than 5% of the issued capital of our Company
(d) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NA	NA	NA	NA	None of the employee has been granted more than 1% of the issued capital of our Company
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	NA	NA	NA	NA	NA
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	NA	NA	NA	NA	Nil – As no options were granted upto Financial Year 2023-2024 The Company has complied with the accounting standard issued by the Institute of Chartered Accountants of India
Description of the pricing formula and method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	NA	NA	NA	NA	**The fair value of the employee stock options has been derived using the Black Scholes Option Pricing model:** Life of the options granted (vesting period) (in years): 4 years

Particulars	Details				
	Financial Year 2022	Financial Year 2023	Financial Year 2024	For the six-month period ended September 30, 2024	From October 1, 2024 until the date of this Draft Red Herring Prospectus
					Life of the options granted (exercise period) (in years): within 5 years after vesting. Expected Volatility: 38.45% Exercise Price per Equity Shares: ₹ 175 Risk Free Rate: 6.65% Dividend Yield: 0.00% Fair value of the underlying Equity Share at the time of grant of option: ₹286.00 (per Equity Share)
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three Years	NA	NA	NA	NA	Nil
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	NA	NA	NA	NA	NA
Intention to sell Equity Shares arising out of the ESOP Scheme or allotted under an ESOP Scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	NA	NA	NA	NA	NA

18. Up to [●] Equity Shares aggregating up to ₹ [●] million (which shall not exceed 5% of the post-Offer equity share capital of our Company) shall be reserved for allocation to Eligible Employees under the Employee Reservation Portion, subject

to valid Bids being received at or above the Offer Price. Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion. Bids by Eligible Employees can also be made in the Net Offer and such Bids shall not be treated as multiple Bids. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000 up to ₹ 500,000.

19. Except for the allotment of Equity Shares pursuant to the (i) Fresh Issue and (ii) Pre-IPO Placement, if any, there will be no further issue of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

20. None of the members of the Promoter Group, our Promoter, and / or our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus. For details of acquisitions by our Promoters and members of the Promoter Group during the period, please see "*Details of the price at which the Equity Shares were acquired by our Promoters (including Promoter Selling Shareholder) and members of our Promoter Group and Shareholders with the right to nominate Directors or any other special rights in the three years preceding the date of this Draft Red Herring Prospectus in the three years immediately preceding the date of this Draft Red Herring Prospectus*" on page 22.

21. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, and / or our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

22. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

23. As on the date of this Draft Red Herring Prospectus, the BRLMs, their respective associates, as defined under the SEBI Merchant Bankers Regulations, do not hold any Equity Shares. The BRLMs, their respective associates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

24. Our Company shall ensure that any transaction in the Equity Shares by our Promoter and the members of the Promoter Group during the period between the date of the Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transaction.

25. Our Company, the Promoter, our Directors and the BRLMs have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

26. There are no warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares as on the date of this Draft Red Herring Prospectus.

27. The Offer is being made through the Book Building Process in terms of Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net-Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Furthermore, up to [●] Equity Shares, aggregating up to ₹ [●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any. All potential Bidders (except Anchor Investors) are mandatorily required to utilize the ASBA process providing details of their respective ASBA accounts and UPI ID in case of RIBs using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount will be blocked by SCSBs) or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of respective

Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA Process. For further details, see "*Offer Procedure*" on page 378.

28. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

29. Except to the extent of the Offer for Sale by our Promoter Selling Shareholder, our Promoters and the members of our Promoter Group will not participate in the Offer.

30. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, our Directors, our Promoter, members of our Promoter Group or Group Company, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

31. Neither the (i) BRLM or any associate of the BRLM (other than mutual funds sponsored entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs); nor (ii) any person related to the Promoter or Promoter Group can apply under the Anchor Investor Portion.

32. Other than as disclosed in "*Notes to the Capital Structure – Share capital history of our Company",* our Company has not undertaken any public issue of securities or any rights issue of any kind or class of securities since its incorporation.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 3,000.00 million by our Company and an Offer for Sale of up to 9,460,800 Equity Shares, aggregating up to ₹ [●] million. For further details of the Offer, see "*Summary of the Offer Document*" and "*The Offer*" on pages 18 and 60, respectively.

Offer for Sale

The Promoter Selling Shareholder will be entitled to the proceeds of the Offer for Sale after deducting his proportion of Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. For further details of the Offer for Sale, see "*Other Regulatory and Statutory Disclosures– Authority for the Offer*" on page 356.

Fresh Issue

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Company and/ or our Subsidiaries;

2. Funding of capital expenditure through investment in our wholly owned subsidiary, Jesons Innovative Polymers Private Limited, for setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives; and

3. General corporate purposes.

(Collectively, the "**Objects**").

Further, our Company expects to receive the benefits of listing of the Equity Shares of face value ₹5 on the Stock Exchanges, enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us: (i) to undertake our existing business activities and other activities set out therein; and (ii) to undertake the activities proposed to be funded from the Net Proceeds. The main objects and objects incidental and ancillary to the main objects set out in the respective memorandum of association of our Subsidiaries, enables each of them to undertake the activities towards which the loans proposed to be repaid from the Net Proceeds were utilised and activities proposed to be funded from the Net Proceeds.

Net Proceeds

The details of the Net Proceeds of the Fresh Issue are set out below:

Particulars	Amount (*₹ in million*)
Gross proceeds of the Fresh Issue(2)	3,000.00
(Less) Offer-related expenses in relation to the Fresh Issue(1)	[●]
Net Proceeds*	**[●]**

* *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*
(1) *See "—Offer Related Expenses" on page 103*
(2) *Includes proceeds, if any, received pursuant to the pre-IPO Placement. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

Requirement of funds and utilization of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

Particulars	Estimated amount (*₹ in million*)
Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Company and/ or our Subsidiaries	1,650.00
Funding of capital expenditure through investment in our wholly owned subsidiary, Jesons Innovative Polymers Private Limited, for setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives	779.00
General corporate purposes(1)	[●]
Total	**[●]**

(1) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

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

Particulars	Total estimated costs(1) (2)	Estimated utilization from Net Proceeds(3)	Estimated schedule of deployment of Net Proceeds		
			Financial Year 2026	Financial Year 2027	Financial Year 2028
	(in ₹ million)				
Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Company and/ or our Subsidiaries	-	1,650.00	1,650.00	-	-
Funding of capital expenditure through investment in our wholly owned subsidiary, Jesons Innovative Polymers Private Limited, for setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives	779.00	779.00	210.00	520.00	49.00
General corporate purposes (4)	-	[●]	[●]	[●]	[●]
Net Proceeds	-	[●]	[●]	[●]	[●]

(1) *Applicable taxes, to the extent required, have been included in the estimated cost.*

(2) *Total estimated cost as per the detailed project report dated January 8, 2025, from Chemplant Project Consultants (acting through Satish Kulkarni, Chartered Engineer).*

(3) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

(4) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds, in accordance with the SEBI ICDR Regulations.*

The above fund requirements are based on our current business plan, management estimates, other commercial and technical factors including interest rates and other charges, and the financing and other agreements entered into by our Company and/ or Subsidiaries, quotations received from third-party vendors, which are subject to change in the future and have not been appraised by any banks or financial institutions. These are based on current conditions and are subject to revisions in light of changes in costs, our financial condition, our business operations or growth strategy or external circumstances which may not be in our control. We have also relied on a detailed project report dated January 8, 2025 issued by Chemplant Project Consultants (acting through Satish Kulkarni, Chartered Engineer), for assessment of estimated cost in relation to setting up of machine lines for the new adhesives project by JIPPL – solvent based adhesives and flexible packaging adhesives ("**Detailed Project Report**").

Subject to applicable law, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilization towards any of the stated objects is lower than the proposed deployment, the balance remaining may be utilized towards future growth opportunities, and/or towards funding any of the other for any other purpose, and/or general corporate purposes, subject to applicable laws to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations and in compliance with the objectives as set out under "*—Details of the Objects — General corporate purposes*" below and will be consistent with the requirements of our business. In the event that the estimated utilisation of the Net Proceeds in a scheduled Financial Year is not completely met, due to the reasons stated above, the same shall be utilised in the next financial year, as may be determined by our Company in accordance with applicable laws. The estimated schedule of deployment of Net Proceeds is indicative and our management may vary the amount to be utilized in a particular Financial Year at its discretion.

For further information on factors that may affect our internal management estimates, see "*Risk Factors — Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates, have not been independently appraised. Accordingly, the funding requirements and proposed deployment of Net Proceeds may be subject to change based* *on various factors such as market conditions, business requirements and liquidity constraints, some of which are beyond our control."* on page 49.

Our Board at its meeting held on January 9, 2025, approved the proposed objects of the Offer and the respective amounts proposed to be utilized from the Net Proceeds for each object. See "*Material Contracts and Documents for Inspection – Material Documents*" on page 437.

Means of finance

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Offer. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

Details of the Objects of the Offer to funded from Fresh Issue Proceeds

1. ***Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Company and our Subsidiaries***

Our Company and our Subsidiaries have entered into various borrowing arrangements, including borrowings in the form of terms loans and various fund based and non-fund based working capital facilities with various banks and financial institutions. As on September 30, 2024, we had outstanding borrowings of ₹1,689.40 million on a consolidated basis. For details of these financing arrangements including indicative terms and conditions, see "*Financial Indebtedness– Principal terms of the borrowings availed by us*" on page 315.

Our Company intends to utilize an aggregate amount of up to ₹ 1,650.00 million from the Net Proceeds towards repayment/ prepayment of all or a portion of certain outstanding borrowings availed by our Company and/ or our Subsidiaries and the accrued interest thereon. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, along with interest and other related costs, if any, will also be funded out of the internal accruals of our Company, as per the requirements of our Company and/ or our Subsidiaries. Given the nature of the borrowings and the terms of repayment/ prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment. We believe that such repayment or prepayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of the internal accruals for further investment towards business growth and expansion

In addition, we believe that this would improve our ability to raise further resources in the future to fund potential business development opportunities. The selection of borrowings proposed to be prepaid or repaid or redeemed amongst our borrowing arrangements will be based on various factors, including (i) maturity profile and the remaining tenor of the loan, (ii) cost of the borrowing, including applicable interest rates, (iii) any conditions attached to the borrowings, restricting our ability to prepay/ repay/ redeem the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, or relating to the terms of repayment, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any laws, rules and regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding, (vii) presence of onerous terms and conditions under the facility; (viii) mix of credit facilities provided by lenders and (viii) receipt of consents for prepayment or repayment from respective lenders. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For details, see "*Financial Indebtedness*" on page 314. Further, our Company and/ or our Subsidiaries may also avail additional borrowings and/ or draw down further funds under existing borrowing facilities, from time to time, after the date of this Draft Red Herring Prospectus. Accordingly, in case any of the below loans are pre-paid or further drawn-down prior to the filing of the Red Herring Prospectus, we may utilize the Net Proceeds towards repayment and / or pre-payment of such additional indebtedness. In light of the above, if at the time of filing the Red Herring Prospectus, any of the below mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company and/ or our Subsidiaries.

The following table provides the details of the outstanding amount of borrowings including interest thereon of ₹ 1,679.73 million availed by our Company and/ or our Subsidiaries, as on September 30, 2024, out of which we propose to pre-pay/ repay, in full or in part, along with the accrued interest from the Net Proceeds for an aggregate amount of up to ₹ 1,650.00 million:

Sr. No.	Name of the Lender	Nature of Borrowing	Sanctioned Amount (₹ million)	Outstanding Amount as on September 30, 2024 (₹ million)	Interest Rate	Repayment Schedule/ Maturity date	Prepayment penalty / premium and conditions	Purpose for which disbursed loan amount was sanctioned and utilized
Our Company								
1.	Axis Bank Limited	Working capital facility	Fund based: 150.00 Non fund based: 650.00	75.71	Buyer's Credit facility: 3M Secured Overnight Financing Rate ("**SOFR**") + 40 bps + Bank Charges:150 USD	November 29, 2024	NA	To meet working capital requirements and short-term cash-flow requirements
				167.58	Buyer's Credit facility: 3M SOFR + 40 bps + Bank Charges:75 USD	December 12, 2024	NA	
				60.08	Buyer's Credit facility: 3M SOFR + 38 bps + Bank Charges:100 USD	December 27, 2024	NA	
				53.01	Buyer's Credit facility: 3M SOFR + 38 bps + Bank Charges: 100 USD	December 27 2024	NA	
2.	ICICI Bank Limited	Working capital facility	Fund based: 500.00 Non fund based: 500.00	188.52	Cash Credit facility: 6M MCLR+0.30% pa	On Demand	NA	To meet working capital requirements and short-term cash-flow requirements
					Buyer's Credit facility: 3 M Term SOFR + 40 bppa	November 22, 2024	NA	
Our Subsidiary, JTPL								
3.	HDFC Bank Limited	Term Loan	422.00	155.47	9.95% to 10%	To be paid in equally quarterly instalments (post moratorium period) **As per sanction letter dated November 27, 2019, for ₹350 million:** Six years from the date of first disbursement (including moratorium period of one year three months), repayment will be equal quarterly instalments post moratorium period.	2% In case of takeover of the facility amount payable on partial or full closure. Nil charges in case of payment out of internal accruals / own sources.	1. Capex: Purchase of Machinery, Construction of factory shed and building of new manufacturing facility. Products: Pressure-sensitive Adhesive (PSA) and Emulsion binders 2. Incremental Capex towards factory building construction due to increase in capacity addition of PSA and paint emulsions and to accommodate machineries for manufacture of HDPE drums and packaging

<table>
<tr><th>Sr. No.</th><th>Name of the Lender</th><th>Nature of Borrowing</th><th>Sanctioned Amount (₹ million)</th><th>Outstanding Amount as on September 30, 2024 (₹ million)</th><th>Interest Rate</th><th>Repayment Schedule/ Maturity date</th><th>Prepayment penalty / premium and conditions</th><th>Purpose for which disbursed loan amount was sanctioned and utilized</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td>As per sanction letter dated December 9, 2020 for ₹72 million:
Five years seven months (including moratorium period of nine months), repayment will be equal quarterly instalments post moratorium period.</td><td></td><td>3. Purchase of additional machinery (reactor)
4. Purchase of machinery for manufacture of HDPE drums.</td></tr>
<tr><td>4.</td><td>HDFC Bank Limited</td><td>Working capital facility</td><td>Fund based: 250.00

Non fund based: 450.00</td><td>32.73</td><td>Cash Credit Facility: 1 YR MCLR+0.25% pa</td><td>NA</td><td>NA</td><td>To meet working capital requirements and short-term cash-flow requirements</td></tr>
<tr><td rowspan="2">5.</td><td rowspan="2">Axis bank Limited</td><td rowspan="2">Working capital facility</td><td rowspan="2">Fund based: 150.00

Non fund based: 600.00</td><td>0.04</td><td>Cash Credit facility: 1 YR MCLR+0.95% PA</td><td>On Demand</td><td rowspan="2">NA</td><td rowspan="2">To meet working capital requirements and short-term cash-flow requirements</td></tr>
<tr><td>206.90</td><td>Buyer's Credit facility: 3 M Term SOFR + 40 bppa + Bank Charges: USD 75.00</td><td>December 13, 2024</td></tr>
<tr><td colspan="9">Our Subsidiary, JIPPL</td></tr>
<tr><td>6.</td><td>ICICI Bank</td><td>Term loan</td><td>800.00</td><td>739.69</td><td>9.35 % to 9.6%</td><td>As per sanction letter dated April 5, 2023, for ₹800 million: The principal amount of the facility shall be repaid in 20 equal quarterly instalments starting from September 2025, (moratorium period of 24 months from the date of first disbursement)</td><td>1.0 % of the amount of principal of the facility prepaid, unless the same is prepaid out of the equity infusion by the promoters or internal accruals.</td><td>The facility shall be used only for the following purpose:

1. Land cost to the extent of 50 % of related expenses.
2. Capital expenditure in setting up manufacturing unit including payment towards capex LC.
3. Reimbursement of capex incurred in the last 6 months prior to the date sanction of the term loan.
4. Transaction related expenses.</td></tr>
<tr><td colspan="4">Total</td><td>1,679.73</td><td colspan="4"></td></tr>
</table>

As certified by our Statutory Auditor, by way of their certificate dated January 9, 2025.

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilisation of loans for the purposes availed, our Company has obtained the requisite certificate dated January 9, 2025, from our Statutory Auditor.

Further, as on the date of this Draft Red Herring Prospectus, our Company and its Subsidiaries has obtained all applicable consents from our lenders, in writing, for the purpose of the Offer.

Out of the ₹ 1,650.00 million proposed to be deployed for repayment of borrowings, a portion of the proceeds will be used by our Subsidiaries, JIPPL and JTPL, to repay a portion of their respective outstanding borrowings. Our Company shall make investment in our Subsidiary JIPPL in the form of equity or debt including inter-corporate loans, non-convertible debentures or in any other manner as may be decided by our Board. The actual mode of such deployment has not been finalized as on the date of this Draft Red Herring Prospectus; and (ii) in our Subsidiary JTPL in the form of equity infusion.

2. **Funding of capital expenditure through investment in our wholly owned subsidiary, Jesons Innovative Polymers Private Limited ("JIPPL"), for setting up of machine lines for the new adhesives project for solvent based adhesives and flexible packaging adhesives ("New Adhesives Project")**

We are one of the leading manufacturers of coating emulsions to the paint sector and water-based pressure sensitive adhesives in tape and label segments (in terms of sales value), in India (*Source: CRISIL Report*). Our products are used in various end user industries, such as paints, packaging, wood working (furniture), construction industry, tile industry, textiles, leather chemicals, carpet chemicals and paper chemicals. Amongst the Indian manufacturers, we have one of the largest range of products in coating materials and adhesives product categories (*source: CRISIL Report*).

We have established phase 1 of a greenfield project in Saykha, Gujarat, marking our seventh manufacturing facility. In the financial year ended March 31, 2023, we acquired a 63,230 square meters plot at the Saykha Industrial Estate, GIDC, Bharuch, Gujarat. In line with our continued focus on strategic growth opportunities, our Company propose to utilise a portion of the Net Proceeds, amounting to ₹ 779.00 million, for setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives with manufacturing capacity of 5000MT/year and 10,000MT/year respectively as a brown field expansion in our Saykha, Gujarat manufacturing plant.

The investment by our Company in the JIPPL, a wholly owned Subsidiary, towards funding the New Adhesives Project, is proposed to be undertaken in the form of equity or debt or a combination of both or in any other manner as may be mutually decided. The actual mode of such deployment has not been finalized as on the date of this Draft Red Herring Prospectus. For further details of the JIPPL, please see the section titled "*History and Certain Corporate Matters – Our Subsidiaries*" on page 241.

Estimated project cost

The total estimated cost of the New Adhesives Project is ₹779.00 million, as verified by Chemplant Project Consultants (acting through Satish Kulkarni, Chartered Engineer), in the Detailed Project Report. The detailed break-down of estimated cost is set forth below:

S. No.	Particulars	Estimated cost (in ₹ million)
1.	Civil works	199.24
2.	Plant and machineries	264.66
3.	Mechanical, electrical and instrumentation equipment	157.41
4.	Others (including IT Infrastructure and Quality Control)	28.94
5.	Consultancies	46.00
6.	Pre-operative expenses	28.40
7.	Contingency cost	54.35
	Total	**779.00**

Land

The New Adhesives Project shall be set-up in Saykha (Gujarat) on a land leased to JIPPL from Gujarat Industrial Development Corporation for a period of 99 years pursuant to a lease deed dated April 7, 2023. The project site admeasures 63,230 square meters. The land used for the New Adhesives Project will be 9,500 square meters. No component of the Net Proceeds shall be incurred or utilised towards cost of procurement of land for the New Adhesives Project.

Building and civil works

The building and civil work costs for the New Adhesives Project includes costs towards, among others, construction of a raw material, production and finished goods building and the interior package. The total estimated cost for building and civil work, based on the Detailed Project Report, is ₹ 199.24 million, which will be funded from the Net Proceeds. A detailed-break up of the total estimated cost for building and civil works is set forth below:

Equipment	Quantity	Estimated Cost (in ₹ million)	Name of vendor	Date of quotation	Validity of quote
Civil Works (RM+ FG+ Production)	1	40.03	Arcedges	December 9, 2024; December 4, 2024	9 months
Civil and Structural Works (BOQ)	1	110.21	Buildwell	November 29, 2024	9 months
Interior Package	1	49.00	SR Interior	December 6, 2024	9 months
Total		**199.24**			

Notes:

* *All estimates are inclusive of additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, taxes and other government levies, as applicable.*

Plant and machineries

The plant and machineries costs for the New Adhesives Project includes costs towards, among others, procurement/ installation of *inter alia* Reactors, Blendersm Storage Tanks, Pumps, Packing Machine, Lift, Heat Exchanger, Filter, Strainer, Tanks, Weigh Balance and other utilities. A list of plant, machinery and equipment required to be installed in the New Adhesives Project, that we intend to fund from the Net Proceeds, along with details of the quotations we have received in this respect are set forth below. The total estimated cost for plant, machinery, equipment and utilities in relation to the New Adhesives Project is ₹ 264.66 million.

Equipment	Quantity	Cost (in ₹ million)	Vendor	Validity	Date of Quotation
Ethyl Acetate ST - Fresh	1	3.55	Unifab	9 months	November 22, 2024
Ethyl acetate ST - Wash	1	2.65	Unifab	9 months	November 22, 2024
Pump for RMT-112	1	0.12	Maxworth	9 months	November 23, 2024
Pump for RMT-115	1	0.12	Maxworth	9 months	November 23, 2024
Reactor	1	4.10	Unifab	9 months	December 5, 2024
15 KL cap. SS 304 Additive mixing tank - 1 with Agitator - BL-202A (SS Limpet)	1	6.52	Stalwart	9 months	January 3, 2025
15 KL cap. SS 304 Additive mixing tank - 2 with Agitator - BL-202B (SS Limpet)	1	6.52	Stalwart	9 months	January 3, 2025
Bag Dumping with Screw Conveyor -1	1	0.25	Chemplant	9 months	December 18, 2024
Bag Dumping with Screw Conveyor -1	1	0.25	Chemplant	9 months	December 18, 2024
0.2 KL cap. SS 304 Catalyst Tank - 1 with Agitator - CT-202A	1	0.73	Stalwart	9 months	January 3, 2025
0.5 KL cap. SS 304 Catalyst Tank - 2 with Agitator - CT-202B	1	1.04	Stalwart	9 months	January 3, 2025
Receiver of R-202	1	0.22	Unifab	9 months	November 22, 2024
Solvent Tank - 1 – DT-202	1	0.55	Stalwart	9 months	January 3, 2025
Solvent Tank – 2 – DT-203	1	0.55	Stalwart	9 months	January 3, 2025
Solvent Tank – 3 – DT-204	1	0.55	Stalwart	9 months	January 3, 2025
Solvent Tank - 4	1	0.63	Unifab	9 months	November 22, 2024
Pump of CT-202A	1	0.12	Shapotools	9 months	November 28, 2024
Pump of CT-202B	1	0.12	Shapotools	9 months	November 28, 2024
Pump for BL-202C	1	0.35	Maxworth	9 months	November 26, 2024
Pump for BL-202D	1	0.35	Maxworth	9 months	November 26, 2024

Equipment	Quantity	Cost (in ₹ million)	Vendor	Validity	Date of Quotation
Semi-Automatic Filling machine – X-202A	1	0.35	Chemplant	9 months	December 18, 2024
Semi-Automatic Filling machine of X-202	1	0.35	Chemplant	9 months	December 18, 2024
Self cleaning filter – 1 for F-202A	1	1.00	Chemplant	9 months	December 18, 2024
Self cleaning filter – 1 for F-202B	1	1.00	Chemplant	9 months	December 18, 2024
Primary Condenser of R-202	1	1.60	Unifab	9 months	November 26, 2024
Secondary Condenser of R-202	1	0.68	Unifab	9 months	November 26, 2024
1.2 KL cap. SS 304 Pilot reactor – R-203	1	2.15	Stalwart	9 months	January 3, 2025
Heat exchanger of R-203	1	0.54	Unifab	9 months	November 26, 2024
Catalyst A with Agitator - CT-203A	1	0.57	Stalwart	9 months	January 3, 2025
Catalyst B with Agitator - CT-203B	1	0.57	Stalwart	9 months	January 3, 2025
Pump for CT-203A	1	0.06	Shapotools	9 months	November 28, 2024
Pump for CT-203B	1	0.06	Shapotools	9 months	November 28, 2024
Vacuum pump – P-203C	1	0.60	Chemplant	9 months	November 28, 2024
RM-2 Diethylene Glycol Storage Tank	1	2.90	Unifab	9 months	November 22, 2024
RM-3 Castor Oil Storage Tank	1	2.65	Unifab	9 months	November 22, 2024
RM-4 PPG Storage Tank	1	2.65	Unifab	9 months	November 22, 2024
Pump for RMT-116	1	0.12	Maxworth	9 months	November 23, 2024
Pump for RMT-117	1	0.12	Maxworth	9 months	November 23, 2024
Pump for RMT-118	1	0.12	Maxworth	9 months	November 23, 2024
Polyester Reactor with Agitator R-204	1	7.74	Unifab	9 months	November 22, 2024
Receiver of V-204	1	0.71	Unifab	9 months	November 22, 2024
Heat exchanger of R-204	1	1.75	Unifab	9 months	November 26, 2024
Packed column with Structured Packing of C-204	1	0.12	Chemplant	9 months	December 18, 2024
Blender of BL-204	1	9.53	Unifab	9 months	November 22, 2024
Jumbo Bag charging station of BCS-204	1	0.75	Chemplant	9 months	December 18, 2024
PTS (Screw) of PTS-204	1	0.12	Chemplant	9 months	December 18, 2024
Rotary air lock valve – RAV-204	1	0.08	Chemplant	9 months	December 18, 2024
Vacuum Pump for R-204	1	1.91	Everest	9 months	December 10, 2024
AODD pump of P-204	1	0.10	Price pumps	6 to 9 months	November 28, 2024
Filling machine of X-204A	1	0.34	Chemplant	9 months	December 18, 2024
10 KL cap. SS 316 Reactor with agitator (SS Limpet coil) – R-205	1	4.84	Stalwart	9 months	January 3, 2025
1.2 KL cap. SS 316 Receiver – V-205	1	0.42	Stalwart	9 months	January 3, 2025
Heat exchanger of R-205	1	1.28	Unifab	9 months	November 26, 2024
Packed column of R-205	1	0.80	Chemplant	9 months	December 18, 2024

Equipment	Quantity	Cost (in ₹ million)	Vendor	Validity	Date of Quotation
Vacuum Pump for P-205A	1	1.00	Chemplant	9 months	December 18, 2024
Vacuum Pump for P-205B (Standby)	1	1.00	Chemplant	9 months	December 18, 2024
13 KL cap. SS 316 Blender with agitator (SS Limpet coil) – BL-205	1	5.55	Stalwart	9 months	January 3, 2025
Bag charging station – BCS-205	1	0.75	Chemplant	9 months	December 18, 2024
PTS (Screw) of PTS-205	1	0.12	Chemplant	9 months	December 18, 2024
AODD pump of P-205	1	0.10	Price pump	6 to 9 months	November 28, 2024
Bag fillers – 300 kgs Jumbo bags	1	1.20	Precision	9 months	January 4, 2025
Filling machine of X-205	1	0.35	Chemplant	9 months	December 18, 2024
1 KL cap. SS 316 Polyester Pilot Reactor with agitator (SS Limpet) R-206	1	2.07	Stalwart	9 months	January 3, 2025
Receiver of R-206	1	0.15	Chemplant	9 months	January 6, 2025
Heat exchanger of R-206	1	0.73	Unifab	9 months	November 26, 2024
Packed column of C-206	1	0.80	Chemplant	9 months	December 18, 2024
AODD pump of R-206	1	0.04	Price pumps	6 to 9 months	November 28, 2024
Cold oil circulation setup for cooling	1	0.50	Chemplant	9 months	December 18, 2024
RM loading – P-206	1	0.05	Chemplant	9 months	December 18, 2024
Heat Exchanger	2	0.36	Kelvion	9 months	November 16, 2024
15 KL cap. SS 316 Reactor with agitator	1	6.52	Stalwart	9 months	January 3, 2025
KL cap. SS 316 Premix Tank with agitator of M-207	1	3.53	Stalwart	9 months	January 3, 2025
MDI day tank – Additive tank – 1	1	1.05	Unifab	9 months	November 22, 2024
TDI day tank – Additive tank - 2	1	0.81	Unifab	9 months	November 22, 2024
Vacuum Pump – P-206A	1	0.60	Chemplant	9 months	December 18, 2024
Vacuum Pump for MDI – P-207A	1	0.20	Chemplant	9 months	December 18, 2024
Vacuum Pump for TDI – P-207B	1	0.20	Chemplant	9 months	December 18, 2024
Charging Booth of MDI – CB-206	1	0.15	Chemplant	9 months	December 18, 2024
Charging Booth of TDI – CB-207	1	0.15	Chemplant	9 months	December 18, 2024
Heat exchanger of R-207	1	0.87	Unifab	9 months	November 26, 2024
Pump of R-207	1	0.74	Chemplant	9 months	December 18, 2024
Filling machine of X-205	1	0.35	Chemplant	9 months	December 18, 2024
1 KL cap. SS 316 PU Pilot Reactor with agitator (SS Limpet) – R-208	1	1.95	Stalwart	9 months	January 3, 2025
0.5 KL cap. SS 316 Premix Tank with agitator – R-208	1	1.05	Stalwart	9 months	January 3, 2025
Heat exchanger of R-208	1	0.74	Unifab	9 months	November 26, 2024
AODD Pump pump of R-207	1	0.10	Price pumps	6 to 9 months	November 28, 2024
Bucket strainer MOC-SS316	1	0.10	Mab India	9 months	December 10, 2024
Bag filler – 30kgs small bags	2	2.00	Precision	9 months	January 4, 2025

Equipment	Quantity	Cost (in ₹ million)	Vendor	Validity	Date of Quotation
Thermax Revomax-d Nxt 850 and Accessories for Boiler	1	3.99	Veda Eng	9 months	December 10, 2024
Water softner X-901	1	0.15	Chemplant	9 months	December 18, 2024
Cooling tower	1	0.99	Himgiri	Approx. nine months	December 25, 2024
Chiller	1	4.95	Bluestar	9 months	December 9, 2024
Thermax TPGi – Thermopac 15 and accessories for TFH	1	11.02	Veda Eng	9 months	December 10, 2024
Nitrogen generator	1	2.95	Spantech	9 months	November 16, 2024
Air Compressor	1	3.05	Atlas Copco	12 months	November 18, 2024
Oil injected Rotary Screw Air Compressor	1	1.25	Spantech	9 months	November 16, 2024
Nitrogen Storage Vessel Capacity	1	0.26	Spantech	9 months	November 16, 2024
1.2 KL cap. SS 316 Receiver – V-205	1	0.42	Stalwart	9 months	January 3, 2025
Weighing balance 30 kg	4	1.08	JISL	9 months	January 4, 2025
Weighing balance 300 kg	4	1.18	JISL	9 months	January 4, 2025
Ingersol Rand ARO Pump	8	0.68	Maxworth	9 months	November 26, 2024
35 KL cap. SS 316 Common Dump Tank – V-202	1	5.76	Stalwart	9 months	January 3, 2025
Scrubber - Common	1	6.00	Chemtek	9 months	December 9, 2024
Dust Collector	1	3.30	Precision	9 months	December 9, 2024
Stripper Package	1	1.50	Chemplant	9 months	December 18, 2024
Racking system for RM & FG	1	10.50	Nilkamal	Approximately nine Months	December 7, 2024
MHE	1	20.50	Nilkamal	9 months	December 7, 2024
Fire Fighting	1	34.18	Sparetech	9 months	December 2, 2024
Lift	1	15.20	Schindler	12 months	December 7, 2024
ETP upgrade	1	22.00	Adept	9 months	December 7, 2024
Total		**264.66**			

As on the date of this Draft Red Herring Prospectus, we have not placed any orders for plant or machinery, etc. to be used for the New Adhesives Project. No second-hand or used machinery/equipment is proposed to be purchased out of the Net Proceeds.

Mechanical, electrical and instrumentation equipment

The mechanical, electrical equipment and instrumentation costs for the New Adhesives Project include costs towards, among others, piping, transformers, grinding machine, panels, cables, transformers. and installation charges. The total estimated cost for mechanical, electrical equipment and installations, based on the Detailed Project Report, is ₹157.41 million, which is to be funded from Net Proceeds. For details in relation to the estimated cost of such mechanical, electrical and instrumentation equipment, please refer to the table below:

Equipment	Quantity	Cost (In ₹ million)	Vendor	Validity of Quote	Date of Quotation
Mechanical Installation (including piping)	1	40.80	Chaudhary	9 months	December 5, 2024
Electrical Package	1	36.35	Raj Electrical	9 months	December 6, 2024
ELV package	1	16.95	Procom	9 Months	December 7, 2024
Instrumentation Installation	1	63.31	Sierra	9 months	December 7, 2024
Total		157.41			

Others (including IT Infrastructure and Quality Control)

The others (including IT Infrastructure and Quality Control) costs for the New Adhesives Project include costs towards, among others, installation of IT software, access control, cables, CCTV quality control equipment such as testing and calibration equipment, viscometer and other apparatus. Total estimated cost for such installations, based on the Detailed Project Report is ₹28.94 million. For further details in relation to the estimated cost of such facilities, please refer to the table below:

Equipment	Quantity	Cost (In ₹ million)	Vendor	Validity of Quote	Date of Quotation
Quality Control Equipment	1	17.44	Komal Scientific	9 months	January 6, 2025
IT Infrastructure	1	11.50	Procom	9 Months	December 7, 2024
Total		**28.94**			

Consultancies

The cost of consultancies in respect of the New Adhesives Project include cost towards, consulting with architects and others. Total estimated cost for such consultancies is ₹ 46.00 million. We have obtained quotation dated December 7, 2024, from Gulve for ₹46.00 million in relation to the consultancy services (designing, project management, etc.) offered by them. The quotation is valid for nine months.

Pre-operative expenses

We anticipate incurring expenses for various pre-operative and preliminary activities in relation to setting up of the New Adhesives Project, such as travelling to and from the Project Site, obtaining approvals for setting up of the New Adhesives Project, establishment expenses, legal and professional expenses, training of personnel, administrative processes, trial runs, certification cost, insurance, temporary infrastructure facilities etc. The total estimated cost for such miscellaneous expenses is ₹ 28.40 million.

Contingency costs

Contingency cost consists of any incremental cost that could be incurred when placing the final order for plant and machinery to various suppliers, increase in the cost of the equipment due to price inflation, fluctuation in currency exchange rate, change in logistics and any other such unavoidable expense. The total estimated contingency costs, as certified by Chemplant Project Consultants in the Detailed Project Report is ₹ 54.35 million.

We are yet to place orders for any of the components of the New Adhesives Project which we propose to finance from the Net Proceeds. There can be no assurance that we would be able to procure equipment at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire or based on the prevalent market conditions, such vendor's estimates and actual costs for the services may differ from the current estimates. The quotations mentioned above are valid as on date. In case of increase in the estimated costs, beyond the contingency costs, then such additional costs shall be met from our internal accruals and/or additional debt from existing and/or future lenders.

Our Promoters, Directors, Key Managerial Personnel and Senior Management do not have any interest in the proposed construction of structural and civil works, purchase of machinery, or in the entities from whom we have obtained quotations in relation to the Objects of the Offer. See "*Risk Factors – We have not placed orders for any machinery to be purchased for setting up a New Adhesives Project.*" on page 48. Our Company shall have the flexibility to deploy such machinery at any of our existing and future plants, according to our business requirements based on the estimates of our Company's management. For details of the risks applicable in this regard, see "*Risk Factors*" on page 25.

Raw Material and Utilities

The raw materials for proposed phase shall be sourced locally and globally. Sourced raw material shall be stored on site warehouse. Based on their lead time, days of their inventory shall be decided. Raw materials include bulk liquids which shall be stored in storage tank. Non-bulk raw materials in liquid or solids shall in the form of barrels, solid bags shall be stored on pallet in raw material warehouse. These raw materials shall be consumed in adjacent manufacturing area based on production demand. Packing materials like barrels shall be stored.

Consumables

Consumables are expressed as a percentage of sales, and their cost is calculated accordingly. These expenses cover various items such as chemicals, small tools, or components necessary for the manufacturing or operational processes, and they are a vital part of the overall expenses of the company.

Power

The connected load is 1.1 MW, the load factor is 0.90, indicating that the electrical system operates at 90% of its maximum capacity on average. This signifies efficient usage of power. There are 365 working days in a year and total estimated electricity consumption will be 45,33,300 kWh. The power will be sourced from local sub-station of Gujarat State Electricity Distribution through a dedicated high-tension transmission line of 33 kV.

Approvals

The necessary approvals and clearances prior to construction, as listed in the tables below, has been obtained from the competent authorities from time to time in relation to the New Adhesives Project, as and when required.

S. No	Description*	Status of approval
1.	GIDC Transfer Order for Saykha Industrial Plot	Approval received.
2.	Environment Clearance (EC) and EC Transfer Letter	Approval received.
3.	Gujrat Pollution Control Board (GPCB) - Consent to Establish (CTE) and CTE Change of Name Letter	Approval received.
4.	Site Layout Plan Approval from Executive Engineer Road & Building, GIDC, Bharuch	Approval received
5.	Building & Other Construction Workers (BOCW) registration	Approval received
6.	Factory Plan Approval Letter	Approval received
7.	Gujrat Pollution Control Board (GPCB) – Consent to Operate (Received for Pigment Dispersion)	Approval received
8.	Registration Certificate (under Contract Labour (Regulation & Abolition) Act, 1970)	Phase-I – Approval received Phase-II – Approval received
9.	GIDC (For Power Connection)	Approval received
10.	GIDC (For Water connection)	Approval received
11.	PESO (For Pressured Vessel/Storage Tanks)	NOC Received

As on the date of this Draft Red Herring Prospectus, we have not commenced the setting up of New Adhesives Project, including construction of building and other civil works. Accordingly, we are not required to obtain all material licenses / approvals from governmental authorities for this project at this stage of setting up and will apply for all necessary approvals that we may require at the relevant stages in due course, as and when applicable.

Proposed schedule of implementation

The detailed expected schedule of implementation for the New Adhesives Project, as certified by Chemplant Project Consultants in the Detailed Project Report, is provided in the table below:

Task Name	Estimated date of commencement*	Estimated date of completion*
Land Acquisition	-	Completed
Detailed engineering	July 1, 2025	November 31, 2025
Procurement	October 1, 2025	January 31, 2027
Civil Works, Mechanical Works, Electrical and Instrumentation works	January 1, 2026	June 30, 2027
Commissioning work, Trial Runs and Commercial Commencement	July 1, 2027	August 31, 2027

**The above timelines with respect to the implementation are as planned and indicative.*

While we believe that the schedule of implementation mentioned above is achievable, there is no assurance that there would not be any delays.

Our Company proposes to deploy the balance Net Proceeds aggregating up to ₹3,000.00 million. For details in relation to possible risks associated with not meeting the expected schedule of implementation for the New Adhesives Project, please refer to the section titled "*Risk Factors – Our proposed capacity expansion plans via our new machine lines are subject to the risk of unanticipated delays in implementation and cost overruns*" on page 47.

3. *General corporate purposes*

Towards general corporate purposes, as approved by our management, from time to time, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with Regulation 7(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include strengthening marketing capabilities, meeting ongoing general corporate contingencies, funding expenses incurred in the ordinary course of business including payment of commission and/or fees to consultants and brand building exercises, funding growth opportunities, strategic and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with applicable laws. The allocation or quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilizing surplus amounts, if any. In addition to the above, our Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting commission (if any), selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (i) the listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue, fees and expenses of the statutory auditors and fees and expenses of the legal counsel to the Company which shall be solely borne by the Company; and (ii) fees for counsel to the Promoter Selling Shareholder, if any, which shall be solely borne by the Promoter Selling Shareholder; all costs, fees and expenses (including all applicable taxes), directly attributable to the Offer with respect to the Offer shall be shared by the Promoter Selling Shareholder, on a pro rata basis, in proportion to the number of Equity Shares offered and sold by the Promoter Selling Shareholder through the Offer for Sale. The Company agrees to advance the cost and expenses of the Offer and the Company will be reimbursed, by the Promoter Selling Shareholder for his proportion of such costs and expenses upon successful completion of the Offer. The Promoter Selling Shareholder agrees that such payments, expenses and taxes, will be deducted from the proceeds from the sale of Offered Shares, in accordance with Applicable Law and as disclosed in the Offer Documents, in proportion to its Offered Shares. Notwithstanding anything contained herein or in any other documentation relating to the Offer, it is clarified that, in the event that the Offer is withdrawn or not completed for any reason, all the costs and expenses (including all applicable taxes) directly attributed to the Offer shall be exclusively borne by the Company and the Promoter Selling Shareholder in a proportionate manner including but not limited to, the fees and expenses of the BRLMs and the legal counsel in relation to the Offer, except as may be prescribed by SEBI or any other regulatory authority.

The estimated Offer expenses are as follows:

(*₹ in million*)

S. No	Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
1.	Fees payable to the BRLMs including underwriting commission, brokerage and selling commission, as applicable	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs (1)(2) and Bidding Charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs(3)(4)(5)(6)	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
4.	Other expenses:			
	(i) Listing fees, SEBI and Stock Exchanges filing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
	(ii) Printing and stationery expenses	[●]	[●]	[●]
	(iii) Advertising and marketing expenses	[●]	[●]	[●]
	(iv) Fees payable to the legal counsels to the Offer	[●]	[●]	[●]
	(v) Fees payable to the Statutory Auditor	[●]	[●]	[●]
	(vi) Fees payable to the industry service provider	[●]	[●]	[●]
	(vii) Fees payable to the Independent Practicing Company Secretary			
	(viii)Fees payable to the Independent Chartered Engineer			
	(ix) Miscellaneous expenses including [●]	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

* *To be incorporated in the Prospectus after finalisation of the Offer Price. Offer expenses are estimates and are subject to change. Offer expenses include goods and services tax, where applicable.*

(1) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, portion for Non-Institutional Bidders and Eligible Employees, which are directly procured by them would be as follows:*

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

*Portion for Eligible Employees**	*[●]% of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*
Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.
No additional processing/uploading charges shall be payable by our Company or the Promoter Selling Shareholders to the SCSBs on the applications directly procured by them.

(2) *Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and portion for Non-Institutional Bidders and Eligible Employee (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Brokers/RTAs/CDPs and submitted to SCSBs for blocking would be as follows:*

Portion for Retail Individual Bidders	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*
Portion for Eligible Employees	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*

* *Based on valid Bid cum Application Forms*

(3) *Selling commission on the portion for Retail Individual Bidders, the portion for Non-Institutional Bidders and Eligible Employees which are procured by Syndicate Members (including their sub-Syndicate Members) Registered Brokers, RTAs, CDPs would be as follows:*

*Portion for Retail Individual Bidders **	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders **	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Eligible Employees**	*[●]% of the Amount Allotted (plus applicable taxes)*

* *Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.*
Bidding Charges: ₹ [●] (plus applicable taxes) per valid application bid by the Members of the Syndicate (including their sub-Syndicate Members)/ RTA/CDPs.
Note: The brokerage/selling commission payable to the Syndicate/sub-Syndicate members will be determined on the basis of the ASBA Form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if an ASBA bid on the application form number/series of a Syndicate/sub-Syndicate member, is bid for by an SCSB, the brokerage/selling commission will be payable to the SCSB and not to the Syndicate/sub-Syndicate member. The brokerage/selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The bidding charges payable to the Syndicate/sub-Syndicate members will be determined on the basis of the bidding terminal ID as captured in the Bid book of the Stock Exchanges. Payment of brokerage/selling commission payable to the sub-brokers/agents of the sub-Syndicate members shall be handled directly by the sub-Syndicate members, and the necessary records for the same shall be maintained by the respective sub-Syndicate member.

(4) *Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Bidders, portion for Non-Institutional Bidder and Eligible Employees which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:*

Portion for Retail Individual Bidders	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Portion for Eligible Employees	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*

* *Based on valid Bid cum Application Forms*

(5) *Bidding charges of ₹ [•] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Bidders using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. Further, in order to determine to which Registered Broker/RTA/CDP, the commission is payable, the terminal from which the bid has been uploaded will be taken into account.*

(6) *Processing fees for applications made by UPI Bidders would be as follows:*

RTAs / CDPs/ Registered Brokers/Members of the Syndicate	*₹[●] per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank(s)	*₹ [●] for applications made by UPI Bidders using the UPI mechanism** *The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.*

* *Based on valid applications*
All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.
The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Interim Use of Funds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the objects described above, we undertake to temporarily deposit the funds from the Net Proceeds only with one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

As on the date of this Draft Red Herring Prospectus, our Company has not raised any bridge loans from any bank or financial institution or other independent agency, which are required to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with RoC, our Company will appoint a Monitoring Agency to monitor the utilization of the Gross Proceeds as the proposed Offer exceeds ₹ 1,000.00 million. The Monitoring Agency will monitor the utilisation of the Gross Proceeds, and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay.

Our Company will disclose and continue to disclose, the utilisation of the Gross Proceeds, including interim use under a separate head in our balance sheet for such Fiscals as required under applicable law, clearly specifying the purposes for which the Gross Proceeds have been utilised, till the time any part of the Gross Proceeds remains unutilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our quarterly financial results. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

In accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Gross Proceeds from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the Gross Proceeds from the Objects as stated above. Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company in accordance with Regulation 32(5) of SEBI Listing Regulations.

Variation in Objects of the Offer

In accordance with Sections 13(8) and 27 of the Companies Act, and the applicable rules and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue unless our Company is authorized to do so by way of a special resolution of our Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details and be published in accordance with the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English, one in Hindi, and in Marathi (Marathi being the vernacular language of the jurisdiction where our Registered and Corporate Office is situated). Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, in accordance with the Companies Act and SEBI ICDR Regulations, at a price and in such manner and subject to such conditions as prescribed by SEBI, in this regard.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilized have been appraised by any bank/financial institution. For details, see "*Risk Factors – Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company*." on page 49.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Promoter Selling Shareholder, no part of the Net Proceeds will be paid to our Promoters, members of the Promoter Group, Group Companies, Directors, our Key Managerial Personnel or Senior Management. Further, no part of the Net Proceeds will be utilised by our Company for the purpose of repayment of borrowing / loans, whether directly, or indirectly, to our Promoters, members of the Promoter Group and Group Companies. Our Company has neither entered into nor has planned to enter into any arrangement/ agreements with our Promoters, members of the Promoter Group, Directors, our Key Managerial Personnel, our Senior Management or our Group Companies in relation to the utilization of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the Objects of the Offer except as set out above.

Except to the extent of any proceeds received pursuant to the sale of Equity Shares proposed to be sold by the Promoter Selling Shareholder in the Offer for Sale, none of our Promoters, members of the Promoter Group, Directors, KMPs, Senior Management or Group Companies will receive any portion of the Offer Proceeds and there are no material existing or anticipated transactions in relation to utilization of the Offer Proceeds with our Promoters, members of the Promoter Group, Directors, KMPs, Senior Management or Group Companies.

There has been no instance of delays, defaults, rescheduling/restructuring or evergreening in respect of the outstanding borrowings for which the Net Proceeds will be utilized for repayment or prepayment.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price, and Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Investors should also see "*Risk Factors*", "Summary of *Financial Information*", "*Our Business*", "*Restated Consolidated Financial Information*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 62, 199, 262, and 318, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- One of the leading players in coating materials and adhesives with diversified geographical presence spanning across key regions in India and globally
- Diversified product portfolio and customised solutions
- Strategically located production facilities with fungible capabilities, efficient supply chain management and export capabilities
- Research driven and R&D led product offerings
- Experienced Promoters supported by a qualified management and operations team

For details, see "*Our Business – Our Strengths*" on page 203.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "*Restated Consolidated Financial Information*" on page 262.

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

1. Basic and diluted earning per share ("EPS") (face value of each Equity Share in ₹):

Fiscal/ Financial period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
September 30, 2024*	5.81	5.81	-
2024	10.50	10.50	3
2023	9.13	9.13	2
2022	16.03	16.03	1
Weighted Average	10.97	10.97	-

* *Not annualised*

Notes:

i) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/ Total of weights

ii) Basic Earnings per Equity Share (₹) = The net profit or loss for the year attributable to equity shareholders / Weighted average no. of Equity Shares outstanding during the year

iii) Diluted Earnings per Equity Share (₹) = The net profit or loss for the year attributable to equity shareholders / Weighted average no. of potential Equity Shares outstanding during the year

iv) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.

v) The figures disclosed above are based on the Restated Consolidated Financial Information.

2. Return on Net Worth ("RoNW"):

Fiscal	RoNW (%)	Weight
For the period ended September 30, 2024*	6.80%	-
2024	13.63%	3
2023	13.51%	2
2022	28.44%	1
Weighted Average	16.06%	

* *Not annualised*

Notes:

- *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*

i) *Return on Net Worth (%) = Net Profit after tax, as restated/ Average Restated net worth at the end of the year/period.*
'Net worth' under Ind-AS: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as at the end of period/ year in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

3. Net Asset Value ("NAV") per Equity Share:

Year/ Period	NAV per Equity Share (in ₹)
As at September 30, 2024	88.44
As at March 31, 2024	82.64
After the Offer*	[●]
-At Floor Price	[●]
-At Cap Price	[●]
-At Offer Price	[●]

* *Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

Notes:

(i) Net Asset Value per equity share (in ₹) = Net Worth at the end of the period/year / number of equity shares outstanding at the end of the period/year.

(ii) 'Net worth' under Ind-AS: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as at the end of period/ year in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

4. Price/ Earning ("P/E") ratio in relation to price band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of Price Band (no. of times)	P/E at the higher end of Price Band (no. of times)
Based on basic EPS for financial year ended March 31, 2024*	[●]	[●]
Based on diluted EPS for financial year ended March 31, 2024*	[●]	[●]

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

- **Industry P/E ratio**

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio, the lowest P/E ratio and the average P/E ratio is as follows:

Particulars	P/E Ratio
Highest	42.87
Lowest	36.12
Average	39.15

5. Comparison of Accounting Ratios with Listed Industry Peers

Fiscal 2024	Face Value per equity share (₹)	Closing Price on December 31, 2024 at BSE (₹)	EPS as per for FY 2024 (₹)		NAV (per share) as per FY 2024(₹)	P/E	RoNW as per FY 2024 (%)	Total Income (in ₹ millions)
			Basic	Diluted				
Jesons Industries Limited	5.00	NA	10.50	10.50	82.64	NA	13.63%	14,978.15
HP Adhesives Limited	2.00	81.36	2.24	2.24	18.38	36.32	12.97%	2,392.77
Apcotex Industries Limited	2.00	375.25	10.39	10.39	100.64	36.12	10.80%	11,322.71
Nikhil Adhesives Limited	1.00	118.95	2.88	2.88	24.81	41.30	12.29%	5,645.42
BASF India Limited	10.00	5,577.60	130.10	130.10	744.72	42.87	19.01%	1,38,432.60

Source: All the financial information for listed industry peer mentioned above is on a consolidated and is sourced from the filings made with stock exchanges available on www.bseindia.com for the Financial Year ending 2024. Source for Jesons Industries Limited: Based on the Restated Consolidated Financial Information for the year ended March 31, 2024.

Notes for listed peers:

(i) P/E Ratio has been computed based on the closing market price of equity shares on December 31, 2024, at BSE, divided by the EPS as per FY 2024.

(ii) Return on Net Worth (%) = Net profit after tax, / Net worth as calculated on average basis.

(iii) Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as at the end of period/ year in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended

(iv) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares

Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 9, 2025, and the Audit Committee has confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by our independent chartered accountant pursuant to a certificate dated January 9, 2025. This certificate has been designated as a material document for inspection in connection with the Offer. See "*Material Contracts and Documents for Inspection*" on page 437.

The KPIs that have been consistently used by the management to analyse, track and monitor the operational and financial performance of the Company, which have been consequently identified as relevant and material KPIs and are disclosed in this "Basis for Offer Price" section.

In addition to the above, the Audit Committee also noted that other than the below mentioned KPIs, there are certain items/ metrics which have been included in the business description, management discussion and analysis or financials in this DRHP but these are not considered to be a performance indicator or deemed to have a bearing on the determination of Offer Price. For details, see "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Restated Consolidated Financial Information*" on pages 199, 318 and 262, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year, for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges or till the utilisation of the Offer Proceeds as per the disclosure made in the section "*Objects of the Offer*" on page 82, whichever is later, or for such other duration as required under the SEBI ICDR Regulations.

Key performance indicators:

Our Company considers the following key performance indicators ("**KPI**") to have a bearing for arriving at the basis for the Offer Price The table below also sets forth KPIs as at/ for the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022.

A. **Financial KPIs**

(in ₹ million, unless otherwise stated)

Particulars	For the six months period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Financial metrics				
Revenue from operations(1)	7,279.08	14,962.29	17,220.99	20,659.62
EBITDA(2)	552.76	1,017.77	914.90	1,295.70
EBITDA Margin(3) (%)	7.59	6.80	5.31	6.27
Profit after tax for the period / year(4)	311.83	565.91	490.40	858.92
PAT Margin(5) (in %)	4.27	3.78	2.84	4.12
RoE(6) (in %)	6.80	13.63	13.51	28.44
RoCE(7) (in %)	7.63	17.00	14.51	26.03
Fixed Asset Turnover Ratio(8) (in times)	2.69	6.92	9.71	13.20
Net Debt(9)	1,519.66	613.79	449.92	1,074.13
Net Debt/EBITDA(10) (Times)	2.75	0.60	0.49	0.83
Working Capital Days(11) (Days)	137	54	48	35
Net Debt/Equity(12) (Times)	0.32	0.14	0.12	0.32

Notes:

Figures for RoE, ROCE, Fixed Asset Turnover Ratio, Net Debt/EBITDA, Working Capital Days not annualized for six month period ended September 30, 2024

(1) Revenue from Operations as reported in the Restated Consolidated Financial Information.

(2) EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less other income.

(3) EBITDA margin is calculated as EBITDA divided by revenue from operations.

(4) Profit After Tax is Profit after tax as reported in the Restated Consolidated Financial Information

(5) PAT Margin is calculated as profit after tax divided by Total Income

(6) RoE (in %) is calculated as Profit after Tax for the period divided by average net worth as on the last date of the reporting period. Net Worth is the aggregate value of equity share capital and other equity as appearing in the balance sheet of the relevant period.

(7) RoCE (in %) defined as EBIT divided by average Capital Employed, where Capital Employed is defined as total debt (Long Term borrowings + Short Term borrowings) plus Net Worth as on the last date of the reporting period.

(8) Asset Turnover ratio is calculated as Revenue from operations divided by average fixed assets (Property, plant and equipment, Right of use assets, Capital work in progress).

(9) Total debt less cash and cash equivalents and bank balances other than cash and cash equivalents.

(10) Net debt divided by EBITDA

(11) Working Capital Days is calculated as inventory days plus receivable days less payable days. Receivables days is calculated as 365 / (Revenue from operations /Average Trade receivables as on the last date of the relevant period). Inventory days is calculated as 365 / (COGS / Average Inventory as on the last date of the relevant period) Payable days is calculated as 365 / (COGS /Average Trade Payables as on the last date of the relevant period).

(12) Net debt divided by total net worth as on the last date of the reporting period

B. **Operational KPIs**

(in ₹ million, unless otherwise stated)

Particulars	Six-month period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Operating metrics				
Segment Wise Revenue[1]				
Coating Materials	4,516.44	9285.38	9,558.64	10,309.58
Adhesives	2,637.66	5,025.72	6,115.12	8,540.98
Revenue Split [2]				
Domestic	5,061.53	10,465.08	12,575.78	15,001.72
Export	2,217.55	4,497.21	4,645.21	5,657.90
Number of Products (Nos) [3]	210	240	245	241
Number of Distributors (Nos) [4]	62	31	39	56
Number of Direct Customers [5]	1,438	1,920	1,938	1,824
Total number of Customers (Nos) [6]	1,500	1,951	1,977	1,880

Notes:

(1) Revenue bifurcated by business segments – Coating Material and Adhesives

(2) Revenue bifurcated by domestic sales and exports sales.

(3) The total number of unique products or variants the company offers.

(4) The total number of distributors of the company.

(5) The total number of direct customers of the company

(6) The total number of customers including the distributors and direct customers.

Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools.

Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the GAAP measures and to not rely on any single financial or operational metric to evaluate our business.

Explanation for the KPI metrics

1. **Financial KPIs**

S No.	Particulars	Explanation
1.	Revenue from operations	Revenue from Operations is used by the Company to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business
2.	EBITDA	EBITDA provides information regarding the operational efficiency of the business
3.	EBITDA Margin (in %)	EEBITDA margin is an indicator of the operational profitability and financial performance of the business
4.	Profit After Tax	Profit after tax provides information regarding the overall profitability of the Company
5.	PAT Margin (in %)	PAT Margin is an indicator of the overall profitability and financial performance of the Company
6.	RoE (in %)	RoE provides how efficiently the Company generates profits from shareholders' funds
7.	RoCE (in %)	ROCE provides how efficiently the Company generates earnings from the capital employed in the business
8.	Asset Turnover Ratio	Measures the efficiency with which a company generates sales from its existing fixed assets
9.	Net Debt	Net debt is useful in helping assess a company's debt and leverage positions
10.	Net Debt/EBITDA	It is important for evaluating a company's financial health, debt management, and risk exposure
11.	Working Capital Days	Measure the conversion of working capital into cash, reflecting liquidity and operational efficiency
12.	Net Debt/Equity	A key indicator of a company's financial health and stability, and is also known as a gearing ratio or leverage ratio

2. **Operational KPIs**

S. No	Particulars	Explanation
1.	<u>Segment Wise Revenue</u>	Revenue bifurcated by business segments provides insights into which key segments contribute to the Revenue:
		Key business segment as below: A. Coating Materials: End use industry such as Paints, Construction Chemicals, Textiles, Carpet and Paper B. Adhesives: End use industry such as Packaging, Wood Working
	<u>Segment Wise Revenue</u>	
2.	Domestic	Reflects income from local markets. Indicates the strength of the company in its home market.
3.	Export	Reflects income from international markets. Highlights the company's global reach and competitiveness.
4.	Number of Products	Reflects the total number of unique products the company offers.
5.	Number of Distributors	Represents the reach of the company's distribution network.
6.	Number of Direct Customers	Indicates the breadth of the customer base
7.	Number of Total Customers	Indicates Distributors and Direct customers

Comparison of KPIs based on additions or dispositions to Company's business

Our Company has not undertaken a material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

Comparison of Financial KPIs of the Company with Company's listed industry peers

Comparison of our Company's KPIs for the six months period ended September 30, 2024, and Fiscal 2024, Fiscal 2023 and Fiscal 2022 with listed industry peer:

For Six months period ended September 30, 2024:

Particulars	UOM	Jesons Industries Limited	HP Adhesives Limited	Apcotex Industries Limited	Nikhil Adhesives Limited	BASF India Limited
Revenue from operations	₹ in Millions	7,279.08	1,194.52	6,876.93	3088.54	82,146.20
EBITDA	₹ in Millions	552.76	140.66	592.43	189.66	5,133.40
EBITDA Margin (in %)	%	7.59%	11.78%	8.61%	6.14%	6.25%
Profit after tax for the Year / Period	₹ in Millions	311.83	97.82	257.54	91.38	3,485.20
PAT Margin (in %)	%	4.27%	8.08%	3.72%	2.96%	4.22%
RoE (in %)	%	6.80%	5.67%	4.83%	7.71%	10.35%
RoCE (in %)	%	7.63%	6.80%	5.33%	8.76%	12.52%
Asset Turnover Ratio	Ratio	2.69	1.73	1.78	3.27	9.85
Working Capital Days	Days	137	274	105	118	45
Net Debt	₹ in Millions	1,519.66	-108.82	1,810.17	650.40	-5,143.00
Net Debt/Equity	Ratio	0.32	-0.06	0.33	0.53	-0.15
Net Debt/EBITDA	Ratio	2.75	-0.77	3.06	3.43	-1.00
Operational KPIs						
Segment Wise Revenue						
Coating Materials	₹ in Millions	4,516.44	NA	NA	NA	NA
Adhesives	₹ in Millions	2,637.66	NA	NA	2,826.83	NA
Segment Wise Revenue						
Domestic	₹ in Millions	5,061.53	NA	NA	NA	NA
Export	₹ in Millions	2,217.55	NA	NA	NA	NA
Number of Products	Nos	210	NA	NA	177	NA
Number of Distributors	Nos	62	NA	NA	NA	NA
Number of Direct Customers	Nos	1,438	NA	NA	1,000	NA

Adhesive Segmentation for Nikhil Adhesives pertains to revenue from Adhesives & Emulsions
Figures for RoE, ROCE, Fixed Asset Turnover Ratio, Net Debt/EBITDA, Working Capital Days not annualized for six month period ended September 30, 2024

For Financial Years ended March 31, 2024:

Particulars (INR Mn)	UOM	Jesons Industries Limited	HP Adhesives Limited	Apcotex Industries Limited	Nikhil Adhesives Limited	BASF India Limited
Revenue from operations	₹ in Millions	14,962.29	2,360.18	11,245.50	5,641.93	137,674.80
EBITDA	₹ in Millions	1,017.77	308.06	1,139.48	307.69	8,898.30
EBITDA Margin (in %)	%	6.80%	13.05%	10.13%	5.45%	6.46%
Profit after tax for the Year / Period	₹ in Millions	565.91	205.68	538.79	132.51	5,632.70
PAT Margin (in %)	%	3.78%	8.60%	4.76%	2.35%	4.07%
PAT Growth (YoY)	%	15.40%	89.43%	-50.08%	-22.24%	39.81%
RoE (in %)	%	13.63%	12.97%	10.80%	12.29%	19.01%
RoCE (in %)	%	17.00%	16.45%	12.37%	16.47%	23.58%
Asset Turnover Ratio	Ratio	6.92	3.81	2.86	6.50	16.91
Working Capital Days	Days	54	126	54	47	23
Net Debt	₹ in Millions	613.79	-85.75	1,585.31	386.13	-6,242.90
Net Debt/Equity	Ratio	0.14	-0.05	0.30	0.34	-0.19
Net Debt/EBITDA	Ratio	0.60	-0.28	1.39	1.25	-0.70
Operational KPIs						
Segment Wise Revenue						
Coating Materials	₹ in Millions	9,285.38	NA	NA	NA	NA
Adhesives	₹ in Millions	5,025.72	NA	NA	5,209.07	NA
Segment Wise Revenue						
Domestic	₹ in Millions	10,465.08	NA	7,744.47	NA	134,602.10
Export	₹ in Millions	4,497.21	NA	3,501.04	NA	3,072.70
Number of Products	Nos	240	NA	NA	NA	NA
Number of Distributors	Nos	31	1,450	NA	NA	1,877
Number of Customers	Nos	1,920	1,600	NA	NA	5,000

Adhesive Segmentation for Nikhil Adhesives pertains to revenue from Adhesives & Emulsions
**Source: All the financial information for listed industry peers mentioned above is on consolidated basis and is sourced from the annual reports as available on the Stock Exchanges for the Financial Year ending March 31, 2024.*

For Financial Years ended March 31, 2023:

Particulars	UOM	Jesons Industries Limited	HP Adhesives Limited	Apcotex Industries Limited	Nikhil Adhesives Limited	BASF India Limited
Revenue from operations	₹ in Millions	17,220.99	2,329.96	10,799.29	7,434.63	136,447.70
EBITDA	₹ in Millions	914.91	190.02	1,585.17	345.81	6,866.40
EBITDA Margin (in %)	%	5.31%	8.16%	14.68%	4.65%	5.03%
Profit after tax for the Year / Period	₹ in Millions	490.40	108.58	1,079.39	170.40	4,028.90
PAT Margin (in %)	%	2.84%	4.60%	9.93%	2.29%	2.94%
RoE (in %)	%	13.51%	7.60%	24.75%	18.21%	16.00%
RoCE (in %)	%	14.51%	10.38%	26.68%	24.49%	20.03%
Asset Turnover Ratio	Ratio	9.71	4.71	3.66	10.22	16.38
Working Capital Days	Days	48	91	48	27	26
Net Debt	₹ in Millions	449.92	32.30	1,294.46	268.54	-3,671.90
Net Debt/Equity	Ratio	0.12	0.02	0.27	0.26	-0.14
Net Debt/EBITDA	Ratio	0.49	0.17	0.82	0.78	-0.53
Operational KPIs						
Segment Wise Revenue						
Coating Materials	₹ in Millions	9,558.64	NA	NA	NA	NA
Adhesives	₹ in Millions	6,115.12	NA	NA	6,096.31	NA
Segment Wise Revenue						
Domestic	₹ in Millions	12,575.78	NA	8,512.53	NA	133,375.40
Export	₹ in Millions	4,645.21	NA	2,286.76	NA	3,072.30
Number of Products	Nos	245	NA	NA	NA	NA
Number of Distributors	Nos	39	1,250	NA	NA	1,808
Number of Customers	Nos	1,938	1,400	NA	NA	5,000

Adhesive Segmentation for Nikhil Adhesives pertains to revenue from Adhesives & Emulsions.
**Source: All the financial information for listed industry peers mentioned above is on consolidated basis and is sourced from the annual reports as available on the Stock Exchanges for the Financial Year ending March 31, 2023.*

For Financial Years ended March 31, 2022:

Particulars (INR Mn)	UOM	Jesons Industries Limited	HP Adhesives Limited	Apcotex Industries Limited	Nikhil Adhesives Limited	BASF India Limited
Revenue from operations	₹ in Millions	20,659.62	1,645.99	9,568.91	8137.37	130,997.30
EBITDA	₹ in Millions	1,295.70	112.99	1,398.19	434.27	9,114.00
EBITDA Margin (in %)	%	6.27%	6.86%	14.61%	5.34%	6.96%
Profit after tax for the Year / Period	₹ in Millions	858.92	60.07	988.06	252.64	5,948.40
PAT Margin (in %)	%	4.12%	3.59%	10.24%	3.10%	4.53%
RoE (in %)	%	28.44%	8.01%	28.17%	34.53%	28.86%
RoCE (in %)	%	26.03%	8.22%	32.82%	41.63%	34.67%
Asset Turnover Ratio	Ratio	13.20	4.80	5.46	13.57	15.22
Working Capital Days	Days	35	85	40	22	23
Net Debt	₹ in Millions	1,074.13	-341.76	412.24	150.19	-1,262.20
Net Debt/Equity	Ratio	0.32	-0.25	0.10	0.18	-0.05
Net Debt/EBITDA	Ratio	0.83	-3.02	0.29	0.35	-0.14
Operational KPIs						
Segment Wise Revenue						
Coating Materials	₹ in Millions	10,309.58	NA	NA	NA	NA
Adhesives	₹ in Millions	8,540.98	NA	NA	6,463.29	NA
Segment Wise Revenue						
Domestic	₹ in Millions	15,001.72	NA	7,506.59	NA	127,775.80
Export	₹ in Millions	5,657.90	NA	2,062.32	NA	3,221.50
Number of Products	Nos	241	NA	NA	NA	NA
Number of Distributors	Nos	56	1,100	NA	NA	NA
Number of Customers	Nos	1,824	1,200	NA	NA	5,000

Adhesive Segmentation for Nikhil Adhesives pertains to revenue from Adhesives & Emulsions
**Source: All the financial information for listed industry peers mentioned above is on consolidated basis and is sourced from the annual reports as available on the Stock Exchanges for the Financial Year ending March 31, 2022.*

Disclosures in relation to valuation of our Company

1. **Weighted average cost of acquisition, Floor Price and Cap Price**

(a) **Price per share of our Company based on primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days. ("Primary Issuances")**

There has been no issuance of Equity Shares or convertible securities, excluding the issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested),in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(b) **Price per share of our Company based on secondary sale / acquisition of Equity Shares or convertible securities, where our Promoters, Selling Shareholders, members of our Promoter Group, or Shareholder(s) having the right to nominate director(s) to the Board of the our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")**

There have been no secondary sale/acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s)and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) **Since there are no such transactions to report to under (a) and (b) above, the following are the details basis the last five primary or secondary transactions (secondary transactions where the Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate Director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions**:

a. *Primary Transactions*

There has been no issuance of Equity Shares or convertible securities, including the issuance of bonus shares, during the last three years preceding the date of this Draft Red Herring Prospectus.

b. *Secondary Transactions*

Except as disclosed below, there have been no secondary transactions by the promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction, in the last three years preceding the date of this certificate:

Date of transfer	Category	Name of transferor	Name of transferee	No. of securities	Nature of securities	Face value of securities	Price per security
December 16, 2023	Promoter Group to Promoter	Jhelum Dhiresh Gosalia	Dhiresh Sashikant Gosalia	14,99,900	Equity Share	5	0*

**Transfer of 14,99,900 equity shares by Jhelum Dhiresh Gosalia to Dhiresh Sashikant Gosalia on December 16, 2023 by way of gift.*

(d) Weighted average cost of acquisition, floor price and cap price

Type of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price (i.e., ₹ [●])^	Cap price (i.e., [●])^
WACA of Primary Transactions	NA	[●] times	[●] times
Since there were no Primary Transactions or Secondary Transactions during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions (where promoters/promoter group entities or the Investor Selling Shareholder or shareholder(s) having the right to nominate director(s) on the Board), are a party to the transaction, not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of the transaction			
Based on primary transactions	NA	[●] times	[●] times
Based on Secondary transactions	Nil(1)	[●] times	[●] times

**As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025.*
^Details have been left intentionally blank as the Floor Price and Cap Price are not available as on date of this Draft Red Herring Prospectus. To be updated upon finalisation of the Price Band.
(1)Transfer of 14,99,900 equity shares by Ms. Jhelum Dhiresh Gosalia to Dhiresh Sashikant Gosalia on December 16, 2023 by way of gift.

(e) The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition based on the primary issuances and secondary transactions as disclosed below:

Types of Transactions	WACA (₹ per Equity Share)*	Floor Price (i.e., ₹ [●])^	Cap Price (i.e., ₹ [●])^
A. WACA for Primary Issuances	NA	[●] times	[●] times
B. WACA for Secondary Transactions	Nil(1)	[●] times	[●] times

* *As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025.*
^ *Details have been left intentionally blank as the Floor Price and Cap Price are not available as on date of this Draft Red Herring Prospectus. To be updated upon finalisation of the Price Band.*
(1) *Transfer of 14,99,900 equity shares by Ms. Jhelum Dhiresh Gosalia to Dhiresh Sashikant Gosalia on December 16, 2023 by way of gift.*

(f) Explanation for Offer Price/ Cap Price being [●] times of WACA of primary issuances/ secondary transactions of Equity Shares of face value of ₹5 each (as disclosed above) along with our Company's KPIs and financial ratios for the six-month period ended September 30, 2024, and financial years 2024, 2023 and 2022:

[●]*

* *To be included upon finalisation of the Price Band.*

(g) Explanation for the Offer Price/Cap Price, being [●] times of weighted average cost of acquisition of primary issuances/secondary transactions of Equity Shares (as disclosed in point 3 above) in view of the external factors which may have influenced the pricing of the Offer:

[●]*

* *To be included upon finalisation of the Price Band.*

(h) The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of market demand from Bidders for Equity Shares of face value of ₹5 each, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above-mentioned information along with the sections titled "*Risk Factors*", "*Our Business*", *"Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 25, 199, 262 and 318, respectively, to have a more informed view. The trading price of the Equity Shares of face value of ₹5 each could decline due to the factors mentioned in the section "*Risk Factors*" on page 25 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors
Jesons Industries Limited
904, Peninsula Tower 1
Ganpat Rao Kadam Marg
Lower Parel West
Mumbai – 400013, Maharashtra

Sub: Statement of possible special tax benefits available to Jesons Industries Limited ("the Company"), its shareholders and the Company's Material Subsidiary under the direct and indirect tax laws, prepared in accordance with the requirements under Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations")

1. We, M S K A & Associates, ("we" or "our" or "us" or " M S K A" or "the Firm"), Chartered Accountants, the statutory auditors of Jesons Industries Limited (the "**Company**") hereby confirm the enclosed statement in the Annexure prepared and issued by the Company (the "**Statement**"), which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including Income-tax Act, 1961, the Income-tax Rules, 1962, the Central Goods and Services Tax Act, 2017 (CGST Act) , the Integrated Goods and Services Tax Act, 2017 (IGST Act) , the Union Territory Goods and Services Tax Act, 2017 (UTGST) , respective State Goods and Services Tax Act, 2017 (SGST Acts), Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, the Union Territory Goods and Services Tax Rules, 2017 (UTGST Acts), respective State Goods and Services Tax Rules, 2017 (Collectively called as 'GST Laws'), The Customs Act, 1962, The Customs Tariff Act, 1975 and the Foreign Trade Policy (collectively the "**Taxation Laws**"), the rules, regulations, circulars and notifications issued thereon, as amended by the Finance Act, 2024 & Finance (No.2) Act, 2024, and as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, available to the Company, its shareholders and to its material subsidiary identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended being Jesons Techno Polymers LLP ("**Material Subsidiary**"). Several of these benefits are dependent on the Company, its shareholders and Material Subsidiary, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its shareholders and Material Subsidiary to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company, its shareholders and Material Subsidiary face in the future. The Company, its shareholders and Material Subsidiary may or may not choose to fulfil such conditions for availing special tax benefits.

2. This statement of possible special tax benefits is required as per paragraph (9)(L) of Part A of Schedule VI of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and Material Subsidiary, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

3. The benefits discussed in the enclosed Statement cover the possible special tax benefits available to the Company, its shareholders and Material Subsidiary and do not cover any general tax benefits available to them.

4. The benefits stated in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that the statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of the equity shares of the Company (the "**Offer"**) and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of the statement. Also, any tax information included in this written communication was not intended or written to be used and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

6. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

7. We do not express any opinion or provide any assurance whether:

    - The Company, its shareholders and Material Subsidiary will continue to obtain these benefits in future;
    - The conditions prescribed for availing the benefits have been/would be met;
    - The revenue authorities/courts will concur with the views expressed herein.

8. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and Material Subsidiary. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company

10. This Statement is addressed to Board of Directors and issued at specific request of the Company. The enclosed Annexure to this Statement is intended solely for your information and for inclusion in the Draft red herring prospectus, red herring prospectus, the prospectus and any other material in connection with the proposed initial public offering of equity shares of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Rajesh Thakkar
Partner
Membership No: 103085
UDIN: 25103085BMLGDV3120

Place: Mumbai
Date: January 7, 2025

Enclosure: Annexure A & Annexure B

ANNEXURE A

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO JESONS INDUSTRIES LIMITED (THE "COMPANY"), ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE INCOME TAX ACT, 1961

Direct Taxation

This statement of possible special direct tax benefits available to the Company, its shareholders and its Material Subsidiary under the direct tax laws in force in India. This statement is required as per paragraph (9)(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). This statement is as per the Income-tax Act, 1961 as amended by the Finance Act, 2024 & Finance (No.2) Act, 2024 read with the relevant rules, circulars and notifications applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force.

1. Special Income tax benefits available to the Company in India under the Income-tax Act, 1961 ('Act')

- Section 115BAA of the Act, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/ deductions/ exemptions or set-off of losses and depreciation provided under clause (ii) and clause (iii) of sub-section (2) of section 115BAA of the Act and claiming depreciation determined in the prescribed manner. In case a company opts for paying tax as per Section 115BAA, provisions of section 115JB, i.e., Minimum Alternate Tax ('MAT') would not be applicable on exercise of the option under section 115BAA, as specified under sub-section (5A) of Section 115JB of the Act, and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

- The Company has evaluated and decided to opt for the lower corporate tax rate of 22 percent (plus applicable surcharge and cess) with effect from the Financial Year 2019-20 relevant to the Assessment Year 2020-21 under section 115BAA of the Act. Such option has been exercised by the Company while filing its return for the Financial Year 2019-20 relevant to the Assessment Year 2020-21 within the due date prescribed under sub-section (1) of section 139 of the Act. Since the Company has opted for lower corporate tax rate, MAT tax credit (if any) is no longer available for set-off or carry forward in future years.

- Subject to the fulfilment of prescribed conditions, for the year, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. Further, where the Company wishes to claim possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

- As per the provisions of Section 80M of the Act, dividend received by the Company from any other domestic company, or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its Income-tax return for the relevant year. Since the Company has investments in domestic companies, it may avail the above-mentioned benefit under Section 80M of the Act.

- The company being a partner in JTP LLP would be entitled to claim full exemption as per provisions of section 10(2A) of the Act in respect of its share of income from LLP in the same proportion as the amount of its share in the profits of the LLP.

2. Special Income tax benefits available to Jesons Techno Polymers LLP ('JTP LLP' or 'Material subsidiary') in India under the Income-tax Act, 1961 ('Act')

- **Exemption for profits derived by unit located in Special Economic Zone under section 10AA**

  Under section 10AA of the Act, Jesons Techno Polymers LLP is eligible to claim exemption from profits and gains derived from the export of the goods manufactured or produced from the unit located in Special Economic Zone ('SEZ'). The exemption is allowed only in case of profits from eligible unit and is allowed on following basis:-

  - In first 5 consecutive years beginning year of commence of operation – 100% exemption of the profits and gains derived from the export of the goods manufactured or produced from the unit located in SEZ

- In next 5 consecutive years – 50% exemption of the profits and gains derived from the export of the goods manufactured or produced from the unit located in SEZ
- In next 5 years - 50% exemption of the profits and gains derived from the export of the goods manufactured or produced from the unit located in SEZ, subject to meeting specified conditions.

In case of JTP LLP, it may be eligible to claim exemption under section 10AA of the Act as it has Certificate of Commencement of authorized operations and validity of Letter of approval vide F no. APSEZ/30/Jesons/2019-20/265 upto 21.03.2025 – m/r dated 20.08.2020 stating commencement of authorized operations from 21 March 2020, as issued by office of the Development Commissioner of AP & SEZ, Mundra, Ministry of Commerce and Industry of Government of India. Further, where JTP LLP wishes to claim possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfillment of the conditions under extant provisions of the Act. JTP LLP has claimed the tax benefit of 100 % export profit and gains derived from the export of the manufactured goods or produced from the unit located in SEZ for first 5 years (i.e. F.Y. 2019-20 to F.Y. 2023-24). From FY 2024-25, for the next 10 consecutive years, JTP LLP is eligible to claim exemption of 50% of the profits and gains derived from the export of the goods manufactured or produced from the unit located in SEZ subject to meeting conditions.

3. Special direct tax benefits available to the Shareholders of Company under the Act

- Apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits available to the shareholders of the Company under the Tax Laws identified

Notes:

1. The benefits discussed above cover only possible special tax benefits under the Act, available to the Company, its Shareholders and Material Subsidiary and do not cover any general tax benefits or any indirect tax law benefits or benefit under any other law. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. The tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indian Taxation Laws. Hence, the ability of the Company or its Material Subsidiary or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

3. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

   (i) the Company or its Material Subsidiary or its shareholders will continue to obtain these benefits in future;

   (ii) the conditions prescribed for availing the benefits have been/ would be met with; and

   (iii) the revenue authorities/courts will concur with the view expressed herein.

5. The above statements are based on the existing provisions of laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

For **Jesons Industries Limited**

Name: Deepak Kumar Jain
Designation: Chief Financial Officer

Place: Mumbai
Date: 7 January 2025

ANNEXURE 2

STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO JESONS INDUSTRIES LIMITED (THE 'COMPANY' or 'JIL'), AND ITS MATERIAL SUBSIDIARY, JESONS TECHNO POLYMERS LLP ('JTP LLP')

Outlined below are the special tax benefits available to the Company, its Shareholders and it's material subsidiary under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, and respective State Goods and Services Tax Act, 2017, as amended from time to time, the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2024 applicable for the Financial Year 2024-25, presently in force in India (collectively referred to as "Indirect Tax Laws"). This statement is required as per paragraph (9)(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations").

A) To the Company

Based on the information provided by the management, we hereby state that no special tax benefits are available to the Company under the Indirect Tax Laws:

1. Duty Drawback Scheme:

- Duty Drawback is a scheme which allows rebate for duty chargeable on any imported materials used in manufacture or processing of goods, manufactured in India and exported.

- Under Section 74 of the Customs Act, duty drawback to the extent of 98 percent of the duty paid on imported goods can be claimed for re-export, provided the goods are re-exported within two years of payment of import duty.

- Further, as per Section 75 of the Customs Act, drawback is allowed of duties of customs on any imported materials used in the manufacture or processing of goods, being goods which have been entered for export.

2. Scheme for remission of duties and taxes on exported products ("RoDTEP"):

- The objective of the scheme is to refund, duties/taxes/levies, at the Central, State and local level, borne on the exported product, including prior stage cumulative indirect taxes on goods and services used in the production of the exported product.

- Under RoDTEP scheme, a rebate would be granted to eligible exporters for the exported products at a notified rate, subject to certain terms and conditions specified under the said scheme.

B) To The Shareholders

Based on the information provided by the management, we hereby state that no special tax benefits are available to the Shareholders of the Company under the Indirect Tax Laws.

C) To the Material Subsidiary

Special benefits available to Jesons Techno Polymers LLP ('JTP LLP')

1. Exemption from integrated tax on imports

As per Notification 64-2017 – Customs dated 5 July 2017, all goods imported for authorised operations by a unit or a developer in the Special Economic Zone (SEZ) are exempted from the Integrated Tax leviable as Import Duty u/s 3(7) of the Tariff Act read with Section 5 of the IGST Act, 2017.

Similarly, as per Notification 18/2017- Integrated Tax (Rate) dated 5 July 2017, services imported for authorised operations by a unit or a developer in the SEZ are exempted from the Integrated Tax payable thereon.

2. **Zero rated supplies of goods and services or both to a Special Economic Zone unit**

Under the GST laws, supply of goods or services or both to a SEZ developer or unit has been treated as a 'zero rated supply' as per section 16 of the IGST Act i.e. the goods or services exported shall be exempted or refunded of GST levied upon them.

3. **Exemption of state taxes as per Annexure "IV" "eligibility certificate issued for SEZ**

- The **JTP** LLP is eligible to avail exemption from all Taxes, Cess, Duties, Fees, or any other levies under Section 21(1) of Gujarat Special Economic Zone Act, 2004 as specified below for authorized operation:

  a) Stamp duties and Registration fees payable on transfer of land meant for approved unit in the Zone.

  b) Levy of Stamp duty & registration fees on loan agreement, credit deeds and mortgages executed by the unit

- Further, it is also exempt from payment of GST and other taxes not subsumed in GST for purchase of goods and services from units in Domestic Tariff Area under Section 21(2) of Gujarat Special Economic Zone Act, 2004.

4. **Scheme for remission of duties and taxes on exported products ("RoDTEP"):**

- The objective of the scheme is to refund, duties/taxes/levies, at the Central, State and local level, borne on the exported product, including prior stage cumulative indirect taxes on goods and services used in the production of the exported product.

- Under RoDTEP scheme, a rebate would be granted to eligible exporters for the exported products at a notified rate, subject to certain terms and conditions specified under the said scheme.

NOTES:

1. This Annexure sets out the only the special tax benefits available to the Company, its Shareholders and it's material subsidiary under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 and the applicable State / Union Territory Goods and Services Tax Act, 2017, and relevant rules made thereunder ("GST Acts"), as amended from time to time, the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2024 applicable for the Financial Year 2024-25, presently in force in India.

2. Our comments are based on specific activities carried out by the Company. Any variation in the understanding could require our comments to be suitably modified.

3. Based on the information provided to us, we understand that the Company has not claimed any exemption or benefits or incentives under the indirect tax laws;

4. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, the changing tax laws, each investor is advised to consult his/her own tax advisor with respect to specific tax implications arising out of their participation in the Proposed IPO.

5. This annexure covers only indirect tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

6. These comments are based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, applicable for the Financial Year 2024-25, presently in force in India.

7. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

8. The Company and Material subsidiary confirm that they have not received any adverse tax order or notice or opinion (in writing or oral) for denying or not eligible for the special tax benefits as mentioned above. Further, the Company and Material Subsidiary has complied with all the conditions which are necessary for the purpose of claiming these special tax benefits.

9. The benefits discussed above cover possible special benefits available to the company, and its material subsidiary, JTP LLP. The above statement sets out the provisions of the law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

For **Jesons Industries Limited**

Name: Deepak Kumar Jain

Designation: Chief Financial Officer

Place: Mumbai

Date: 7 January 2025

SECTION IV- ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report titled "Assessment of Paints, Coatings and Adhesives Market" dated January 6, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Limited and commissioned by our Company exclusively in connection with the Offer, pursuant to an engagement letter dated October 5, 2024. The CRISIL Report is available on our website, at https://jesons.net/investor-relations/ and has also been included in "Material Contracts and Documents for Inspection –Material Documents" on page 437. Unless otherwise indicated, all financial, operational, industry and other related information derived from CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. The industry related data included in this section may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner.*

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

For further information, see "Risk Factor -Certain sections of this Draft Red Herring Prospectus contain information from CRISIL Report which has been exclusively commissioned and paid for by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 47. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data –Industry and Market Data" on page 13.

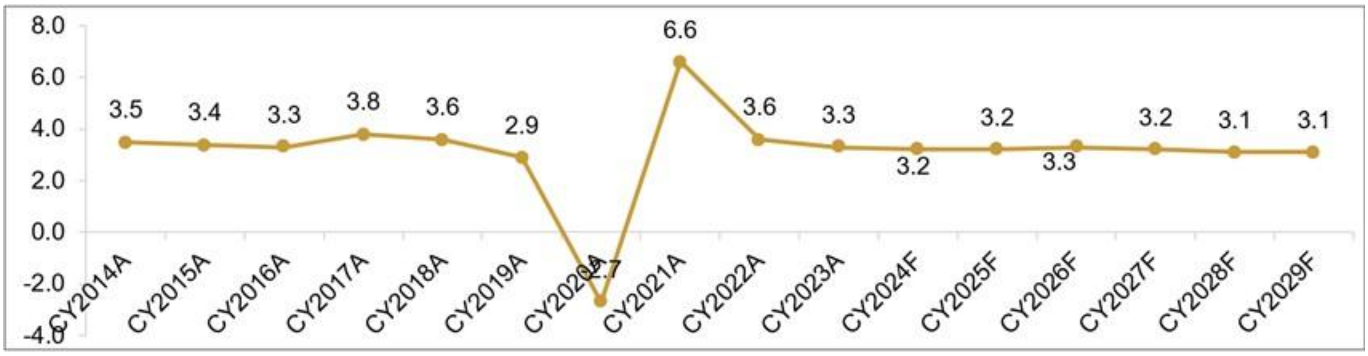
The below information has been extracted from the CRISIL Report.

Global Macroeconomic Overview

Global GDP is expected to grow by 3.2% in 2024

The global economy is expected to grow by 3.2% in 2024, as weakness continues to prevail in advanced economies such as the UK, Japan, and the Eurozone. While gradually easing price pressures, coupled with a normalization of monetary policy during H2 2024 will provide some respite, mounting geopolitical tensions and sluggish trade flows are causing some short-term setbacks.

Figure 1: Real GDP Growth (%) 2014-2029F



Note: A-Actual, F-Forecast
Source: International Monetary Fund (IMF) World Economic Outlook October 2024

Table 1: Real GDP Growth Comparison

Year	World	India	United States	China	Europe	Africa	Advanced Economies	Emerging market and developing economies
2014	3.5	7.4	2.5	7.4	1.6	3.9	2.1	4.7
2015	3.4	8.0	2.9	7.0	1.6	3.4	2.4	4.3
2016	3.3	8.3	1.8	6.8	1.7	2.2	1.8	4.4
2017	3.8	6.8	2.5	6.9	2.8	3.6	2.6	4.8
2018	3.6	6.5	3.0	6.7	2.3	3.4	2.3	4.7
2019	2.9	3.9	2.6	6.0	2.0	3.1	1.9	3.7
2020	-2.7	-5.8	-2.2	2.2	-5.4	-1.4	-4.0	-1.8
2021	6.6	9.7	6.1	8.4	6.4	4.7	6.0	7.0

Year	World	India	United States	China	Europe	Africa	Advanced Economies	Emerging market and developing economies
2022	3.6	7.0	2.5	3.0	2.4	4.3	2.9	4.0
2023	3.3	8.2	2.9	5.2	1.2	3.3	1.7	4.4
2024F	3.2	7.0	2.8	4.8	1.6	3.0	1.8	4.2
2025F	3.2	6.5	2.2	4.5	1.6	4.2	1.8	4.2
2026F	3.3	6.5	2.0	4.1	1.7	4.4	1.8	4.2
2027F	3.2	6.5	2.1	3.6	1.6	4.3	1.7	4.0
2028F	3.1	6.5	2.1	3.4	1.6	4.4	1.7	3.9
2029F	3.1	6.5	2.1	3.3	1.5	4.4	1.7	3.9

Note: A-Actual, F-Forecast
Source: International Monetary Fund (IMF) World Economic Outlook October 2024

Advanced economies are projected to grow slower than the global average over the forecast period.

Emerging market and developing economies will witness divergent growth in 2024. China's economic recovery will continue to face setbacks as falling domestic demand, deflationary concerns, a property market crisis, and soft external demand will cause significant setbacks. The Association of Southeast Asian Nations (ASEAN) and India will be growth bright spots, as robust domestic economic fundamentals, strong labour market conditions, and fiscal stability will contribute towards economic growth. Middle Eastern economies such as Saudi Arabia, the United Arab Emirates, and Qatar to benefit from an expanding non-oil economy.

United States: The real GDP growth has shown varied trends, reflecting fluctuations in economic activity. In 2023, the real GDP of the United States rose by 2.5 percent compared to the previous year. This growth is a continuation of the gradual recovery seen following the economic contractions related to the COVID-19 pandemic. As per International Monetary Fund, the real GDP growth is expected to grow by 2.8% for 2024.

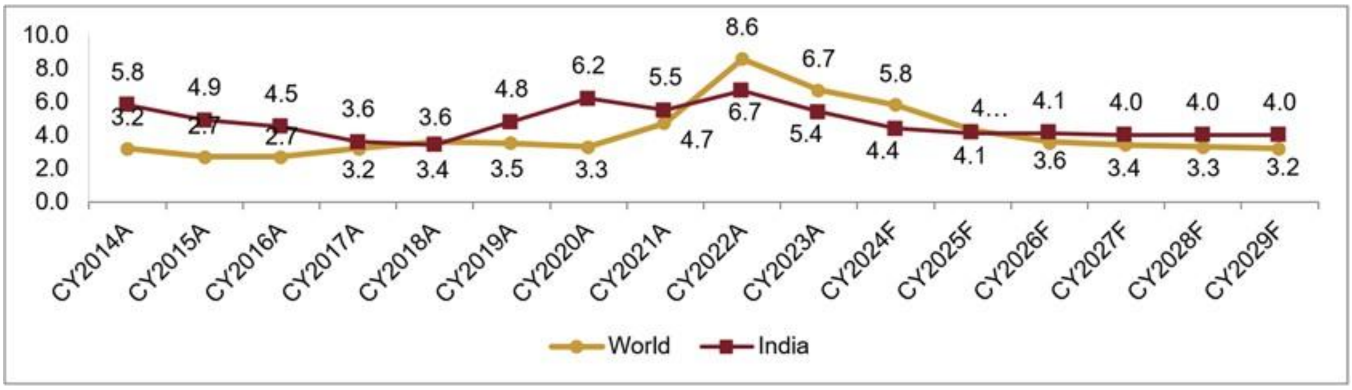
Europe: The Russia-Ukraine war led to a sharp growth pullback in real GDP growth in 2022 affecting the economic activities in the region, impacting trade and investment sentiment. Following subdued economic growth in 2023, International Monetary Fund has projected that real GDP for Europe will grow by 1.6% in 2024. Meanwhile, the Germany – GDP experienced contraction of 0.3% due to sluggish domestic demand and high interest rates, marking a significant setback. Purchasing power recovered significantly during the previous year but private consumption remained sluggish during 2023. Investment is still expected to contribute negatively to economic growth in 2024. At the same time, weak foreign demand for capital and intermediate goods is affecting German exports.

China: China's GDP expanded by 5.2% in 2023. Government lift zero-COVID restriction in December 2022, which led to an improvement in business conditions and to a release of pent-up demand. The recovery was also supported by robust industrial production, manufacturing investment, and stimulus measures that aimed to stabilize the economy amid ongoing challenges. Looking ahead, International Monetary Fund projected a growth of 4.8% for 2024.

Global & India Inflation

Global headline inflation, which includes energy and food prices, is likely to fall from 6.7% in 2023 to 5.8% by 2024 and 4.3% in 2025. However, the fall in core inflation (excluding energy and food) will remain relatively modest, due to factors such as labour market dynamics and the lingering impacts of formerly high energy prices. In the 2024-2029 period, global headline inflation is forecast to average 4.0%.

Figure 2: Inflation Rate (Average Consumer Prices) (%) 2014-2029F



Note: A-Actual, F-Forecast
Source: International Monetary Fund (IMF) World Economic Outlook October2024

Inflation in India rose to 6.2% due to Covid-19 in 2020 and dropped to 5.5% later in 2021. Following a surge in India's annual inflation to 6.7% in 2022 amidst the adverse impacts of the Russia-Ukraine war on global commodity prices and supply chain disruptions, inflation for 2023 stood at 5.4%. Food inflation has been taking a toll on the Indian economy since 2023, with several categories witnessing significant inflation. This includes vegetables at +10.71% YOY, pulses at +13.60% YOY, cereals at +7.31% YOY, meat and fish at +4.3% YOY and eggs at +7.14% YOY in August 2024.

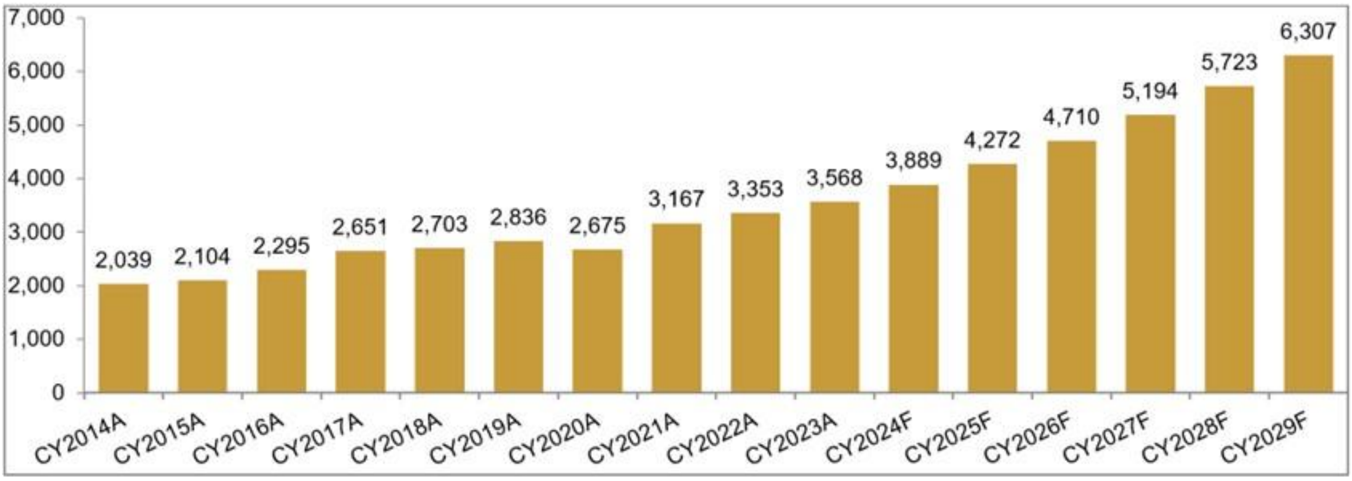
India's central bank held the 6.5% key monetary policy rate steady in 2024 (January to September 2024). In the long run, India's annual inflation is forecast to average ~4.1%, well within the central bank's target range of 4.0±2%.

India Macroeconomic Overview

India's GDP is expected to grow at 6.8% in 2024

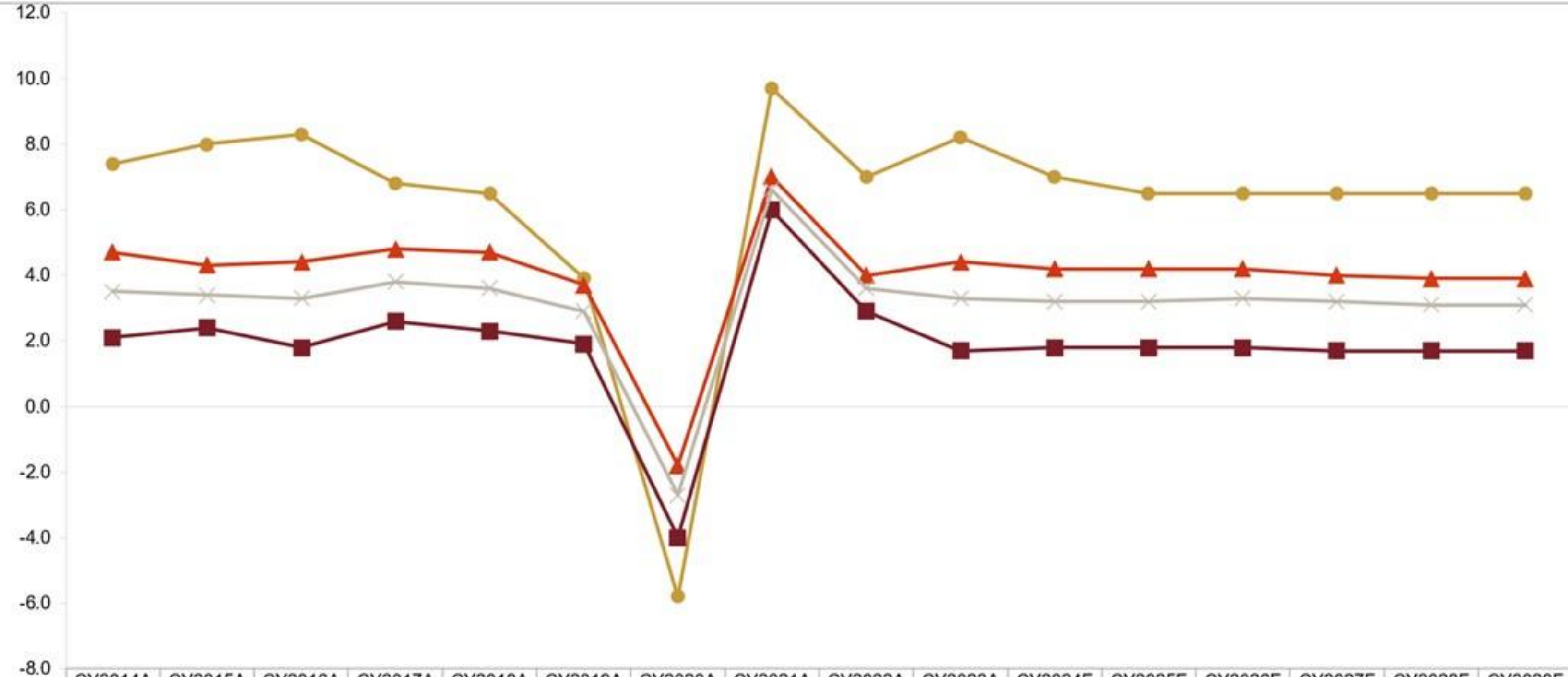
India's real GDP is projected to grow by 7.0% in 2024, a bright spot in an otherwise subdued global economic environment. The focus on infrastructural development, expanding manufacturing and services sectors, resilient credit growth, robust private consumption, and a growing export potential will propel economic momentum during the year. Over the forecast period till 2029, the Indian economy is likely to grow by more than 6.0%. Consistent public expenditure on building and upgrading infrastructure and connectivity, boosting the scalability and uptake of the digital economy, strengthening domestic green energy generation capabilities, and undertaking economic policies that foster inclusive social development will be at the forefront of India's long-term economic vision.

Figure 3: GDP, (billion US Dollars), India, 2014-2029F



Note: A-Actual, F-Forecast
Source: International Monetary Fund (IMF) World Economic Outlook October2024

Figure 4:Real GDP Growth Comparison (%) 2014-2029F



	CY2014A	CY2015A	CY2016A	CY2017A	CY2018A	CY2019A	CY2020A	CY2021A	CY2022A	CY2023A	CY2024F	CY2025F	CY2026F	CY2027F	CY2028F	CY2029F
India	7.4	8.0	8.3	6.8	6.5	3.9	-5.8	9.7	7.0	8.2	7.0	6.5	6.5	6.5	6.5	6.5
Advanced economies	2.1	2.4	1.8	2.6	2.3	1.9	-4.0	6.0	2.9	1.7	1.8	1.8	1.8	1.7	1.7	1.7
Emerging market and developing economies	4.7	4.3	4.4	4.8	4.7	3.7	-1.8	7.0	4.0	4.4	4.2	4.2	4.2	4.0	3.9	3.9
World	3.5	3.4	3.3	3.8	3.6	2.9	-2.7	6.6	3.6	3.3	3.2	3.2	3.3	3.2	3.1	3.1

Note: A-Actual, F-Forecast

Advanced economies are classified by the International Monetary Fund (IMF) based on high per capita income, a diversified range of exports, and significant integration into the global financial system. Specifically, the IMF World Economic Outlook classifies 39 economies as "advanced" due to these criteria.

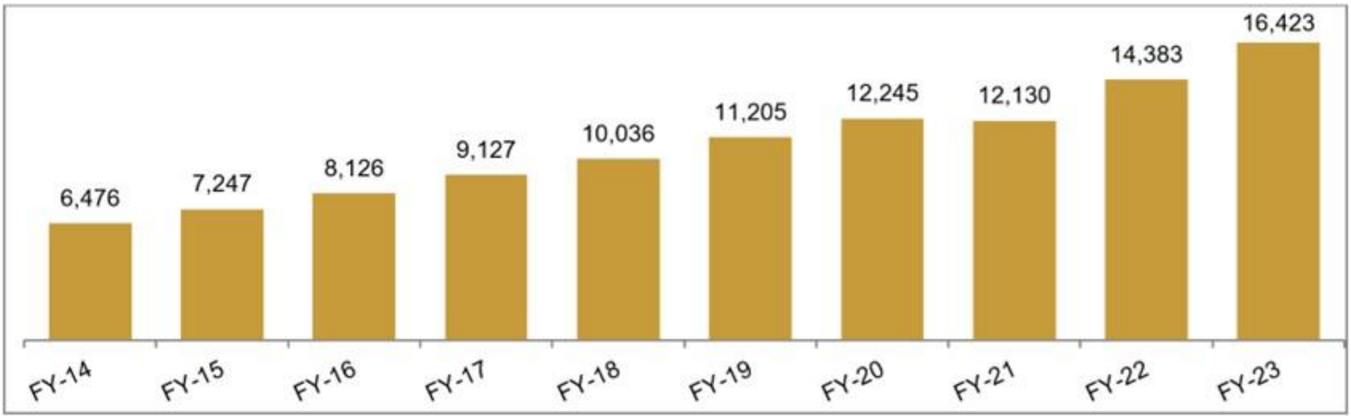
Emerging and developing economies, defined by the International Monetary Fund (IMF), refer to countries that are in the process of transitioning from low income or middle income to more advanced economic status. These economies are distinguished by factors such as sustained market access, progress towards middle-income levels, and increasing integration into the global economy.

Source: International Monetary Fund (IMF) World Economic Outlook October202

Private Final Consumption Expenditure (PFCE) growth in India

Private final consumption expenditure ("PFCE") has grown consistently from INR 6,476 thousand crore in FY14 to INR 16,423 thousand crore in FY23, registering a CAGR of 10.9%. The rise in PFCE highlights the steady increase in domestic consumption, driven by various factors such as population growth, rising incomes, and increased demand for goods and services.

Figure 5: Private Final Consumption Expenditure (INR 000 Crores) and growth %, India, FY-14 to FY-23

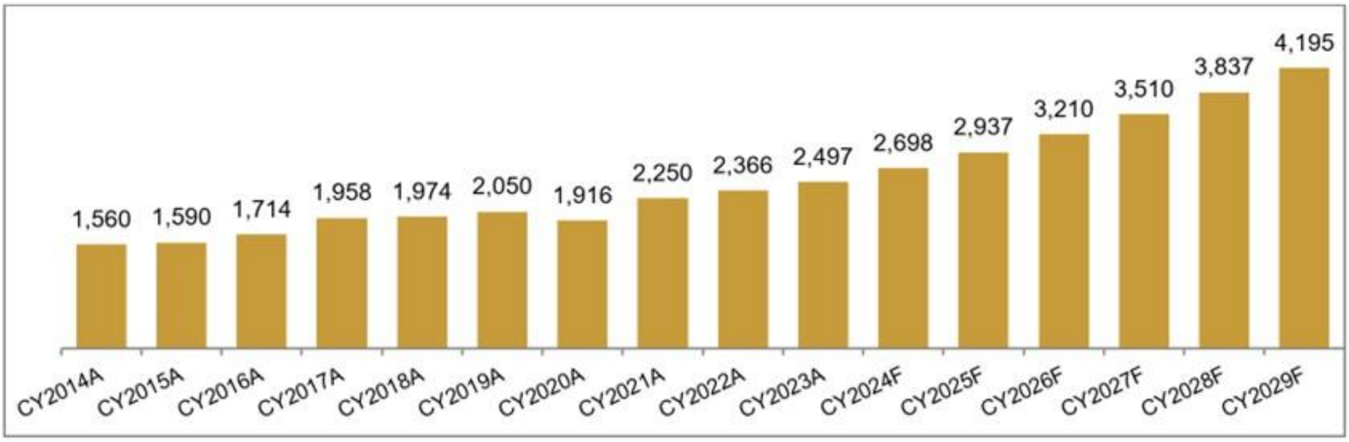


Note: F-Forecast
Source: MOSPI, Crisil MI&A

GDP per capita at current prices and its growth

India's GDP Per Capita (at current prices) is likely to reach ~USD 4,195 by 2029, growing at a CAGR of 9.2% between 2024 and 2029. This boost in per capita GDP levels will play a crucial role in propelling India's vision to become a USD 5 trillion economy. This upward trend in per capita GDP levels will be supported by domestic structural reforms, fiscal prudence, monetary policy stability, reduced input costs, falling price pressures, political stability, and rapid urbanization.

Figure 6: GDP per capita, at current prices (US Dollars) and growth %, India, 2014-2029F

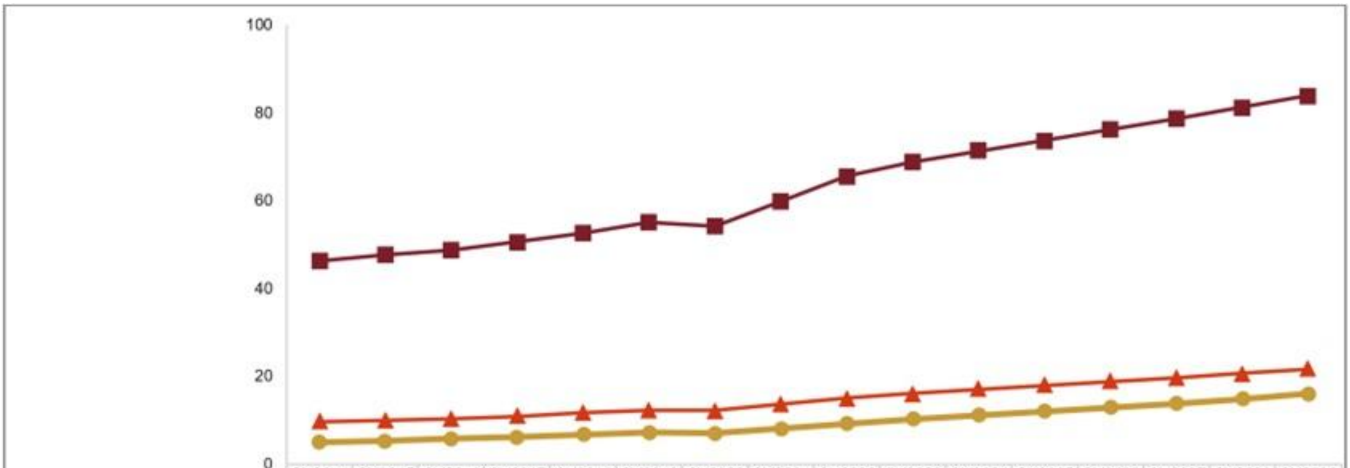


Note: A-Actual, F-Forecast
Source: International Monetary Fund (IMF) World Economic Outlook October2024

GDP per Capita PPP in India

India's GDP per capita in PPP terms is likely to reach USD 15,973 by 2029, as the country undertakes structural reforms, industrial diversification, and business-friendly measures to support its economy. India's GDP per capita in PPP terms grew at a CAGR of 8.4% between 2014-2023, with the 2024-2029 period likely to record a CAGR of 7.5%. However, strengthening industrial productive capabilities, expanding the manufacturing base, greater adoption of tech-oriented services, bolstering access to micro-level financial resources, fostering the start-up and small and medium-sized enterprises (SMEs) ecosystem within rural and peri-rural areas, and lowering absolute poverty levels will play a crucial role in improving India's GDP per capita levels over the long term.

Figure 7: GDP per capita (PPP; US Dollars), current prices ('000 USD) 2014 to 2029F



	CY2014 A	CY2015 A	CY2016 A	CY2017 A	CY2018 A	CY2019 A	CY2020 A	CY2021 A	CY2022 A	CY2023 A	CY2024 F	CY2025 F	CY2026 F	CY2027 F	CY2028 F	CY2029 F
India	4.9	5.3	5.7	6.2	6.7	7.2	7.0	8.1	9.2	10.2	11.1	11.9	12.8	13.8	14.8	16.0
Advanced Economies	46.3	47.6	48.6	50.6	52.6	55.1	54.1	59.8	65.6	68.7	71.3	73.6	76.1	78.7	81.3	83.9
Emerging Economies	9.6	10.0	10.4	10.9	11.6	12.3	12.2	13.6	15.0	16.1	17.1	17.9	18.8	19.7	20.7	21.6

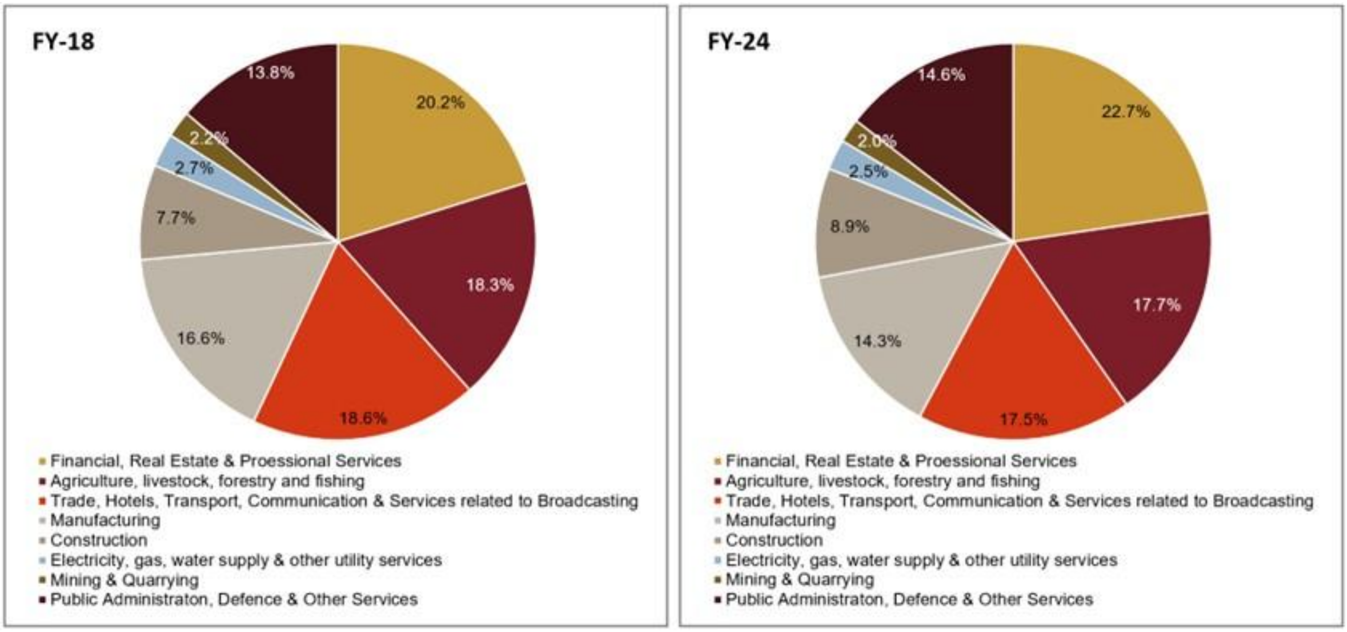
Note: A-Actual, F: Forecast;
Source: International Monetary Fund (IMF) World Economic Outlook October 2024

Sectoral Share of Gross Value Added (GVA)

In rupee terms, GVA stood at INR 2,46,59,041 crore in FY-23, compared to INR 2,16,35,584 crore in FY-22, posting a 14.0% rise. Estimates show that GVA for FY-24 is pegged at INR 2,67,62,147 crore, an 8.2% rise compared to the previous fiscal.

In terms of the contribution of various sectors to India's GVA in FY-24, at 54.7%, the services sector including financial, real estate, trade, and communication etc. had the highest sectoral share. The manufacturing sector's GVA posted a steady rise of 8.0% as per FY-24 data, rising from INR 35,36,461 crore in FY-23 to INR 38,19,748 crore in FY-24.

Figure 8: Sectoral Share of GVA (%), India, FY-18 to FY-24



Source: MOSPI, Press Information Bureau (PIB)

India's Strong Growth Plan

In the past decade, the Indian government has extensively focused on boosting domestic manufacturing capabilities. Initiatives like Make in India, Atmanirbhar Bharat, and Production Linked Incentive (PLI) schemes are playing an active role in establishing India as a manufacturing powerhouse, especially with the rising focus on China+1 strategies post-pandemic.

Continued policy support has started garnering positive results. For instance, the Indian government has hiked the allocation for the PLI scheme to INR 6,200 crore during the interim budget for FY25, marking a 33% increase from the previous year's estimate of INR 4,645 crore. Since its inception until November 2023, the PLI schemes has attracted investments exceeding INR 1.03 lakh crore, leading to production and sales worth INR 8.61 lakh crore and generated 6.87 lakh direct and indirect jobs. Also, the government has outlayed cumulative incentive of INR 1.97 lakh crore.

The government has also set a vision for the chemicals and petrochemicals sector. Under the Interim Union Budget 2024-25 the government allocated INR 192.21 crore (USD 23.13 million) to the Department of Chemicals and Petrochemical. By 2034, the aim is to bolster domestic production capabilities, reduce imports dependence, and attract foreign investments. The government plans to introduce production-linked incentives with 10-20% output incentives for the agrochemical sector and foster end-to-end manufacturing ecosystems through cluster development.

To conclude, with real GDP growth momentum forecast to remain above ~6.0% in long-term, India will remain a global growth frontrunner and enter the league of the top-3 largest economies by 2030. Hence, India's PLI scheme, solid GDP growth, as well as demographic dividend advantages will help attract more manufacturing investments.

Chemical Industry Overview

Global Chemical Industry Overview

The global chemical industry is a crucial sector of the economy as it touches nearly every good-producing sector, with a market size valued at approximately USD 5.1 trillion in 2023, is projected to grow at a rate of 8.0%, reaching USD 8.1 trillion by 2029. This market encompasses various applications, including industrial chemistry, which transforms raw materials into critical products across multiple sectors such as agriculture, pharmaceuticals, energy, paints & coatings, adhesives, home & personal care and many more. Within this landscape, industrial chemicals serve as essential components in manufacturing processes, affecting a wide array of products from plastics and fuels to pharmaceuticals and composites.

Figure 9: Global Chemical Industry Market Size, USD trillion, 2019 to 2029F

Note: A-Actual, F-Forecast
Source: International Council of Chemical Association, CRISIL MI&A

Key Growth Drivers

1. **Increasing Demand for Sustainable Products**

   There is a growing consumer preference for sustainable products in the chemical industry. As awareness of environmental issues rises, companies are focusing on developing advanced materials and sustainable alternatives to traditional chemicals.

2. **Evolving Consumer Preferences**

   Consumer demand is shifting towards more specialized and high-performance chemical products. The market for specialty chemicals is projected to expand significantly, driven by applications in various industries such as automotive, electronics, and consumer goods.

3. **Regulatory and Environmental Pressures**

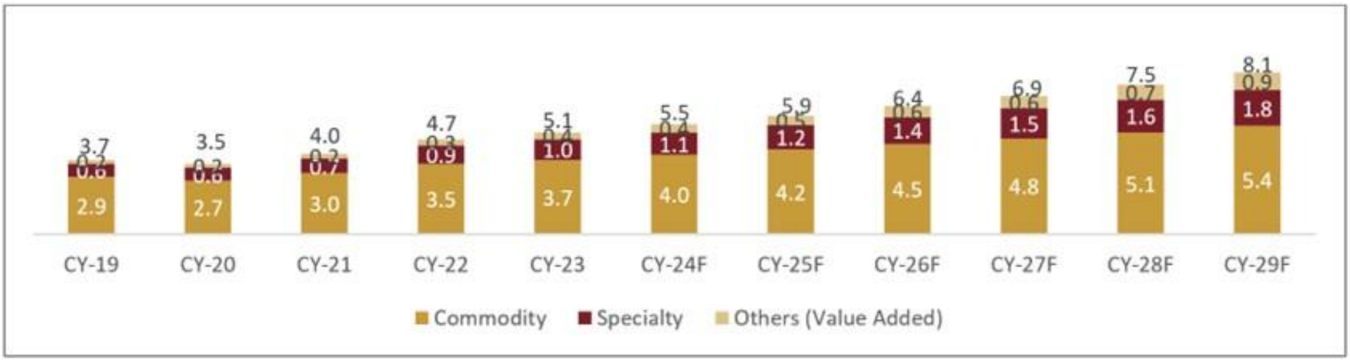
   While environmental regulations may pose challenges, they also drive innovation and competitiveness within the chemical sector. Companies are increasingly focusing on compliance with stricter regulations, which in turn fosters the development of greener technologies and practices.

4. **R&D Expenditure**

   The growing research and development (R&D) expenditure by major players in the global chemical industry serves as a vital catalyst for growth in several significant ways. Increasing R&D investments enable chemical companies to drive innovation in product development, processes, and new technologies. This enhanced innovation is crucial for responding to market demands for sustainable and efficient products and processes.

Segmentation by Type

Figure 10: Global Chemical Market by Type, USD billion, CY-23 to CY-29F



Source: CRISIL MI&A

<u>**Overview of Commodity and Specialty Chemicals Market**</u>

Commodity Chemicals: Commodity chemicals include products like petrochemicals, polymers, and basic inorganic chemicals such as acids and fertilizers. The demand for these chemicals is closely tied to industries like construction, automotive, agriculture, and consumer goods. The Asia-Pacific region is a leading market, driven by rapid industrialization in China and India. Growth in these sectors is supported by increased investments and infrastructure development.

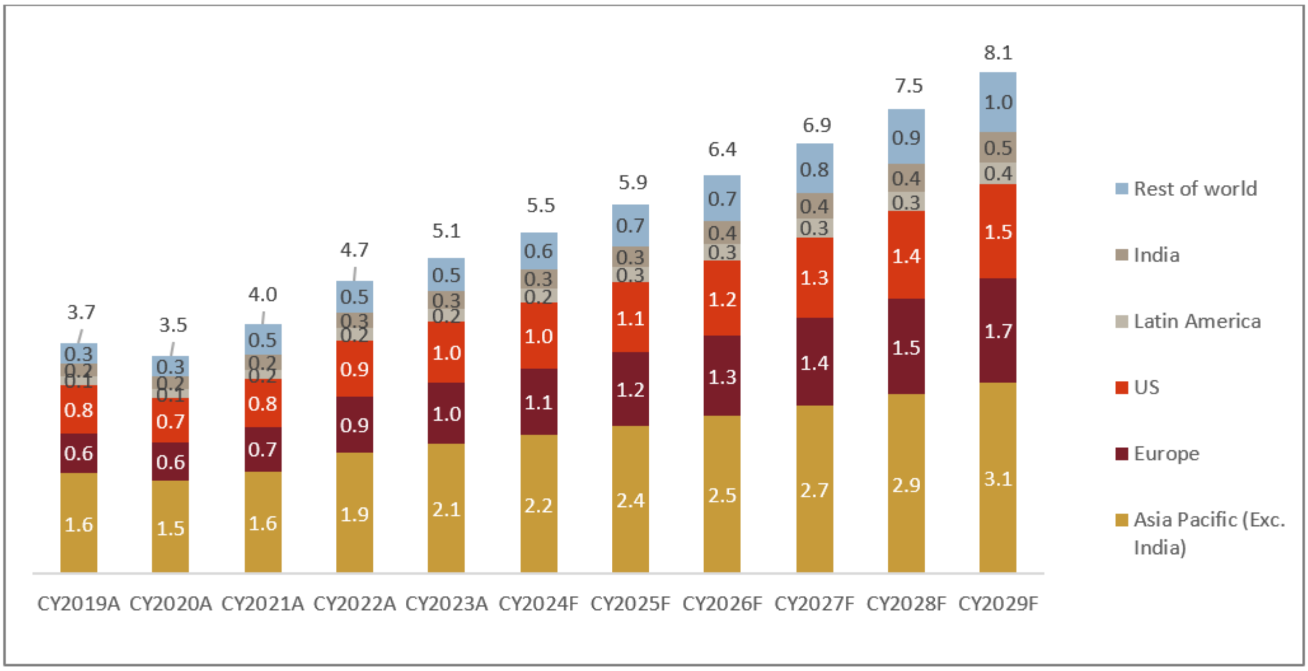
Specialty Chemicals: These are produced in smaller volumes with higher margins, serving niche applications across industries like pharmaceuticals, agriculture, and advanced materials. They include products like adhesives, coatings, and high-performance chemicals tailored for specific purposes. Growth in the specialty segment is driven by technological advancements and the need for innovative solutions, such as sustainable and eco-friendly chemicals.

Others (Value Added Chemicals): Value-added chemicals are processed substances derived from basic raw materials that enhance utility and market value, widely applied in various industries such as pharmaceuticals, agrochemicals, plastics, and food and beverages. They can be categorized into types such as intermediate chemicals, specialty chemicals, biochemicals, and fine chemicals, each serving distinct functions in specific applications. Key global manufacturers in this sector include BASF, Sinopec, Dow, Arkema, Synthomer, ExxonMobil, and LG Chem, which dominate the market with substantial sales and a focus on sustainability and innovative solutions, highlighting the dynamic nature of the value-added chemicals industry and its critical role in economic growth and development.

Segmentation by Geography

Asia-Pacific region dominates the market with a 47% share, making it the largest contributor. This suggests a significant concentration of chemical production and consumption in the region, likely driven by large economies such as India and China, as well as the region’s strong industrial base. The US and Europe each account for 19% of the market, indicating their continued importance as key players in the chemical industry. Latin America holds a smaller share at 4%, while the Rest of the World category contributes 11% to the global market. Asia-Pacific has the leading role in the global chemical market, with the US and Europe maintaining substantial, though less dominant, shares.

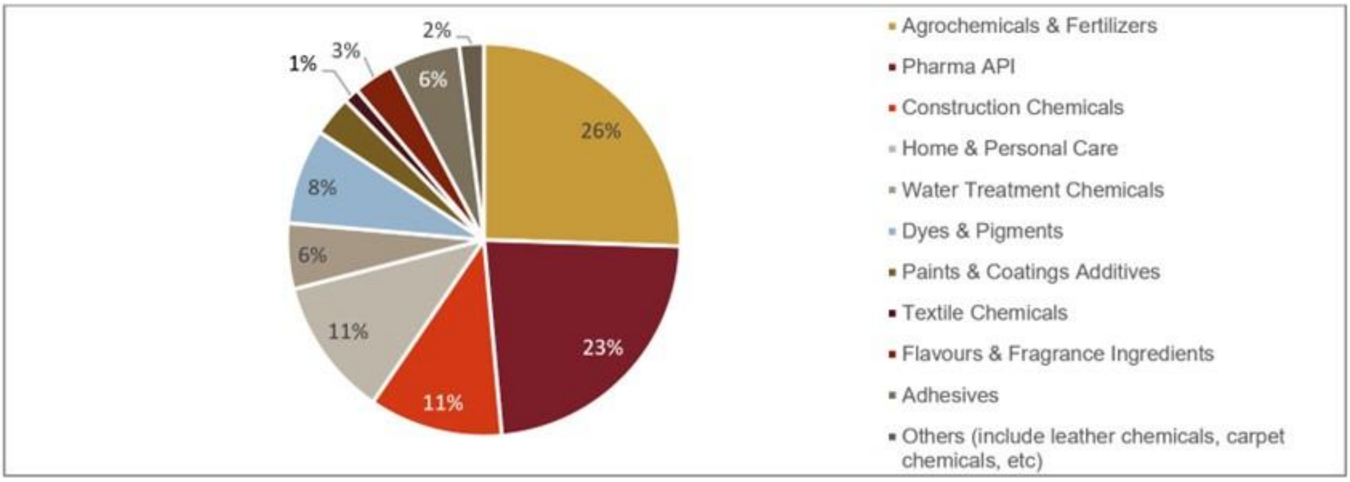
Figure 11: Chemical Market Industry by Geography, USD billion, CY-23 to CY-29F



Source: CRISIL MI&A

Segmentation by End Use Industries

Figure 12: Global Specialty Chemical Market by End Use Industry, USD 1.0 trillion , 2023



Source: CRISIL MI&A

Table 2: Key Growth Drivers of End Use Industries

Segments	Key Growth Drivers
Pharmaceutical Chemicals (API)	– Growing demand for generic drugs globally and India being the largest provider of generic drugs results in higher demand for domestic consumption of pharmaceuticals chemicals.
Construction Chemicals	– Rise in construction projects across emerging markets and increased adoption of construction chemicals for improvement in quality of projects
Agrochemicals & Fertilizers	– Increasing global population, decreasing arable land, and consequent requirement to improve crop yields.
	– New demand for agricultural products would also be created by the use of agricultural products for industrial applications such as in fuel blending and polymer manufacturing, opening up new avenues of applications for agrochemicals
Personal Care and home care Ingredients	– Growth in demand for personal care and home care products is driven primarily by emerging markets in the Asia-Pacific region, particularly China and India which are expected to grow at around 9-10% CAGR.

Segments	Key Growth Drivers
	– USA and Europe are expected to grow at ~4% primarily driven by the shift towards natural active ingredients
Paints & Coatings Additives	– High growth in the water-based decorative paint segment along with Ddemand driven by growing automotive industry, increasing urban population, rising household consumption expenditure, and improving economic conditions and infrastructure development and low-cost housing by the government.
Water Treatment Chemicals	– Strengthening environmental regulations and rising water quality standards for municipal consumption in matured markets of North America and Europe
	– In emerging markets, strong economic growth resulting in greater municipal and industrial spending in water treatment effort will drive growth of this segment.
Textile Chemicals	– Increasing demand for finishing chemicals that allow a variety of beneficial properties like anti-microbial properties, wrinkle-free properties, stain-resistance, etc. to be imparted to the textile
Flavours and Fragrances Ingredients	– Higher consumer willingness to experiment with new flavours and fragrances.
	– Increased production of processed foods in developing countries causing a spurt in the demand for flavours
	– A shift in perception of fragrance from being a nonessential attribute to an indispensable part of personal care
Dyes and Pigments	– Growth is demand for high performance pigments (HPP) which are highly durable pigments, resistant to UV radiation, heat and chemical
	– Use of eco-friendly colorants such as low impact dyes is emerging
Adhesives	– The rapid growth of e-commerce is driving demand for packaging materials, thus increasing adhesive use
	– Increasing construction activities is driving adhesives demand in assembling building components, flooring, insulation, and roofing

India Chemical Industry Overview

India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP. The chemicals industry in India covers more than 80,000 commercial products. India accounted for 2.6% of the world's global chemical sales, exporting to more than 175 countries. Over the last few years, the Indian chemicals sector has outperformed all shareholder expectations, surpassing not only the entire equities market but even the majority of its upstream and downstream industries.

Figure 13: India Chemical Industry Market Size, USD billion, FY-19 to FY-29F

Note: A-Actual, F-Forecast
Source: *IBEF, Chemical and Petrochemical Statistics at a Glance – 2022, CRISIL MI&A*

The industry stood at USD 278 billion and is expected to grow at 9.3%, reaching a value of USD 434 billion. The market is driven by rising demand in the end-user segments for specialty chemicals and petrochemicals segment. The growth is attributed to rising domestic demand, government initiatives, and technological advancements. Notably, factors such as rising consumption, changing consumer preferences, and strategic shifts in supply chains will play crucial roles in shaping the future of this sector.

Key Growth Drivers

The Indian chemical industry is well-positioned for growth, supported by robust domestic consumption, favorable government policies, rapid technological advancements, and an increasingly global presence.

1. **Rising Domestic Demand**

   Rising need for chemicals in various sectors, including pharmaceuticals, agriculture, textiles, and consumer goods, contributing significantly to the overall expansion of the chemical industry.

2. **Specialty Chemicals Segment**

Within the Indian chemical sector, specialty chemicals represent a particularly lucrative segment. This sector has been witnessing exceptional growth, with expectations to reach a market value of around USD 89 billion in FY-29 growing with a CAGR of 12.0%. The unique formulations for specific applications of specialty chemicals in industries such as agrochemicals, automotive, and personal care further fuel their demand.

3. Government Initiatives

Initiatives such as the Production-Linked Incentive (PLI) scheme are established to incentivize companies based on the increase in domestic manufacturing. Additionally, policies aimed at improving the ease of doing business, such as the Chemicals Promotion Development Scheme, enhance the attractiveness of the sector for foreign investment.

4. Technological Advancements and Industry 4.0

The adoption of Industry 4.0 technologies, including AI, IoT, and automation, is transforming the Indian chemical industry. These advancements enable companies to enhance efficiency, streamline production processes, and optimize resource use, thereby driving cost-effectiveness and sustainability.

5. Changing Global Supply Chains

The need for resilient supply chains, especially post-COVID-19, has prompted companies to look beyond traditional manufacturing hubs like China. India is emerging as a preferred alternative due to its cost-effective labor and favorable regulatory environment, which invites foreign firms to invest and establish manufacturing bases.

6. Export Opportunities

The chemical sector in India is not only growing domestically but also expanding its footprint internationally.. The percentage share of the exports of chemicals & petrochemicals (excluding pharmaceutical products and fertilizers) in the total national exports increased from 9.4% in FY-15 to 10.3% in FY-24.

7. Environmental Sustainability

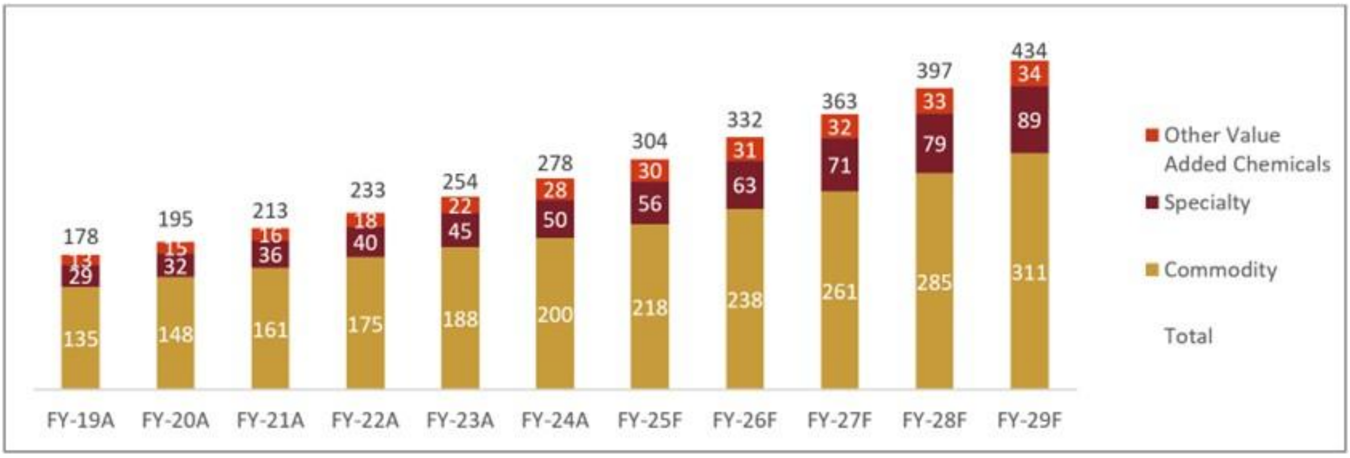
With growing awareness and demand for environmentally friendly products, the chemical industry is pivoting towards sustainable solutions. Companies focusing on sustainable practices are likely to gain a competitive edge in the long term, as global consumers increasingly prioritize environmentally conscious products.

8. Infrastructure Development

Investment in infrastructure, including logistics and energy supply, is vital for the growth of the chemical industry. Improved infrastructure facilitates better transportation and distribution of chemical products, strengthening market access for manufacturers.

India Chemical Segmentation by Type

Figure 14: India Chemical Industry by type, USD billion, FY-19 to FY-29F



Note: Value-added chemicals, such as ethanol, butanol, organic acids like acetic acids, lactic acid, etc, are chemical compounds that have been enhanced in value through their processing or conversion from raw materials. These chemicals are often produced from biomass or natural resources and are integral in various industries due to their utility in manufacturing products that serve specific functions or provide benefits that raw materials alone cannot offer
Source: IBEF, CRISIL MI&A

Indian chemical industry is poised for significant growth from FY-19 to FY-29, with the market expanding from USD 178 billion to a forecasted USD 434 billion. This growth is seen across both commodity and specialty chemicals. In FY-19, commodity chemicals dominated with USD 135 billion, while specialty chemicals contributed USD 29 billion. By FY-24, the market size rose to USD 278 billion, with commodity chemicals reaching USD 200 billion having a market share of 72% and specialty chemicals USD 51 billion, with market share of 18% and will increase to 20% by FY-29. Looking ahead to FY-29, the projections suggest commodity chemicals will reach USD 311 billion, while specialty chemicals will grow to USD 89 billion.

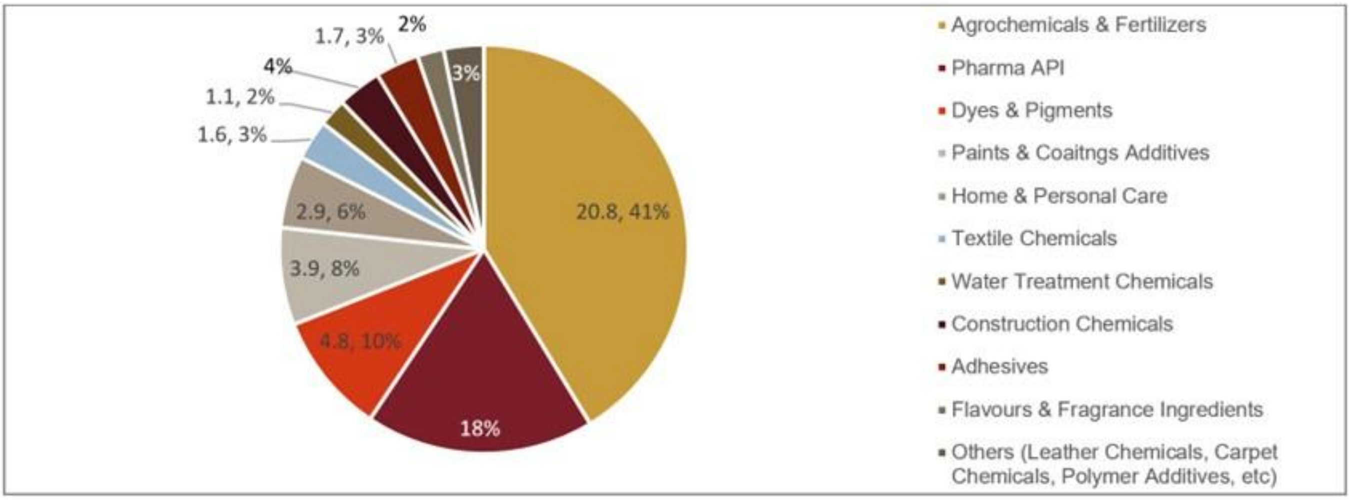
Segmentation by End Use Industries

Table 3: Key End Use Industries

End Use	Description	Growth Drivers
Agrochemicals and Fertilizers	Agrochemicals include organic fertilizers, liming and acidifying agents (which are designed to change the pH), soil conditioners, insecticides and pesticides, fungicides, herbicides, and other chemicals like crop growth regulators. Fertilizers are mainly inorganic compounds of nitrogen like urea or ammonium nitrate, compounds of phosphorous and potassium	– Increase in awareness levels of farmers – Improvement in rural income encouraged by various government schemes – Need to improve agricultural yields at a faster pace compared to the growth in demand to be able to meet food sufficiency targets – DBT (Direct Benefit Transfer) allows for direct transfer of benefit or subsidy to citizens living below poverty line
Dyes and Pigments	These are inclusive of Reactive Dyes, Disperse Dyes, Acid Direct Dyes, Azo Dyes, Sulphur Dyes, Solvent Dyes, Vat Dyes, Food Colorants, Organic Pigments, Optical Whitening agents, Inorganic Pigments, Pigment emulsions among others	– The current strategy of most European pigment producers is to use their local facilities for high-end performance colorants for new and niche markets and source non differentiated dye, pigments from low-cost facilities based in China and India
Construction/Infratech Chemicals	These are inclusive of concrete admixtures (plasticizers, accelerators, retarders), waterproofing (Acrylics, bitumen, PVC, silicon, SBR and others) Cementitious waterproofing, Damp proof coatings , Elastomeric coatings protective coatings (epoxy, PUR, PE, alkyl, acrylic and others), concrete repair mortar (cement based and plaster based), plasters, base coats among others	– Growth in Indian construction industry over the next five years, driven by housing and infrastructure projects – Increase in adoption of global standards of construction in India will lead to growth of this market
Paints and Coatings Additives	These are made up of insulating paint additives, Binders (emulsion polymers) Polymer emulsions, powder coating raw materials additives , catalysts, wetting agents, levelers, clarifier, coupling agents, deflocculants, thinners, thickeners, Rheology modifiers, Dispersing agents ,Opaque Polymers anti-caking agents , Defoamers and other chemicals	– Growth in per capita paint consumption in India – High growth in housing sectors – Government support schemes for low-cost housing – Nuclear family concept trend – Strong growth in automotive industry
Water Treatment Chemicals	These are made up of PH neutralizers, algaecides, antifoams (including insoluble oils, silicones, alcohols, stearates and glycols), biocides, boiler water chemicals, coagulants and flocculants, corrosion inhibitors, disinfectants, defoamers, solution polymers among others	– The growing urban population is adding to the demand for water purification and wastewater management. – 'Namami Gange Programme' an Integrated Conservation Mission, approved as 'Flagship Programme' by the Union Government in June 2014 with budget outlay of INR 20,000 Crores to accomplish the twin objectives of effective abatement of pollution, conservation, and rejuvenation of National River Ganga
Textile Chemicals	These are inclusive of coating & sizing agents, colorants & auxiliaries, finishing agents, surfactants, desizing agents, bleaching agents, leather chemicals, Pigment printing binders, Special effect printing binders, Discharge printing binders among others	– Driven by domestic demand and exports of high-quality textiles
Flavors and Fragrances	Essential Oils (orange, corn mint, eucalyptus, pepper mint, lemon), Oleoresins (paprika, black pepper, turmeric, ginger, others), Aroma chemicals (esters, alcohol, aldehyde, phenol, others), others	– Marketing by FMCG companies has created demand for categories like deodorants, room fresheners and perfumed soaps in rural markets – Increasing demand for processed food
Home & Personal Care	These are inclusive of formaldehyde, glycerols, titanium dioxide, isopropyls, alcohols, dimethicone, sodium lauryl sulphate, parabens, tocopherols benzones, oleochemicals, surfactants, polymers, botanical extracts, dispersants, solution polymers among others	– Growth in population and per capita income to drive growth in this segment – Rapid increase in the adoption of personal care products, especially in rural markets

End Use	Description	Growth Drivers
Adhesives	These are essential for assembling building components, flooring, insulation, and roofing. They also play a crucial role in packaging, including flexible packaging along with tapes & labels for corrugated boxes, and cartons	– Increasing construction Activities – Rapid growth of e-commerce is driving demand for packaging materials

Figure 15: India Specialty Chemical Market by End Use Industry, USD 50 billion, FY-24



Source: CRISIL MI&A

Impact of Make in India

Make in India is a major campaign initiated by the Government of India, aimed at encouraging both multinational and domestic companies to manufacture their products in India. The initiative seeks to create a conducive environment for investments, enhance skill development, promote innovation, and boost manufacturing output across various sectors. The program targets 25 key sectors, including automobiles, chemicals, electronics, textiles, and defence, promoting India as an attractive destination for global manufacturing.

The Make in India initiative has significantly impacted the Indian chemical industry, transforming it into a dynamic and growing sector that plays a crucial role in the national economy. The growth is fueled by increasing domestic consumption, investment support from the government, and the rising demand for various chemicals across multiple end use industries, including pharmaceuticals, construction, textiles, agriculture, etc. Additionally, policies aimed at enhancing infrastructure and logistics have further facilitated investment opportunities and operational efficiencies within the sector.

Atmanirbhar Bharat

This initiative seeks to enhance India’s economic self-sufficiency by emphasizing the significance of boosting local industries across sectors. In terms of specific economic goals, Atmanirbhar Bharat aims to make India self-sufficient by increasing productivity and competitiveness across various sectors. By promoting local production and enhancing the ease of doing business, the initiative seeks to attract foreign direct investment (FDI) while strengthening domestic capabilities.

Particularly noteworthy is the focus on the Indian chemical industry, which has been identified as a strategic sector under Atmanirbhar Bharat. This focus includes key areas such as green methanol, green ammonia and biobased chemicals, thereby not only catering to the increasing domestic demand but also addressing international market needs.

To support the chemical sector, the government has implemented several policies, including the Production-Linked Incentive (PLI) schemes that incentivize companies to boost domestic output. The ongoing emphasis on sustainable practices—including a transition towards bio-based chemicals and an improvement in regulatory frameworks—will create new business opportunities, ultimately contributing to economic growth and job creation within the sector.

Foreign Direct Investment (FDI)

Foreign Direct Investment (FDI) in the Indian chemical industry has demonstrated remarkable growth and significance, driven by various factors including government policies, rising domestic demand, and global market shifts. This influx of investment is driven by India’s rising domestic demand, favorable government policies, and the strategic positioning of these companies in a rapidly growing market. Some global companies which have invested in India are BASF, Dow Chemical, SABIC, Lanxess, and Evonik Industries, each making significant commitments that bolster their operations and presence in India.

The Indian government has established favorable policies aimed at enhancing FDI in the chemical sector, allowing 100% foreign ownership under the automatic route, except for certain hazardous chemicals.

India – Higher Share of the Global Pie

China's chemical industry has established itself as the largest in the world market accounting for more than 40% of sales in 2021. China's chemical demand is experiencing a decline due to multiple factors including an economic slowdown, decreased domestic consumption, government bans on chemical manufacturing due to environmental concerns and challenges in key sectors like real estate.

1. **Economic Slowdown**

   China's overall economic growth has significantly slowed down, leading to reduced demand for chemical products. In 2023, for instance, till November the chemical raw material and product manufacturing industry saw a staggering 43% decline in profits, indicating the profound impact of the economic downturn on demand.

2. **Cooling Domestic Consumption**

   The pace of growth in domestic demand has been slower than anticipated following a temporary boost post-pandemic. Many industries that utilize chemical products are facing headwinds, which has led to immediate downward pressure on sales and production capacities in the chemical sector.

3. **Real Estate Market Crisis**

   The property sector, accounting for about 35% of China's chemical product consumption, is in a state of crisis, with significantly reduced construction activity. As per the International Monetary Fund, in real estate investment would likely to fall 30% to 60% below its 2022 level, which weakens demand for related chemical inputs like those used in construction materials.

India's chemical and specialty chemical industry is positioning itself as a global leader by outpacing China in various domains, such as growth rates, government support, and competitive advantages in specialty chemicals. Conversely, China's industry is facing challenges that could hinder its growth momentum.

India's chemical and specialty chemical industry is expected to grow at a rate of 9.3% and 12.4% by FY-29. The trend away from reliance on China, driven by global events like the COVID-19 pandemic and US-China trade war has been a significant disruptor.

Several global players are opting for a "*China + 1 offshore strategy*", with capacities shifting to cost efficient markets with strong technology capabilities like India. India's specialty chemical companies are gaining favour with global multinational corporations because of the geopolitical shift, as the world looks to reduce its dependence on China. Increasing tariff levels and changing environmental policies in China along with the 'Make in India' initiative and a permit for 100% FDI from India, would add more possibilities of specialty chemicals manufacturing base shifting from China to India.

Reduced Channel Inventories & their impact

India experienced reduced channel inventories in the chemical industry during 2022 and 2023. This reduction was largely a response to extensive inventory over-ordering in the previous years, coupled with a decline in demand exacerbated by various global economic factors.

Factors Leading to Reduced Channel Inventories

- **Over-Ordering in Previous Years:** The Indian chemical sector saw a surge in inventory levels due to excessive ordering during 2021 and 2022, resulting from unexpectedly high demand in the wake of the COVID-19 pandemic. As the supply chain situation stabilized, companies began destocking to alleviate the overcapacity created by these prior orders.

- **Global Economic Challenges:** Several global economic factors contributed to reduced demand for chemicals, including a recession in Europe, inflation in the United States, and a slower-than-anticipated rebound in demand from China. These dynamics led to a reassessment of inventory levels across the industry.

Impact on the Indian Chemical Industry

- **Price Deflation and Diminished Earnings:** The destocking process resulted in reduced pricing power for Indian chemical companies, leading to a significant decline in profitability. The sector underwent a "de-rating," with valuation multiples declining sharply due to these oversupply and pricing pressures.

- **Sectoral Turnaround Potential:** Despite the challenges posed by reduced inventories and suppressed demand, there are optimistic forecasts for a sectoral turnaround, driven by improving pricing environments and a projected rebound in global demand by 2025. This rebound could be fuelled by a focus on cost reductions and efficiency improvements among companies.

- **Long-Term Growth Prospects:** While the sector faced short-term challenges, there remains optimism about long-term growth, particularly in the specialty chemicals segment which has performed robustly. Companies that adapt and shift toward these high-value segments are expected to thrive amidst a competitive landscape.

Impact of Covid-19 on Indian Chemical Industry & Future Outlook

The COVID-19 pandemic significantly impacted the Indian chemical industry, leading to widespread disruptions. However, the sector has shown signs of recovery and is projected to witness substantial growth in the coming years, driven by favorable government policies and increasing demand. The COVID-19 pandemic had a profound short-term effect on the Indian chemical industry, primarily due to lockdowns that halted industrial activities and disrupted supply chains. The sector saw considerable challenges, including labor shortages and constraints on production capacities as workers faced health risks. As a result, the industry experienced a notable decline in output and an increase in operational costs during the pandemic period. Following the initial disruptions caused by the pandemic, the Indian chemical industry has displayed resilience and is on a path to recovery. The industry's role in India's economic recovery has been highlighted, with many leaders recognizing its importance in supporting various sectors, including pharmaceuticals and agriculture.

The future outlook for the Indian chemical industry is promising, with projections indicating substantial growth. Furthermore, supportive government policies, such as production-linked incentive schemes and investment in infrastructure, are expected to provide a strong foundation for this growth.

Paints & Coatings Industry

Paints and coatings are essential materials used in various industries for protection, decoration, and functional purposes. Comprising a mixture of pigments, binders, solvents, and additives, these products are designed to enhance the appearance of surfaces while providing durability against environmental factors. The versatility of paints and coatings allows them to be applied on a wide range of substrates, including wood, metal, concrete, and plastic, making them crucial in construction, automotive, aerospace, and consumer goods sectors. Paints & Coatings contribute to sustainability by enhancing the durability of products and reducing maintenance needs.

Components of Paints and Coatings

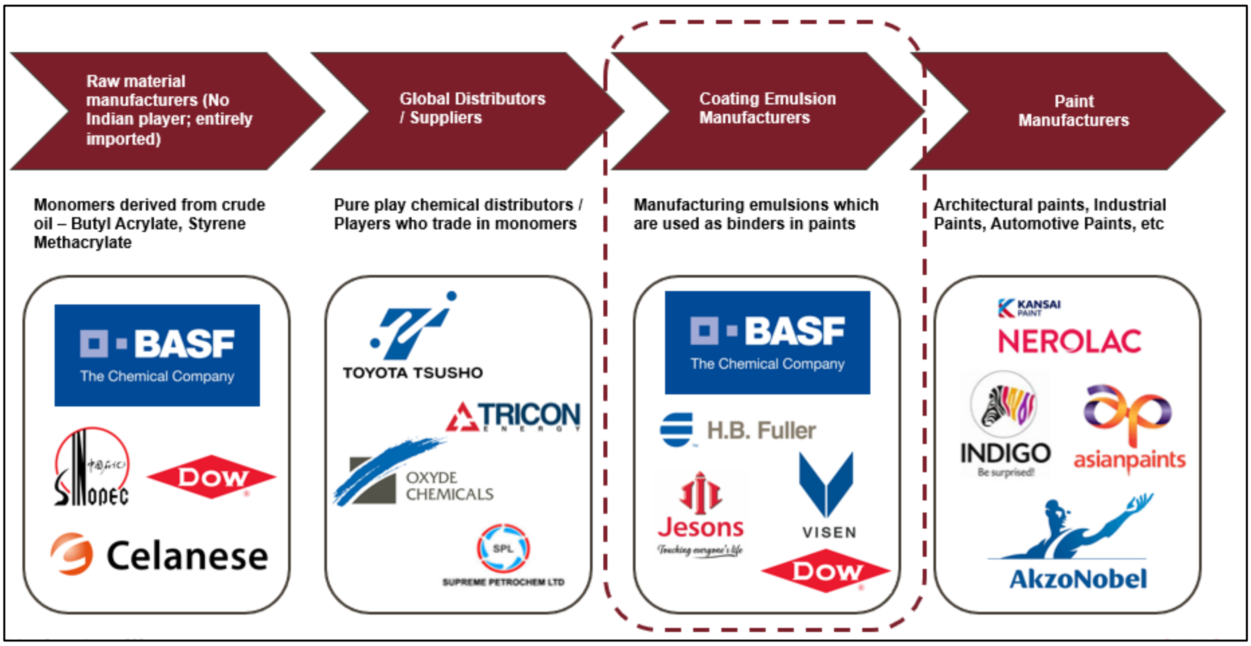
1. **Pigments:** Pigments are crucial components in paints and coatings, providing both color and opacity. They come in two primary types: natural pigments, which are derived from minerals, plants, or animals and often offer unique tones with historical significance; and synthetic pigments, which are chemically produced and engineered for vibrant colours, enhanced stability, and superior lightfastness.

2. **Binders (Resins):** Binders create a film that binds the pigments in place while providing durability and protection. Common types of binders include acrylic resins, known for their flexibility and water resistance; epoxy resins, which offer excellent adhesion and chemical resistance; and alkyd resins, valued for their gloss and durability.

3. **Solvents:** Solvents are critical ingredients in paints and coatings, used primarily to dissolve the binder and facilitate the application process. They reduce the viscosity of the paint, allowing for smooth and even application with brushes, rollers, or spray equipment. Common solvents include water for water-based paints and organic solvents like mineral spirits or acetone for oil-based formulations.

4. **Additives:** Additives are supplementary ingredients in paints and coatings that enhance specific properties and improve overall performance. They can be tailored to address various needs, such as accelerating drying time, improving flow and levelling for a smoother finish, or increasing resistance to mildew and microbial growth.

Figure 16: Global Paints & Coatings Value Chain

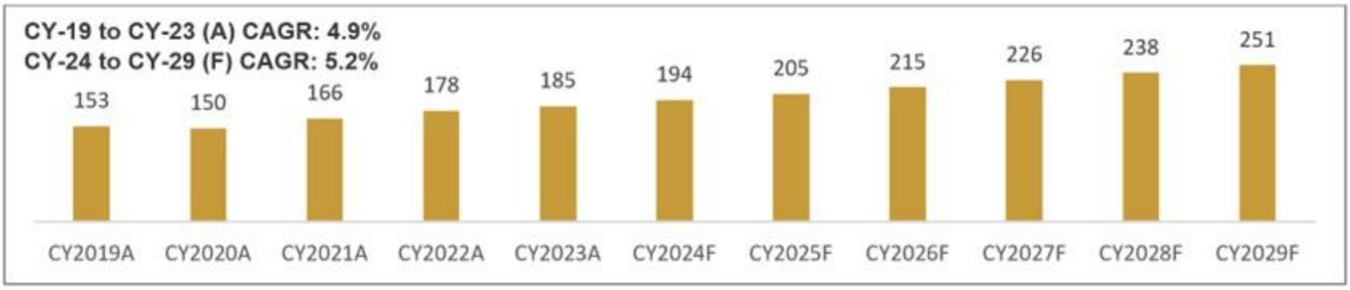


Global Paints & Coatings Industry

Market Size & Outlook

Global paints & coating market size was valued at USD 185 billion in 2023 and is expected to grow at 5.2% till 2029, reaching a value of USD 251 billion on the back of strong demand of paints & coating from architectural, and transportation end use.

Figure 17: Global Paints & Coatings Industry Market Size, USD billion, 2019 to 2029F

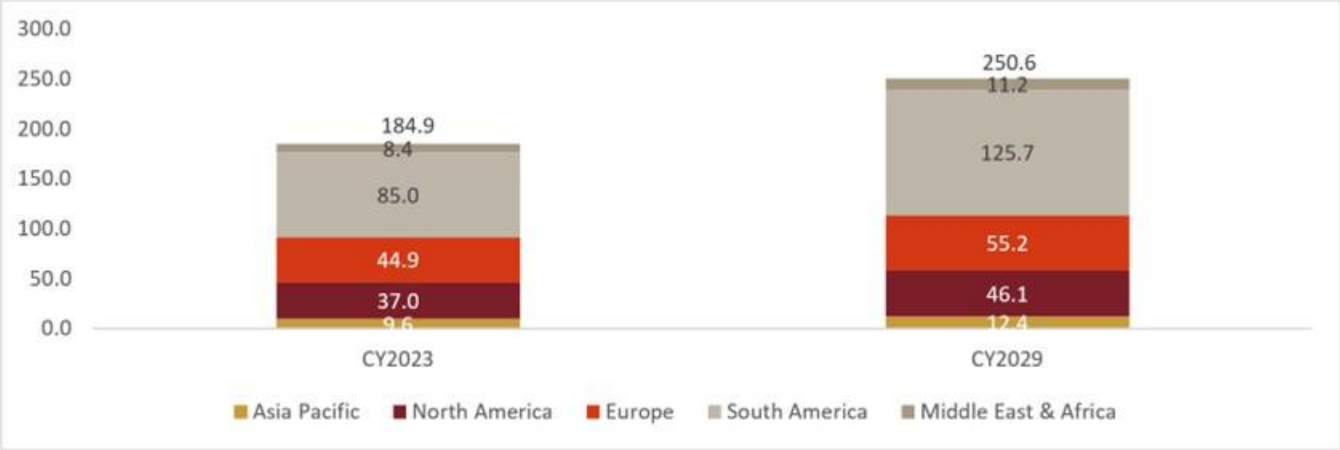


Note: A-Actual, F-Forecast
Source: CRISIL MI&A

The surge in demand is primarily attributed to the robust expansion of the construction and automotive industries. Additionally, the increasing focus on sustainability and environmental regulations is prompting manufacturers to develop eco-friendly products such as low-VOC and waterborne coatings. Furthermore, innovations in coating technologies, coupled with growing urbanization and significant government investments in infrastructure, further bolster market growth.

Segmentation by Geography

Figure 18: Global Paints & Coatings Market Segmentation by End Use Industry, USD billion, 2023 to 2029F



Source: CRISIL MI&A

Asia Pacific: The paints & coating market in Asia Pacific region is projected to register highest CAGR in forecast period mainly driven by huge growth in countries such as China, India, and other southeast countries. India, the second-largest coatings market in the APAC region, is primarily driven by the decorative segment, which holds around 75% of the market share. Furthermore, the higher technical expertise required in the industrial paint segment limits the participation of unorganized players, resulting in a smaller market size.

North America: The United States dominates the regional paints & coating market followed by Mexico and Canada in the region. Mexico and the US are estimated to register strong growth in the region mainly driven by strong development in Automotive, Marine, Industrial and Infrastructure end use sectors. Sherwin-Williams, PPG and AkzoNobel are some of the leading paints manufacturers in the region.

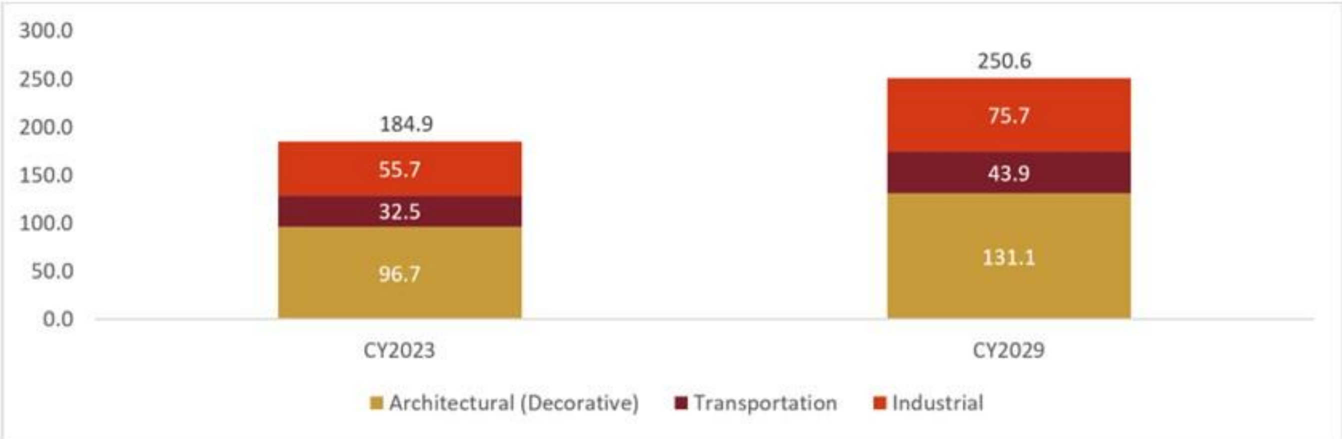
Europe: European paints & coatings market was valued at USD 44.9 billion in 2023 and is expected to grow at 3.5% per year during 2024-2029. Europe is an important consumer of paints & coatings accounting for over ~24% of the global demand.

South America: Brazil, Argentina, Colombia, and Peru are among the key consumers in the South American paints and coatings market.

Middle East & Africa (MEA): Major Paints & Coatings consuming countries in the Middle East & Africa region include Saudi Arabia, UAE, and South Africa.

Segmentation by End User Industry

Figure 19: Global Paints & Coatings Market Segmentation by End Use Industry, USD billion, 2023 to 2029F



Source: CRISIL MI&A

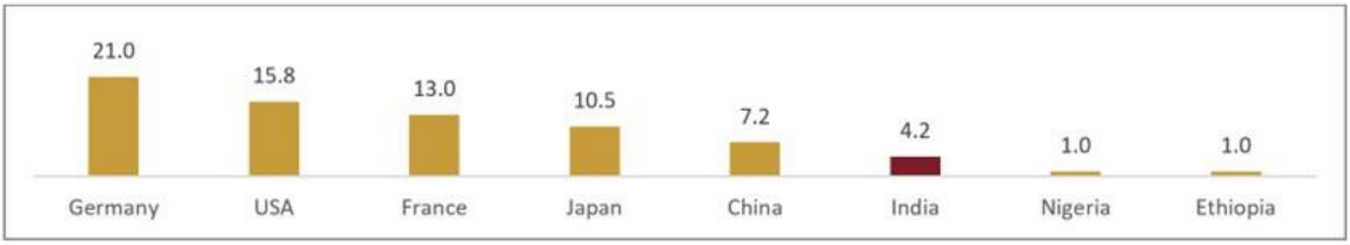
In terms of market by end use, Architectural (decorative) accounts for ~52% of the global Paints & Coating market in 2023. Architectural (decorative) coating is used to decorate and offer protection for residential building and commercial buildings. They are used by both professional painters and DIY consumers undertaking their own projects. This segment includes a variety of products such as primers, emulsion, etc, available in different gloss levels for interior and exterior surfaces across residential, institutional, commercial, and industrial building.

In 2023, Transportation, Industrial end use industry together accounted for ~48% of the global Paints & Coating market valued at USD 88 billion. Automotive coating dominates the global transportation end use, with market size of USD 20 billion in 2023, followed by Marine, Rail and Others end use. Aerospace coating market size was valued at USD 5.2 billion in 2023, and it is projected to reach USD 7 billion by 2029 driven by increasing military and commercial aircraft production.

Global Per Capita Consumption

Germany leads with the highest consumption at 21.0 kg per capita, followed by the USA at 15.8 kg and France at 13.0 kg, highlighting strong demand in developed markets due to advanced construction and industrial sectors. Japan follows with 10.5 kg, reflecting steady consumption trends in developed Asian economies. On the other hand, emerging markets like China (7.2 kg) and India (4.2 kg) show relatively lower consumption, indicative of ongoing growth potential driven by increasing urbanization and infrastructure activities. In stark contrast, Nigeria and Ethiopia exhibit the lowest consumption, with just 1.0 kg per capita, emphasizing underdeveloped markets for paints and coatings due to economic limitations and slower industrial activity. The disparity between these countries underlines the growth opportunities in India, where increasing urbanization, infrastructure development, and a rise in disposable incomes could drive future demand.

Figure 20: Paints & Coatings Per Capita Consumption, kg, 2023

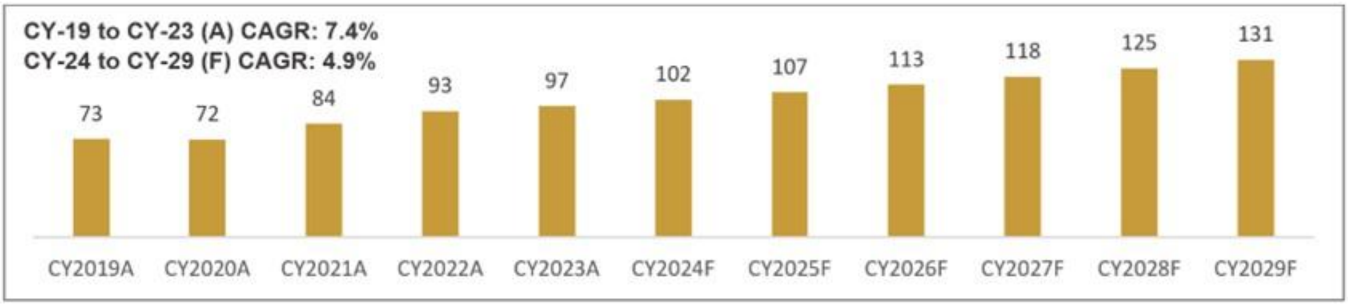


Source: CRISIL MI&A

Global Architectural (Decorative) Paint Market

The architectural paint (decorative) market is a dynamic and expanding segment of the coatings industry, valued at USD 97 billion in 2023, and is expected to grow with a rate of 4.9% till 2029. This growth is driven by several factors, including rapid urbanization, rising disposable incomes, and an expansion in construction activities, particularly in emerging economies. The increasing preference for environmentally friendly products further supports the market, as consumers increasingly opt for low-VOC (volatile organic compounds) paints that align with sustainability trends.

Figure 21: Global Architectural Paint Industry Market Size, USD billion, 2019 to 2029F



Note: A-Actual, F-Forecast
Source: CRISIL MI&A

Architectural paints are employed across various applications, primarily in residential and commercial buildings where they serve both aesthetic and protective functions. These coatings are applied to numerous surfaces, including floors, roofs, and walls, and encompass a broad spectrum of products such as primers, sealers, and stains. Another vital market segment includes infrastructure projects, where durability and resistance to varying environmental conditions are paramount.

Key trends influencing the architectural paint market include a shift towards waterborne coatings, advancements in paint technologies that enhance durability and multifunctionality, and increased digitization within the retail space for easier consumer access. The rise in DIY projects during and following the pandemic has further fueled demand, as consumers become more inclined to undertake paint projects independently. Additionally, sustainability initiatives, including the development of recyclable and low-VOC paints, are becoming increasingly relevant as consumers and governments push for greener alternatives.

Coating Additives v/s Coating Emulsions

Table 4: Difference between Coating Additives & Coating Emulsions

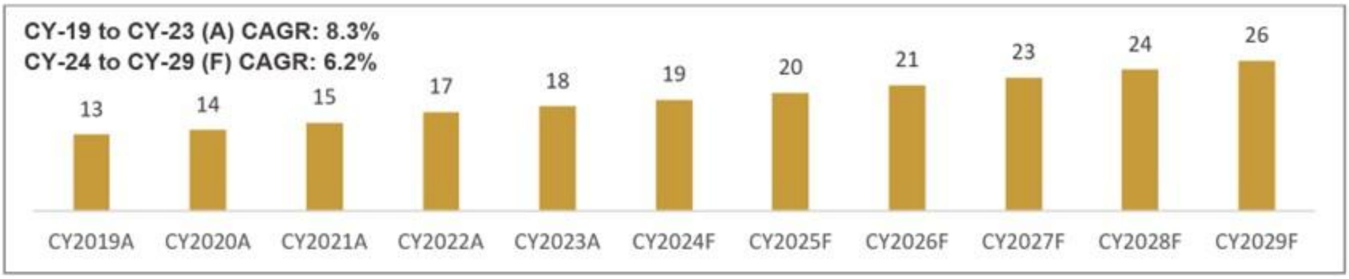
Parameter	Coating Additives	Coating Emulsions
Definition	Special chemicals added to enhance the performance, appearance, or processing of coatings.	Dispersions of polymers in water or another medium, used as the base or binder in coatings
Function	Improve properties such as flow, leveling, gloss, adhesion, and durability.	Act as the primary film-forming agent in coatings, providing structural integrity and binding pigments.
Examples	Wetting agents, defoamers, dispersants, UV stabilizers, rheology modifiers	Acrylic emulsions, styrene-acrylic emulsions, vinyl acetate emulsions.
Composition	Small amounts of active ingredients tailored for specific improvements	Polymer particles dispersed in a liquid medium
Usage	Used in small quantities (e.g., 1-5%) alongside other formulation components.	Used as a primary ingredient, often comprising 30-60% of the formulation.
Impact on Coatings	Fine-tunes performance and addresses specific challenges in coatings.	Forms the backbone of the coating film after water or solvent evaporates.
Processing	Added during the formulation process to achieve specific properties	Requires proper dispersion and stability during formulation
Examples of Applications	Preventing foaming, enhancing UV resistance, improving pigment dispersion.	Used in paints, adhesives, and protective coatings as binders.

Global Coating Emulsions Market

The global coating emulsions industry is a dynamic segment of the broader polymer emulsion market and is currently experiencing significant growth and innovation. This growth is driven by evolving market needs, increasing demand for sustainable solutions, and more stringent regulatory standards. As of 2023, the global specialty coating emulsions, was valued at USD 18 billion and is expected to grow at a rate of 6.2% from 2024 to 2029 reaching a value of USD 26 billion by 2029.

Coating emulsions have diverse applications across various industries. They are primarily used in paints and coatings, where emulsions enhance adhesion, durability, and performance of coatings in both residential and commercial settings. They also find significant use in construction materials, specifically in waterproofing, mortars, and surface treatments. Moreover, specialty coating emulsions enhance printability and surface properties in paper and packaging applications, further demonstrating their versatility.

Figure 22: Global Coating Emulsions Market Size, USD billion, 2019 to 2029F

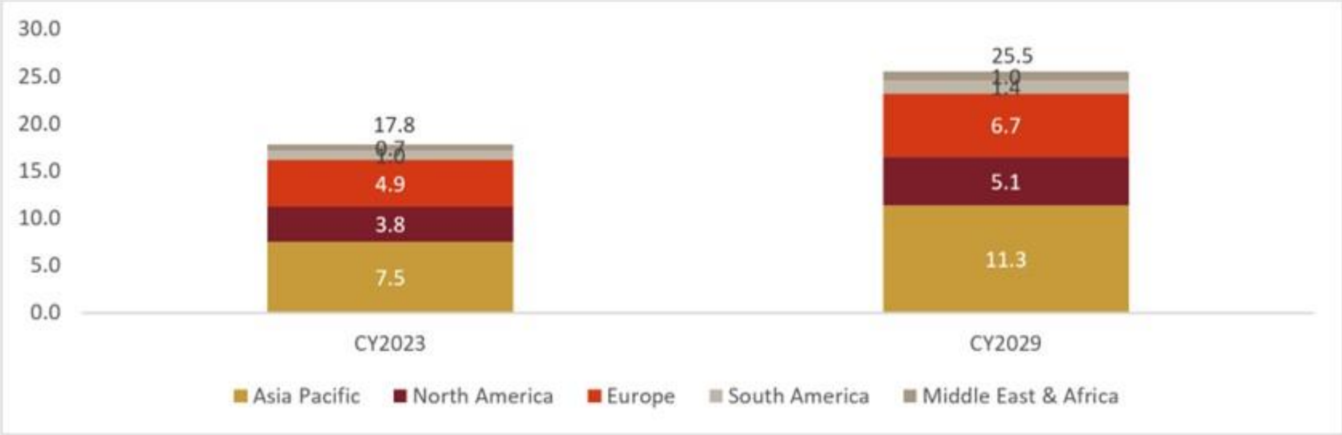


Note: A-Actual, F-Forecast
Source: CRISIL MI&A

Several factors are contributing to the growth of the specialty coating emulsions market. One of the most significant drivers is the increased demand for sustainable solutions, which is amplifying the shift towards eco-friendly, water-based coatings in response to stringent environmental regulations aimed at reducing volatile organic compounds (VOCs). Additionally, rapid urbanization, especially in the Asia-Pacific region, is spurring demand for building materials, including coatings. Key sectors, such as automotive and construction, also play a crucial role in driving market growth, as they continue to seek high-performance coating solutions that enhance product durability and aesthetic appeal.

Global Coating Emulsions Segmentation by Geography

Figure 23: Global Coating Emulsions Segmentation by Geography, USD 17.8 billion, 2023



Source: CRISIL MI&A

Asia Pacific: Asia pacific coating emulsions market growth is fueled by rapid urbanization, construction projects, and the booming automotive industry, particularly in India. Asia Pacific is also benefiting from significant investments in infrastructure and manufacturing, which are driving the need for coatings to enhance product longevity and safety.

North America: Demand in North American coating emulsions market is primarily driven by the automotive and construction industries, with growing applications for specialty coatings in corrosion resistance and enhanced durability. The U.S. leads in innovation and advanced material adoption, which supports market expansion.

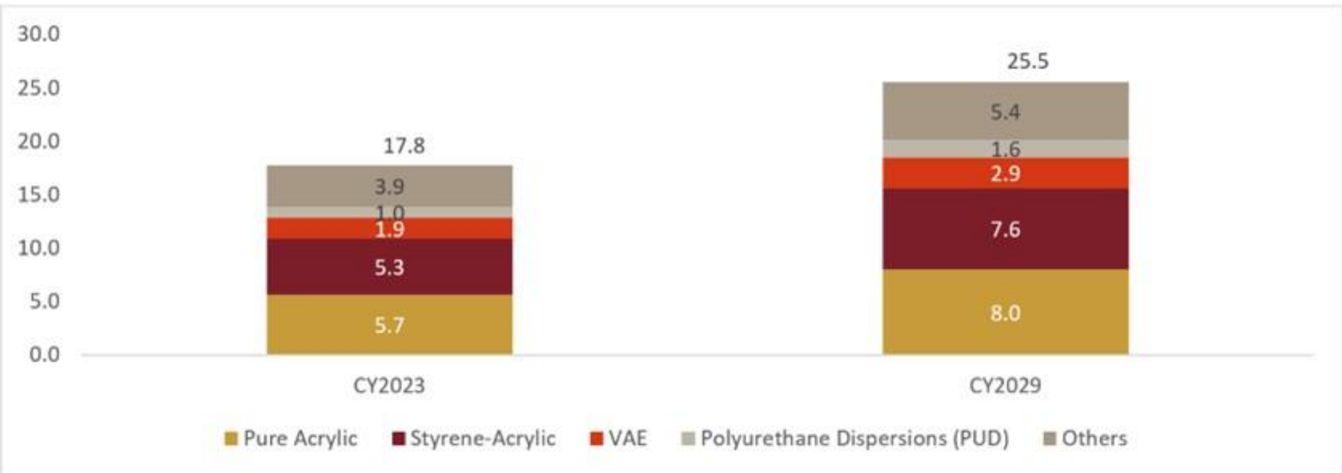
Europe: European coating emulsions market is sustained by stringent environmental regulations and a strong automotive sector. Countries like Germany, France, and the UK are key contributors due to their established industrial bases and a focus on eco-friendly, high-performance coatings.

South America: South American coating emulsions market is primarily from the construction and automotive sectors, especially in Brazil and Mexico. The market growth here is supported by a recovery in construction activities and industrial development initiatives across the region.

Middle East & Africa (MEA): The demand of coating emulsions in MEA is largely driven by infrastructure projects and the oil & gas sector, particularly in countries like Saudi Arabia and South Africa. The need for protective coatings that can withstand harsh environmental conditions is a significant growth driver.

Global Coating Emulsions Segmentation by Polymer Type

Figure 24: Global Coating Emulsions Segmentation by Application, USD 17.8 billion, 2023



Source: CRISIL MI&A

Pure Acrylic: Pure acrylic emulsions are known for their durability, UV resistance, and weatherproofing abilities. They are widely used in exterior paints and coatings due to their ability to withstand outdoor conditions without yellowing or chalking.

These emulsions are used in architectural coatings, industrial paints, and adhesives, particularly where high resistance to weathering and pollutants is required.

Styrene-Acrylic: Styrene-acrylic emulsions combine the properties of styrene and acrylic, offering enhanced adhesion, gloss, and water resistance. They are more economical compared to pure acrylics but have slightly lower durability. These are widely used in interior paints, adhesives, paper coatings, and textile finishes. The combination of styrene and acrylic provides a balance between cost and performance.

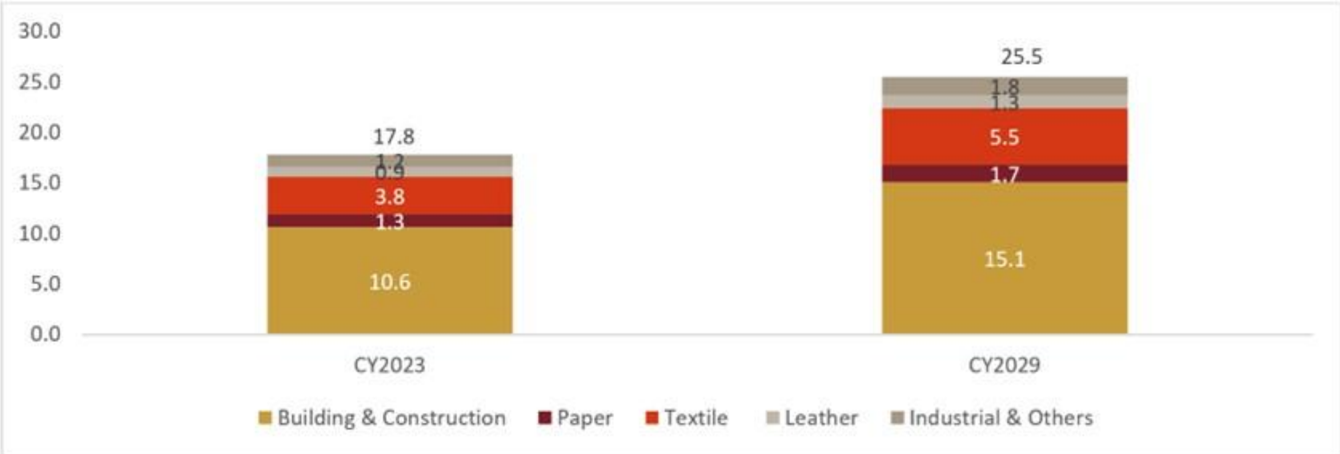
Vinyl Acetate/VAE adhesives are primarily water-based and are valued for their flexibility and cost-effectiveness. Commonly used in wood, paper, and packaging applications, VAE adhesives offer strong bonding for porous materials and are environmentally friendly.

Polyurethane Dispersions (PUD): Polyurethane dispersions are water-based coatings that offer excellent abrasion resistance, flexibility, and chemical resistance. They are environmentally friendly and versatile in application. Commonly used in wood and plastic coatings, leather finishes, and textile coatings. PUDs are popular in high-performance applications where durability and chemical resistance are critical.

Others: This category includes other specialized emulsions such as vinyl acetate and other niche polymers. These are often used in niche applications with specific performance requirements, such as paper coatings and specialty adhesives.

Global Coating Emulsions Segmentation by Application

Figure 25: Global Coating Emulsions Segmentation by Application, USD 17.8 billion, 2023

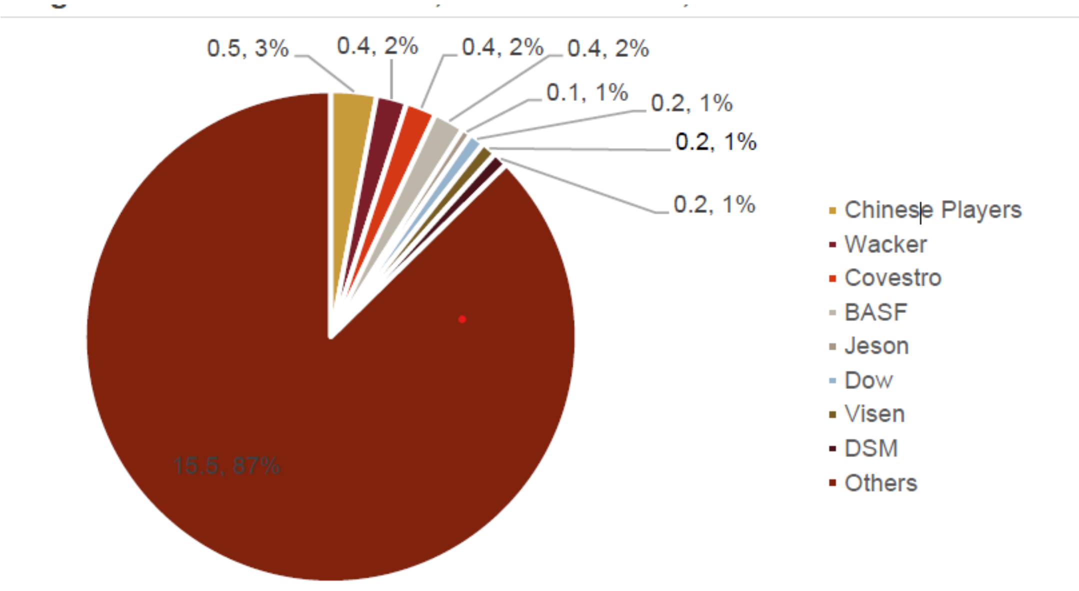


Source: CRISIL MI&A

The demand for energy-efficient buildings, which require protective coatings to extend the life of materials, is also propelling this segment. Textile accounts for 23%, reflecting the demand for coating emulsions in fabric treatments, such as stain resistance and water repellency. Trends toward sustainable and non-toxic textile finishes also support growth in this area. Paper accounts for 8% of the global coating emulsions market, likely due to applications in coating paper for enhanced strength and printability. The growth is fueled by the expanding packaging industry, especially with the rise in e-commerce and sustainable packaging solutions. The leather industry is the smallest segment with 5% of the global coating emulsion market, where coating emulsions may be used to improve the durability and aesthetic of leather products. Eco-friendly and sustainable leather treatments are also gaining traction, which can drive demand for coating emulsions. Industrial & other sectors account for 10% of the global coating emulsions market, showing the diverse applications of coating emulsions in various industrial products beyond the primary sectors.

Global Coating Emulsions Manufacturers

Figure 26: Global Coating Emulsion Manufacturers, USD 17.8 billion, 2023

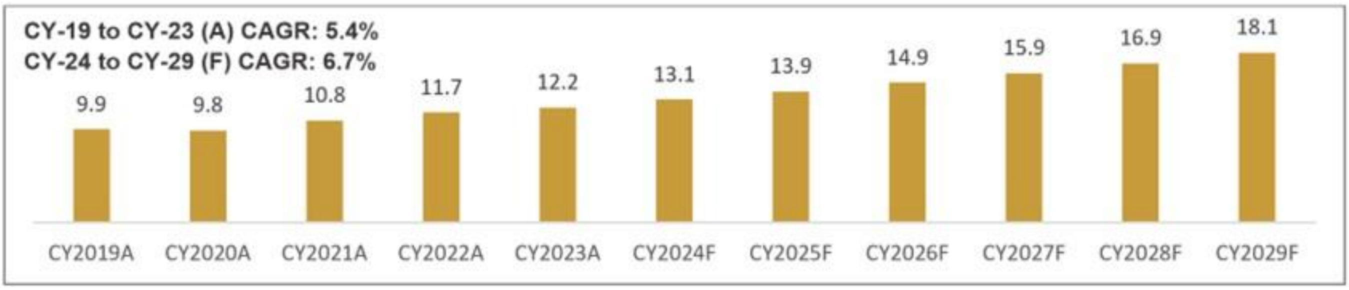


Source: CRISIL MI&A

Global Coating Additives Market

The global coating additives market is a dynamic sector poised for significant growth driven by various factors. As of 2023, the market was valued at USD 12.2 billion, and is expected to reach USD 18.1 billion by 2029, growing with a CAGR of 6.7 % from 2024 to 2029. The market's growth is influenced by increasing demand from critical sectors such as automotive, construction, and various industrial applications, particularly heightened demands for high-performance coatings that offer durability and aesthetic qualities. The functional applications of coating additives span multiple industries, highlighting their versatility and importance. Additives are integral in architectural coatings to improve weather resistance and aesthetic qualities. In the automotive sector, they enhance the longevity, visual appeal, and performance of vehicle coatings, significantly influencing consumer satisfaction. Industrial coatings leverage additives to ensure resilience against environmental factors, while marine coatings utilize them for corrosion prevention. Additionally, food-grade coatings rely on specific additives to maintain product integrity and safety.

Figure 27: Global Coating Additives Market Size, USD billion, 2019 to 2029F

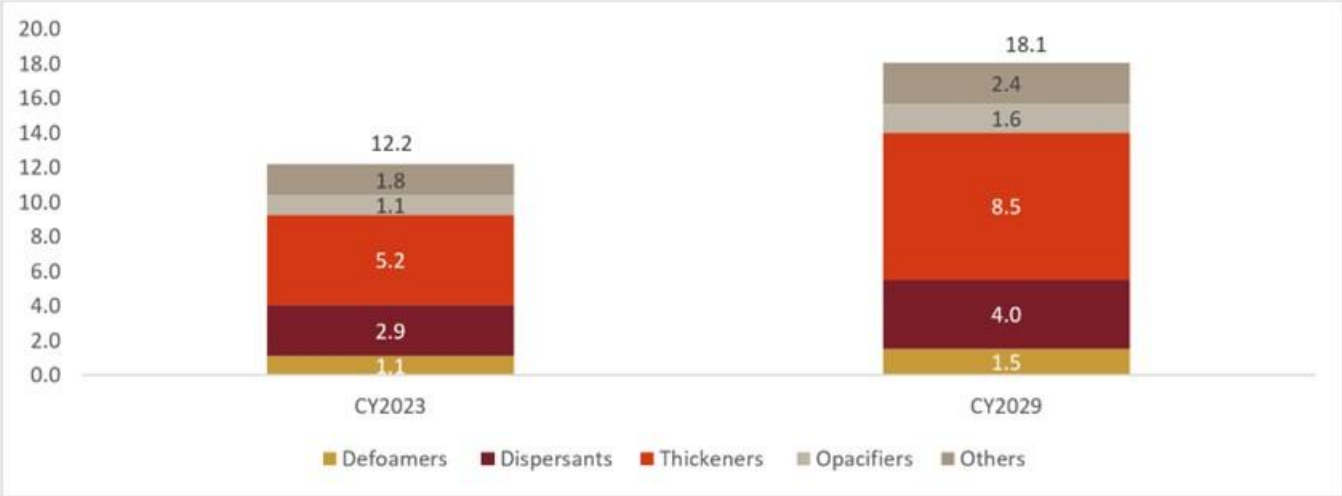


Note: A-Actual, F-Forecast
Source: CRISIL MI&A

Several key drivers are propelling the expansion of the coating additives market. Chief among them is the rising consumer preference for environmentally sustainable products, prompting manufacturers to innovate and develop low-VOC and bio-based solutions. Regulatory pressure to adhere to stringent environmental standards further emphasizes the need for sustainable practices. The ongoing urbanization and infrastructure development globally are also significant contributors to the demand for durable, aesthetically pleasing coatings, essential in various sectors from residential construction to automotive finishes.

Global Coating Additives Segmentation by Type

Figure 28: Global Coating Additives Segmentation by Type, USD billion, 2023 to 2029



Source: CRISIL MI&A

Thickeners: Thickeners hold the largest share of the market at 37% in 2023. They are used to increase the viscosity of coatings without significantly altering other properties, helping improve application properties and film build. Common types include cellulose derivatives, synthetic thickeners, and modified clays, which enhance flow control and stability in paints and coatings.

Dispersants: Dispersants account for 26% of the market in 2023. These additives help distribute pigments and fillers evenly within the coating, preventing clumping and settling. They are crucial for ensuring color consistency and stability in paints, particularly in pigment-heavy formulations.

Opacifiers: Opacifiers accounted for ~9% of the market in 2023. They are utilized primarily to enhance the opacity and hiding power of coatings, enabling them to effectively conceal the underlying substrate. These materials, often consisting of pigments such as titanium dioxide, improve light scattering properties, allowing for better coverage and vibrancy in paint applications.

Defoamers: Defoamers represent the smallest segment, at 10%. These additives are used to reduce and prevent foam formation during the production and application of coatings. Foaming can cause defects in the finish and disrupt the application process, so defoamers are essential in achieving a smooth, defect-free coating surface.

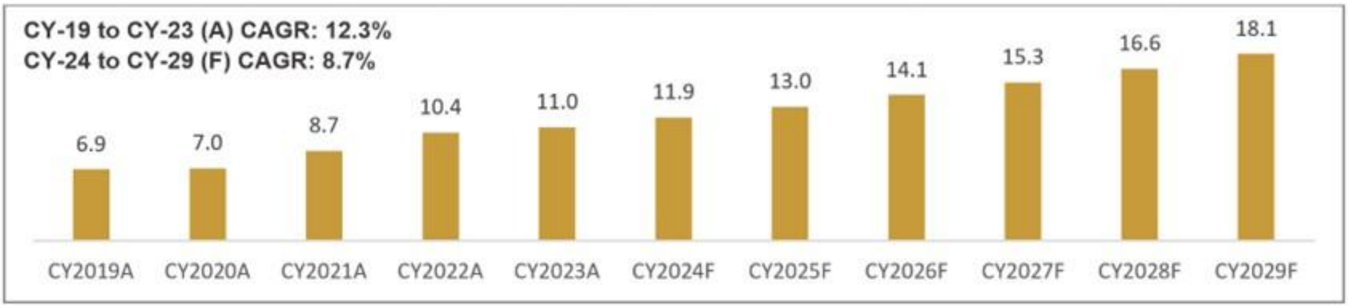
Others: Others likely include various niche or less common additives used in coatings. These could be biocides, wetting agents, adhesion promoters, and leveling agents, each of which provides specific functionalities, like preventing microbial growth, enhancing adhesion to surfaces, or improving the smoothness of the finish.

Indian Paints & Coatings Market

The Indian paint industry was valued at USD 11 billion in 2023 and is expected to grow at a CAGR of 8.7% from 2024 to 2029, reaching a value of USD 18.1 billion. The growth is attributed to several key factors, including rapid urbanization, increasing disposable incomes, and significant infrastructure development. The demand for architectural paints (decorative) has surged as urbanization boosting the need for housing and public infrastructure. Government initiatives like the Pradhan Mantri Awas Yojana (PMAY) and Smart Cities projects are stimulating construction activity, thereby amplifying demand for both decorative and protective coatings. Furthermore, the burgeoning automotive sector, coupled with a growing middle class seeking aesthetically pleasing and durable coatings, is fuelling the market. Additionally, shifts toward environmentally friendly products, driven by regulatory compliance and consumer awareness of sustainability, are encouraging innovation within the industry.

The Paints & Coating market in India includes various categories tailored to different surfaces, such as interior and exterior emulsion, enamels, wood finishes, primers, distempers, putties, etc.

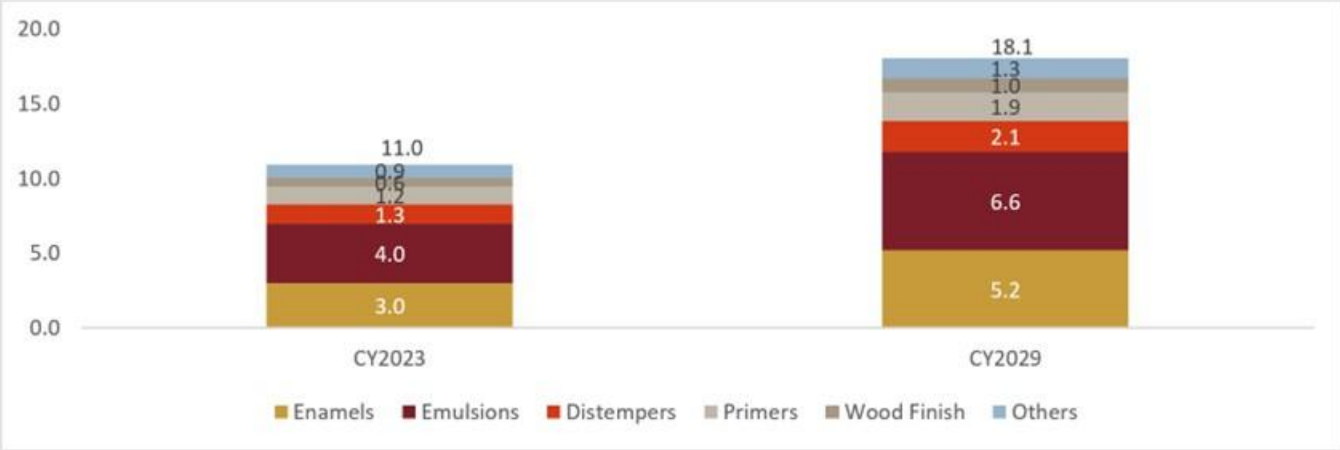
Figure 29: Indian Paints & Coatings Industry Market Size, USD billion, 2019 to 2029F



Note: A-Actual, F-Forecast
Source: CRISIL MI&A

Segmentation by Product

Figure 30: Indian Paints & Coatings Market Segmentation by Product, USD billion, 2023 to 2029



Source: CRISIL MI&A

Emulsions: Emulsions hold the largest market share, indicating a strong preference in India for easy application, and durability. Emulsions are popular in both residential and commercial applications, particularly for interior and exterior walls.

Enamels: Enamels are the second-largest category, reflecting their robust and glossy finish, making them suitable for surfaces that need protection against harsh conditions, like metal surfaces and woodwork. Their durability and resistance to stains and water contribute to their significant market share.

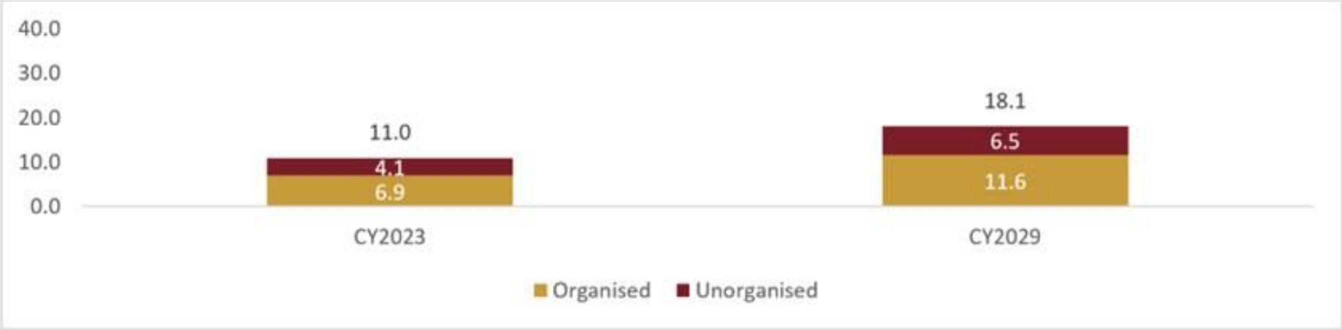
Wood Finishes: Wood finishes include products designed to enhance and protect wooden surfaces. These are commonly used in residential and commercial spaces for furniture, floors, and other wooden installations.

Distempers: Distempers, often seen as a more economical choice, are used in areas where a basic level of wall paint finish is required. They are less durable than emulsions but are commonly applied in lower-budget projects or temporary settings.

Primers: Primers are foundational coatings used to prepare surfaces before applying the final paint. They ensure better paint adhesion and improve durability, making them essential in quality-conscious projects.

Segmentation by Sector

Figure 31: Indian Paints & Coatings Market Segmentation by Sector, USD billion, 2023 to 2029



Source: CRISIL MI&A

Organised Sector represents the majority of the market, accounting for approximately 63% of the total market in 2023. The sector consists of larger, well-established companies that often follow strict regulatory standards, operate across multiple regions, and have a formal structure in place. This segment typically includes multinational and large national companies with a significant market presence. Major players in the organized sector in India include companies like Asian Paints, Berger Paints, Kansai Nerolac, Indigo Paints and Akzo Nobel India. These companies often maintain a strong distribution network, advertising presence, and customer loyalty programs to sustain their market share. The manufacturers often focus on quality, brand value, and customer service. They also invest heavily in research and development (R&D) to create innovative products, like eco-friendly and durable coatings, which cater to both individual and industrial clients.

The unorganized sector accounts for 37% of the Indian paints & coatings market in 2023. This segment includes smaller manufacturers, typically operating on a local or regional scale, often with less formal business practices and limited adherence to regulations. Unorganized players may produce lower-cost paints with fewer product features, targeting price-sensitive consumers. This sector relies heavily on cost competitiveness rather than brand value or quality differentiation. These companies may not invest as much in R&D or branding and often operate in niche markets or rural areas with low regulatory oversight. The unorganized market comprises a large number of small, local manufacturers. Many of these companies lack the financial resources or infrastructure to compete with organized players on quality, but they have a significant price advantage.

No. of Manufacturers

Company	No of Players
Large Players (Revenue above 500 crores)	7*
Medium & Small Players	Around 3000

* *Includes Asian Paints, Berger Paints, Kansai Nerolac, Indigo Paints and Akzo Nobel India*

Top 5 manufacturers, region wise

North	South	West	East
Asian Pants	Asian Pants	Asian Pants	Asian Pants
Berger Paints	Berger Paints	Berger Paints	Berger Paints
Kansai Nerolac	Kansai Nerolac	Kansai Nerolac	Kansai Nerolac
Akzo Nobel	Indigo Paints	Akzo Nobel	Indigo Paints
Others	Others	Others	Others

The major producer in India source most of their raw material from Dow, Celanese, BASF, Dairen and others as these are the leading manufacturers of paint raw materials like resins/binders. Recently, Asian Paints has announced to build VAE and VAM plant, that will be used captively by the company to reduce import dependency. Asian Paints imports VAE emulsion major from Dairen chemicals as it is one the leading producer of VAE emulsion. Dow and Covestro supplies acrylic emulsion to major Indian paints manufacturers such as Asia Paints, Berger, and Jotun.

Majority of Indian Paints Organised and unorganised player are dependent on imports of paints raw material owing to lack of major resins manufacturing facility in India.

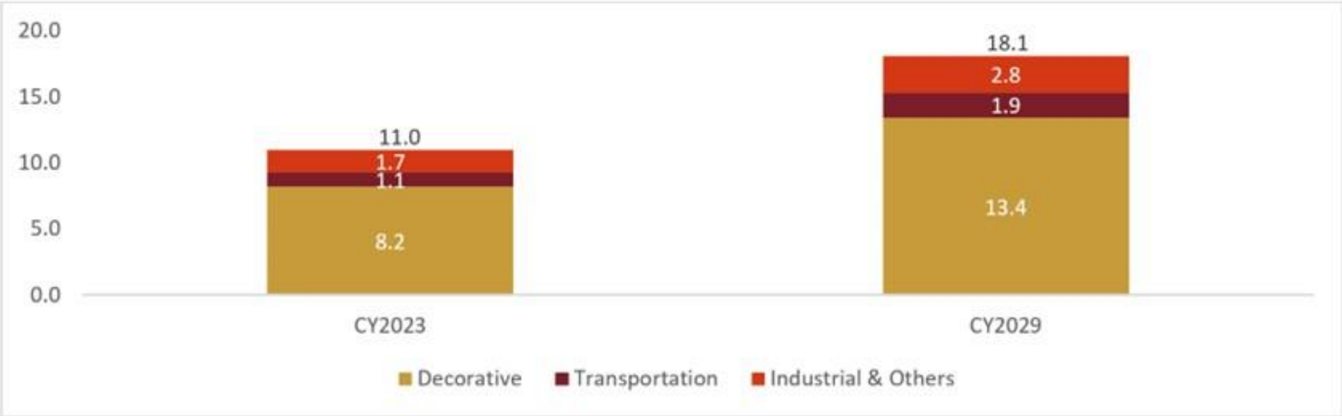
There are around 3000 unorganised paints & coating manufacturers in India together generating revenue or around USD 4 billion in 2023. While the organized producers benefit from integrated supply chains and economies of scale, the unorganized players operate with limited resources. Their strategies primarily revolve around sourcing rather than production. Unlike organised competitors, MSME players do not invest in setting up manufacturing capacities for essential raw materials like emulsions, resins, and binders. This lack of integration is primarily due to high capital requirements, and technical expertise. Hence, unorganized players rely heavily on external suppliers for their raw material needs.

In India, suppliers like Jesons and Visen have positioned themselves as key partners for these players by offering high-quality materials that meet industry standards. This enables unorganized players to produce competitive products without needing to invest in manufacturing of raw materials.

Segmentation by Type

The decorative paint segment includes various categories based on the surface type, such as interior wall paints, exterior wall paints, wood finishes, enamels, and ancillary products like primers and putties. India's decorative coating market size is valued at USD 8 billion in 2023. Asian Paints, Berger Paints, Shalimar Paints Ltd, Indigo Paints, Kansai Nerolac, Akzo Nobel, Retina Paints, Sirca, and JSW Paints are some of the leading companies in the organised decorative paints sector. Several factors such as rapid urbanization, increase in nuclear families, rising disposable income, shorter repainting cycles, government initiatives for housing, etc have contributed to the growth of the decorative paint segment.

Figure 32: Indian Paints & Coatings Market Segmentation by Type, USD billion, 2023 to 2029



Source: CRISIL MI&A

The decorative segment holds the largest share, rising from USD 8.2 billion in 2023 to an estimated USD 13.4 billion in 2029. The transportation segment grows modestly from USD 1.1 billion to USD 1.9 billion, while industrial and other coatings increase from USD 1.7 billion to USD 2.8 billion from 2023 to 2029. This growth reflects a robust demand for decorative paints, driven by residential and commercial infrastructure expansion, while industrial and transportation coatings show steady growth aligned with industrial and automotive advancements.

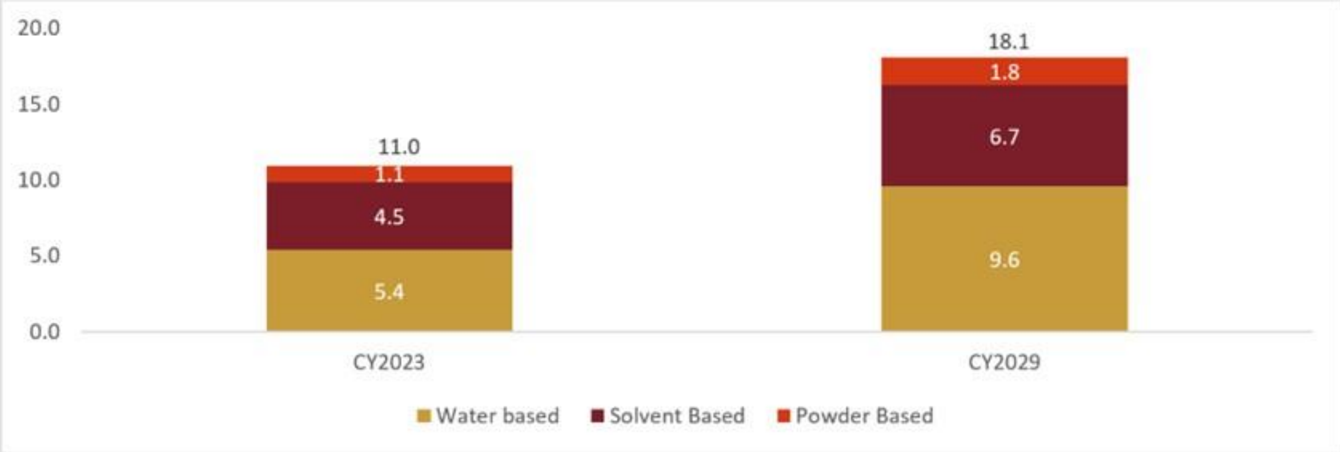
Decorative Coatings: These include paints used for aesthetic and protective purposes in residential and commercial buildings. Applications range from interior and exterior walls to wood and metal surfaces. Key drivers include urbanization, construction growth, and a shift toward premium products.

Transportation Coatings: These focus on automotive and aerospace sectors, providing durability, corrosion resistance, and visual appeal. Increasing vehicle production and maintenance activities in India contribute to steady demand growth.

Industrial & Other Coatings: Cover applications in manufacturing, infrastructure, and specialized industries such as oil and gas. These coatings provide high-performance protection against wear, corrosion, and extreme conditions, supporting industrial productivity and infrastructure development.

Segmentation by Technology

Figure 33: Indian Paints & Coatings Market Segmentation by Technology, USD billion, 2023 to 2029



Source: CRISIL MI&A

Water-based coatings use water as a solvent, making them more environmentally friendly due to lower VOC (Volatile Organic Compounds) emissions. These coatings are widely used for both interior and exterior applications, especially in residential and commercial buildings, due to their ease of application, low odor, and quick drying time. They are also resistant to yellowing and have a long shelf life, which contributes to their popularity.

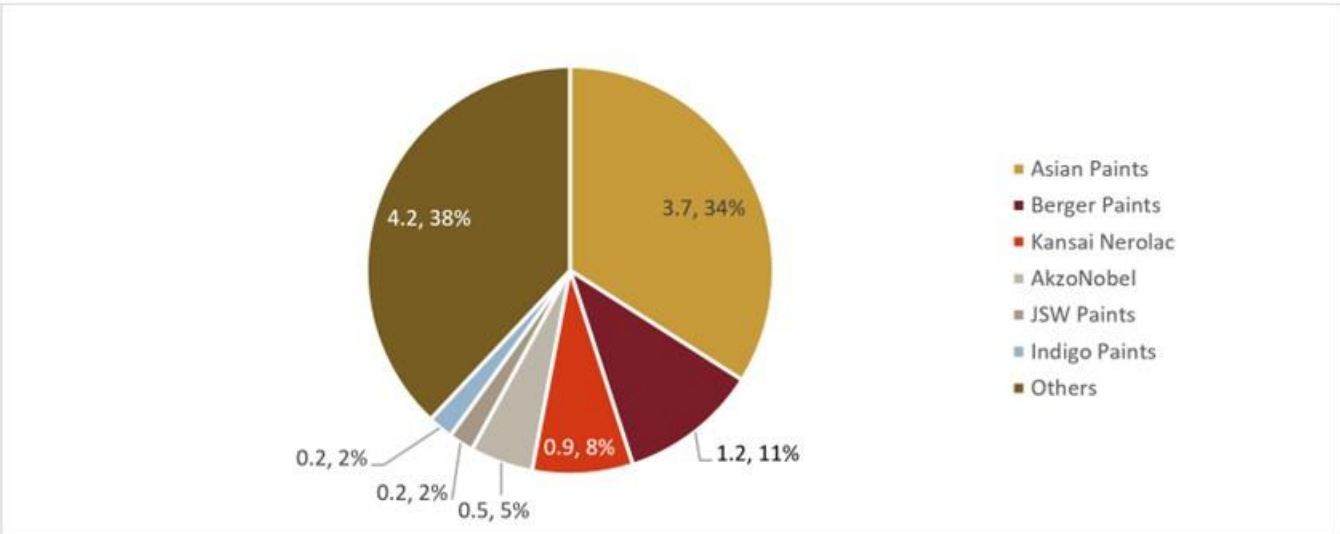
Solvent-based coatings use organic solvents, which often contain high levels of VOCs, making them less environmentally friendly than water-based coatings. However, these coatings are known for their durability, resilience in harsh environments, and excellent adhesion properties. They are commonly used in industrial and marine applications. The drying process of solvent-based coatings does not depend on atmospheric conditions, making them more versatile in varying climates. Despite their high VOC content, solvent-based coatings are still preferred in certain sectors due to their strong chemical resistance and ability to adhere well on challenging surfaces.

Powder coatings are applied as dry powder and cured under heat to form a hard, durable finish. They are environmentally friendly as they contain no solvents and produce minimal waste, with excess powder being reusable.

This technology is popular in the automotive and appliance industries due to its high durability, resistance to corrosion, and aesthetic appeal. The growth of this segment is attributed to its environmental advantages, efficient application process, and growing demand in various industrial sectors. These percentages indicate that the market is predominantly led by water-based coatings, followed closely by solvent-based coatings, while powder-based coatings occupy a smaller but significant niche, particularly in industrial applications.

Paints & Coatings Manufacturers

Figure 34: Indian Paints & Coatings Manufacturers, USD 11.0 billion, 2023



Source: CRISIL MI&A

Over the last two decades, the worldwide coatings industry has become highly consolidated, with the top ten suppliers currently accounting for about half of the whole market. The Indian paints market is dominated by the decorative market contributing to ~75% of the total paints market. The organized market accounts for the top 10-12 players who make up for 77% of the decorative market share while the remaining 23% is made up of many small players. Larger players have their captive capacities for meeting ~75-80% of their requirements. They source high solid emulsions from players like Visen, BASF and Dow. For other requirements, they mostly utilize their captive capacities or outsource to players like our Company.

India Coating Additives Market

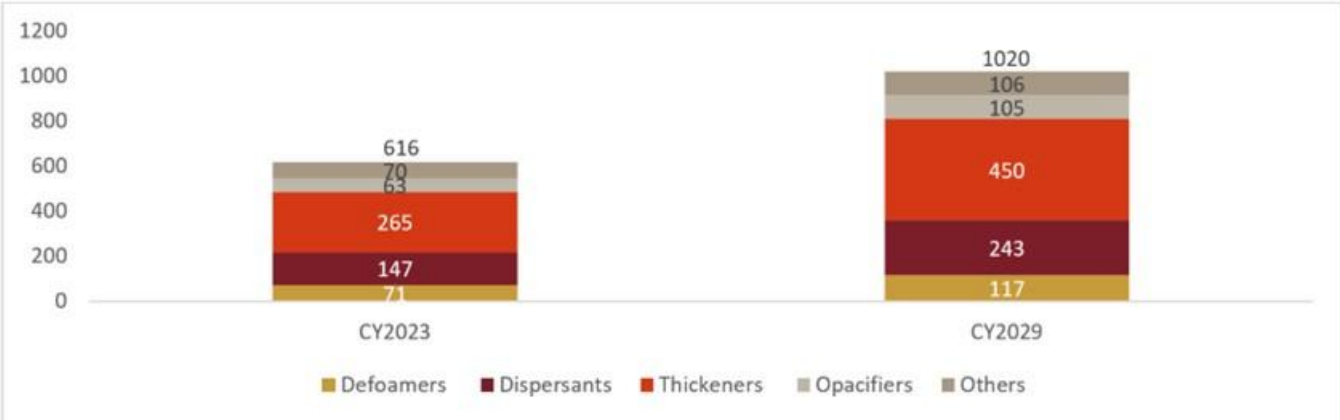
The Indian coatings additives market, valued at approximately USD 616 million in 2023, is projected to reach USD 1,020 million by 2029, driven by factors such as the demand for eco-friendly products, the expansion of key end-use industries including construction and automotive, and the necessity to meet stringent regulatory compliance standards. Key trends include a shift towards sustainable innovations, with an increasing preference for bio-based additives and technological advancements that enhance product performance through specialty formulations. Furthermore, the growing demand for waterborne coatings, with their lower VOC content, is reshaping the market landscape.

Figure 35: Indian Coating Additives Industry Market Size, USD million, 2019 to 2029F

Note: A-Actual, F-Forecast
Source: CRISIL MI&A

India Coating Additives Market Segmentation by Type

Figure 36: Indian Coating Additives Segmentation by Type, USD million, 2023 to 2029



Source: CRISIL MI&A

Thickeners: Thickeners hold the largest share in the market at 37%. Thickeners are used in paints and coatings materials to achieve rheological properties. The rheological properties relate to processing, storage and application conditions and are affected by all main components: binder, pigments, solvent, and additives.

Dispersants: Dispersants accounted for 27% of the coating additives market which was valued at USD 0.15 million. In September 2024, Lubrizol announced their plans to expand their dispersants capacity. The company is planning to double their capacity at its Avon Lake manufacturing facility.

Defoamers: Defoamers represent the around 13%. These additives are used to reduce and prevent foam formation during the production and application of coatings. BASF has increased their defoamer capacity at its Dilovasi plant in Turkey in November 2023.

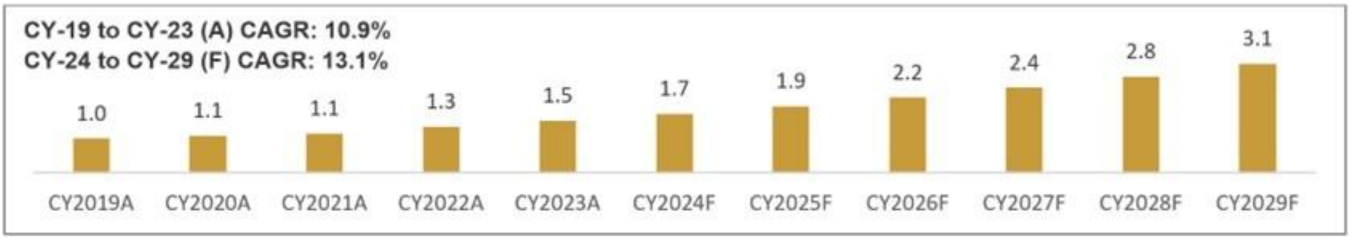
Opacifiers: Opacifiers accounted for a share of 11% in the coating additives market. These paints are used in premium to quality interior/exterior flat through high gloss architectural paints.

Others: Others likely include various niche or less common additives used in coatings. These could be biocides, wetting agents, adhesion promoters, and levelling agents, each of which provides specific functionalities, like preventing microbial growth, enhancing adhesion to surfaces, or improving the smoothness of the finish.

Indian Coating Emulsions Market

The Indian coating emulsions market is experiencing significant growth, driven by various factors, including rising demand for eco-friendly products, technological advancements, and increased applications across multiple industries. In 2023, the Indian Coating Emulsions Market in India was valued at USD 1.5 billion and is expected grow at a rate of 13.1% till 2029, reaching a value of USD 3.1 billion. The growth is particularly fueled by the demand for emulsion polymers in paints and coatings, especially acrylic emulsions, which offer improved performance and reduced volatile organic compounds (VOCs).

Figure 37: Indian Coating Emulsions Market Size, USD billion, 2019 to 2029F

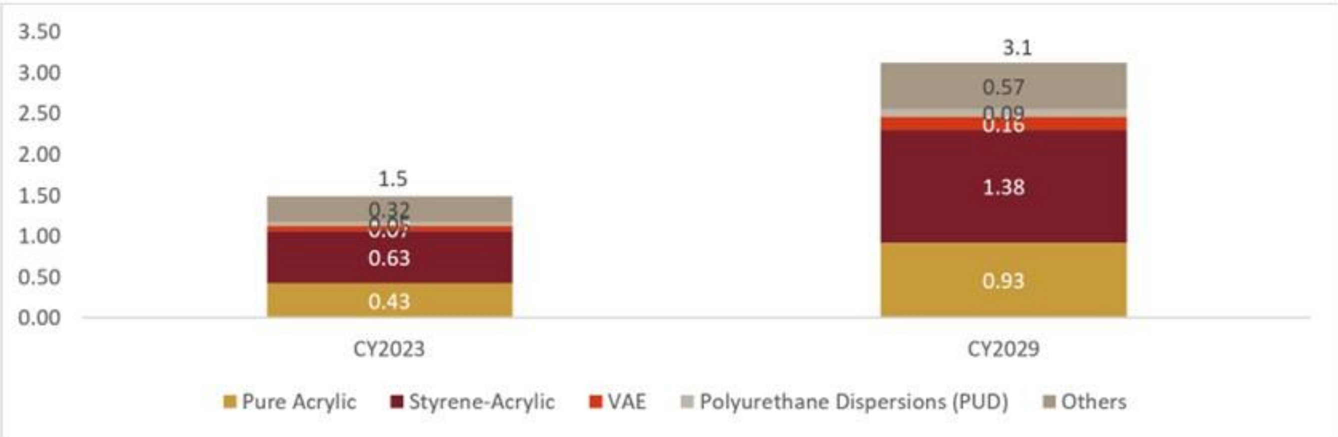


Note: A-Actual, F-Forecast
Source: CRISIL MI&A

The application of coating emulsions is widespread across various sectors. Their primary uses include paints and coatings, where they enhance durability and aesthetic appeal; adhesives and sealants, essential in construction and various crafts; and paper and paperboard coatings, which improve surface properties.

India Coating Emulsions Segmentation by Polymer Type

Figure 38: Indian Coating Emulsions Segmentation by Polymer Type, USD billion, 2023 to 2029

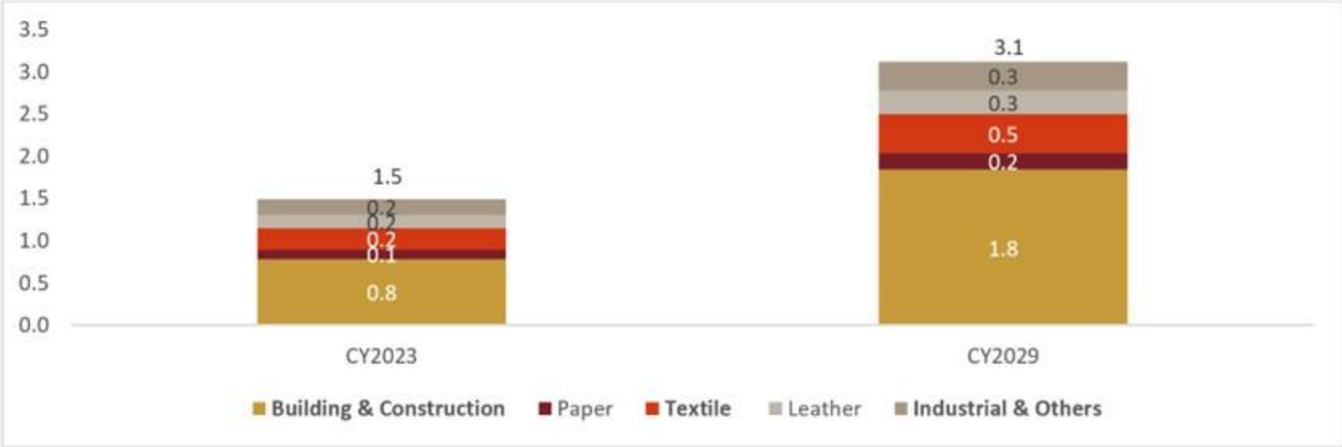


Source: CRISIL MI&A

Jesons key products in the emulsions are based on styrene acrylic, pure acrylic, VAM acrylics. Company is one of the leading specialty coating emulsions supplier to the Indian paint sector with about 27% market share, in terms of value, in the segment in FY-24. The company has strong presence in Asia Pacific, Middle East and African Market and exports to more than 50 countries.

India Coating Emulsions Segmentation by Application

Figure 39: Indian Coating Emulsions Segmentation by Application, USD billion, 2023 to 2029



Source: CRISIL MI&A

Growth Drivers for India Decorative Coating Market

The coating market in India is witnessing strong growth, propelled by key factors such as rapid urbanization, and focus of government on affordable housing. One of the most significant growth drivers of construction sector in India is the scheme - Pradhan Mantri Awas Yojana-Urban (PMAY-U) 2.0, recently approved by the Union Cabinet under the leadership of Prime Minister Shri Narendra Modi. This ambitious program aims to address the housing needs of urban poor and middle-class families which is further estimated to drive the market of Paints & coating in India.

Pradhan Mantri Awas Yojana-Urban (PMAY-U) 2.0

In Union Budget 2024, under PMAY-U 2.0, the government plans to build 1 crore houses over the span of next five years with an investment of around INR 10 lakh crore, including a government subsidy of INR 2.30 lakh crore. By focusing on housing affordability and quality, the program is estimated to drive the market of Architectural coating (decorative) during the forecast period. This includes interior and exterior emulsion, primers, varnishes, and other coating products essential for enhancing the aesthetics and durability of these housing units.

Focus on Urbanization and Infrastructure

The rapid urbanization in India is another crucial factor driving the decorative coatings market. Urban areas are expanding as more people migrate to cities in search of better opportunities. Since 2016, India's urban population has grown at an average annual rate of 2.3%, while the overall population has experienced a growth rate of 0.9% during the same period. With this trend, the demand for residential and commercial buildings is increasing, thereby boosting the need for decorative coatings.

Increased Disposable Income and Middle-Class Growth

The rising income levels among India's middle class is expected to drive the demand of Paints & Coating during the forecast period as increase in income level of middle class lead to an increase in spending on home improvement, and renovation activities.

Growth in Smart Cities and Affordable Housing Projects

India's Smart Cities Mission and other affordable housing projects also contribute significantly to the decorative coatings market. With new housing developments and the modernization of urban spaces, the need for high-quality, durable coatings is on the rise. Smart city projects typically include residential, commercial, and recreational spaces that require aesthetically pleasing and resilient finishes, boosting demand for decorative coatings across various applications.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

AMRUT was launched in 2015 and has played a significant role in driving urban infrastructure development across India since its launch. With a focus to enhance amenities like sewerage, water supply, etc, the scheme has generated demand for construction and infrastructure related materials, including paints.

The AMRUT 2.0 scheme seeks to ensure universal water supply coverage by providing tap connections to all households and enhancing sewerage management across over 500 cities. With a total budget of ₹2,99,000 crore, the ongoing implementation of AMRUT 2.0 is expected to significantly boost the consumption of paints and coatings in India.

Outsourcing of Emulsion by Paint Manufacturers

The trend of outsourcing emulsion production has emerged as a significant growth driver for the decorative coating market, influenced by various market dynamics and operational efficiencies. Outsourcing emulsion production allows manufacturers to efficiently meet this growing demand by leveraging specialized expertise and resources, thereby reducing operational costs and enabling them to focus on their core competencies, such as product development and marketing. Additionally, outsourcing provides access to advanced technologies and highly skilled expertise from specialized suppliers, which not only enhances the quality of emulsions used in decorative coatings but also accelerates innovation cycles. This adaptability is crucial in a landscape where the paint and coatings industry faces stringent environmental regulations regarding volatile organic compound (VOC) emissions and sustainability; collaborating with compliant suppliers helps manufacturers mitigate risks associated with non-compliance and align their products with consumer preferences for eco-friendly options.

Strong Growth in Real State

Indian Real states sector has witness strong growth in last 6 years and it is estimated to grow at a healthy CAGR during the forecast period. Increasing urbanization, rising household incomes, and increasing private investment is driving the Real State sector in India.

India has seen a surge in demand for residential properties, largely driven by rapid urbanization and higher household incomes. With an average 10 million people migrating to cities every year, the need for residential spaces has skyrocketed. As cities expand, more properties require painting and finishing, creating a substantial market for both exterior and interior coatings.

Sectors such as e-commerce, education, healthcare, and logistics are increasingly requiring dedicated spaces, further fuelling demand for paints in commercial buildings, warehouses, and service facilities.

Key Challenges for Paints & Coatings Industry

The paints and coatings industry faces a variety of challenges, influenced by regulatory demands, market dynamics, and raw material costs. Increasing regulatory pressure regarding environmental concerns has resulted in stricter guidelines surrounding volatile organic compounds (VOCs) and hazardous substances found in traditional paint formulations. Manufacturers are required to invest heavily in the development of new technologies and products, such as low-VOC or VOC-free paints, which can be more expensive to produce. Additionally, the volatility of raw material prices, particularly petroleum-based materials, poses a significant challenge, as fluctuations can lead to increased costs for manufacturers, complicating financial planning and impacting profitability.

In India, the paints and coatings sector faces its specific challenges, including a heavy reliance on imported raw materials, making the industry vulnerable to price fluctuations and trade dynamics influenced by global oil prices. Environmental regulations are becoming increasingly stringent in India, necessitating that manufacturers reformulate products to reduce harmful substances, requiring significant investment in technology and research and development. Furthermore, cyclical demand patterns in decorative paints complicate inventory management, resulting in excess capacity or shortages during peaks and declines, particularly around festive seasons. The competitive landscape is also shifting, as new large-scale producers enter the market, prompting established players like Asian Paints and Berger Paints to quickly adapt to maintain their position while meeting consumer demands for innovative and sustainable products. This pressure for rapid innovation strains resources and heightens competition, particularly for small and mid-sized players that may lack the financial capacity to scale operations or invest in new technology, thus leaving them at a disadvantage.

Competitive Landscape

Dow Inc

Dow, is an American multinational company, is headquartered in the United States. It is one of the leading science and technology companies in the world with more than 180 manufacturing sites in 35 different countries. The company's Paints & Coatings segment caters to various types of industries such as Building & Construction and Industrial.

Dow is composed of four different segments: Packaging & Specialty Plastics, Industrial Intermediates & Infrastructure, Performance Materials & Coatings, and Corporate. The Performance Materials & Coatings consists of two global businesses: Coatings & Performance Monomers and Consumer Solutions. Coatings & Performance Monomers further consists of two businesses: Coating Materials and Performance Monomers. The Coating Materials business makes critical ingredients and additives that help advance the performance of paints and coatings. The business offers innovative and sustainable products to accelerate paint and coatings performance across diverse market segments, including architectural paints and coatings, as well as industrial coatings applications used in maintenance and protective industries, wood, metal packaging, traffic markings, thermal paper and leather.

BASF

BASF is a German chemical company headquartered at Ludwigshafen, Germany. BASF is regarded as the largest chemical company in the world. The company was founded in year 1865 in Germany. Now, the company has subsidiaries and Joint ventures in more than 80 countries. The company has 11 divisions grouped into six major segments. Materials: (Performance Materials, Monomers), Chemicals: (Petrochemicals, Intermediates), Industrial Solutions: (Dispersions & Pigments, Performance Chemicals), Surface Technologies: (Catalysts, Coatings – Nutrition & Care: Care Chemicals, Nutrition & Health), Agricultural Solutions: (Agricultural Solutions).

BASF's Coatings division develops, manufactures and markets a high-quality range of innovative automotive OEM coatings, automotive refinishes as well as decorative paints. In the year 2023, the company booked a revenue of USD 4,572.29 million. The company has a workforce of 11,000 employees, with more than 70 sites and headquarters located in Münster, Germany.

Visen

Visen Industries Limited, a leading manufacturer of polymer emulsions catering premium products to paint, textile, adhesive and construction industries as well as consumer products. The company runs five manufacturing units—four in India and one in the UAE and with over a workforce of 450 employees. Visen Industries caters to various industries, primarily paint, textile, construction and adhesives.

Visen's emulsions are used for architectural paints as binders for exterior coatings, texture finishes, elastomeric coatings, putties, primers, etc. Visen's emulsion range also includes thickeners and dispersing agents. Another major emulsion in this segment is opaque polymers which are used for partial TiO_2 replacement and property enhancement of various coatings. The company also produces emulsions for clay coating of paper for superior quality paper.

Kamsons Chemicals

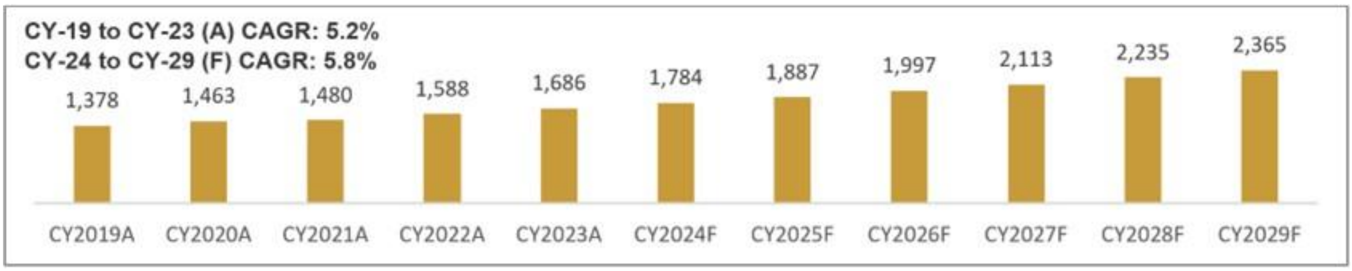
Kamsons is a leading manufacturer of acrylic resins in Mumbai, serving a wide range of industries. The company's manufacturing facilities are in Mahape, Navi Mumbai, and Ambernath, with headquarters situated in Khar, Mumbai. The company supplies products to industries which include textiles, paint, construction chemicals, printing inks, packaging, paper, and leather.

Kamson's product range includes styrene co-polymer resins for the paint industry, acrylic resins for adhesives in the paper industry, and building protection coatings for the construction chemicals sector. In recent years, the company has successfully developed water-based polyurethane dispersions (PUDs) which are eco-friendly, water-borne systems and offer perks of solvent-based systems, without the associated hazards. PUDs can be used to formulate wall coatings and tough, scratch-resistant floor coatings. With this innovation, we aim to reduce imports and meet local demand effectively.

Redispersible Powder Market

The redispersible powder market is a vital segment within the construction industry, reflecting significant growth due to rising demand for construction materials. Key trends influencing the market include a growing emphasis on sustainability in construction practices, advancements in polymer formulations that enhance performance while reducing environmental impacts, and the increasing application of redispersible powders, particularly in tiling and flooring, driven by a surge in renovation projects. However, the market faces several challenges, such as production risks associated with spray drying processes, stringent regulatory constraints regarding volatile organic compounds (VOCs), and fluctuating raw material costs that could impact pricing strategies for manufacturers. Overall, while the redispersible powder market is positioned for significant growth, overcoming production and regulatory hurdles will be crucial to ensuring sustained expansion in this sector.

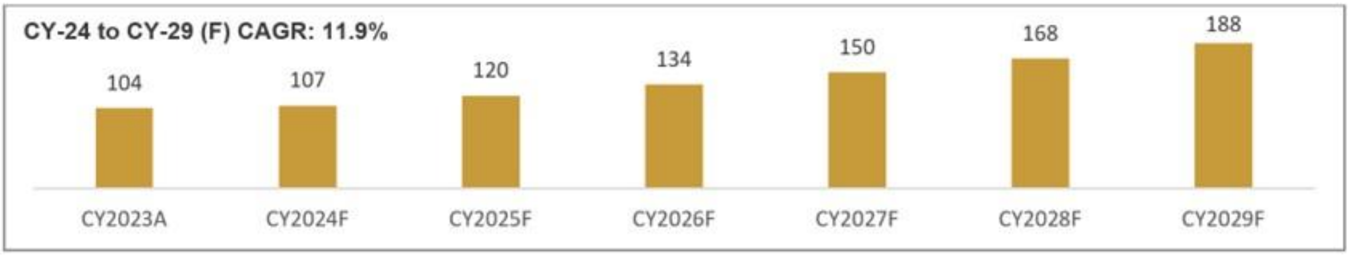
Figure 40: Global Redispersible Powder Market Size, USD million, 2019 to 2029F



Note: A-Actual, F-Forecast
Source: CRISIL MI&A

The global redispersible powder market was valued at USD 1,686 million in 2023 and is expected to grow at a rate of 5.8% till 2029. The Indian redispersible powder market contributed ~6% to the global market and stood at USD 104 million in 2023, and is expected to reach USD 188 million by 2029, growing at a rate of 11.9%.

Figure 41: India Redispersible Powder Market Size, USD million, 2019 to 2029F

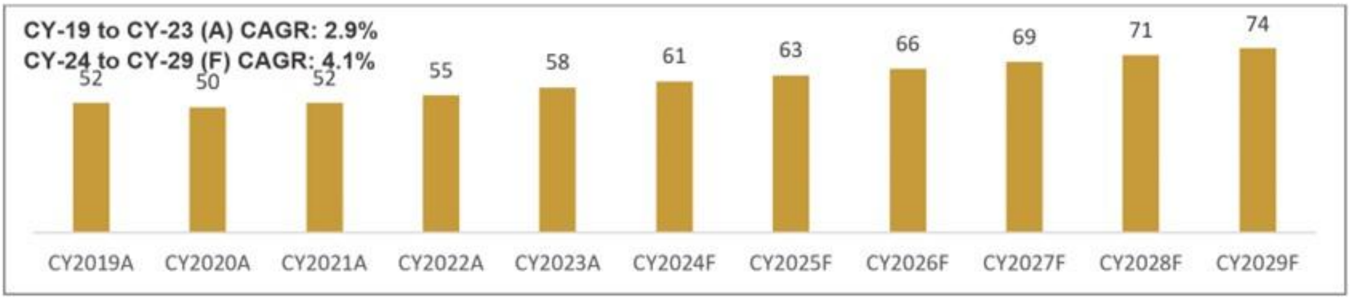


Note: A-Actual, F-Forecast
Source: *CRISIL MI&A*

Adhesives Industry

Global Adhesives Market Overview

Figure 42: Global Adhesives Market Size, USD billion, 2019 to 2029F

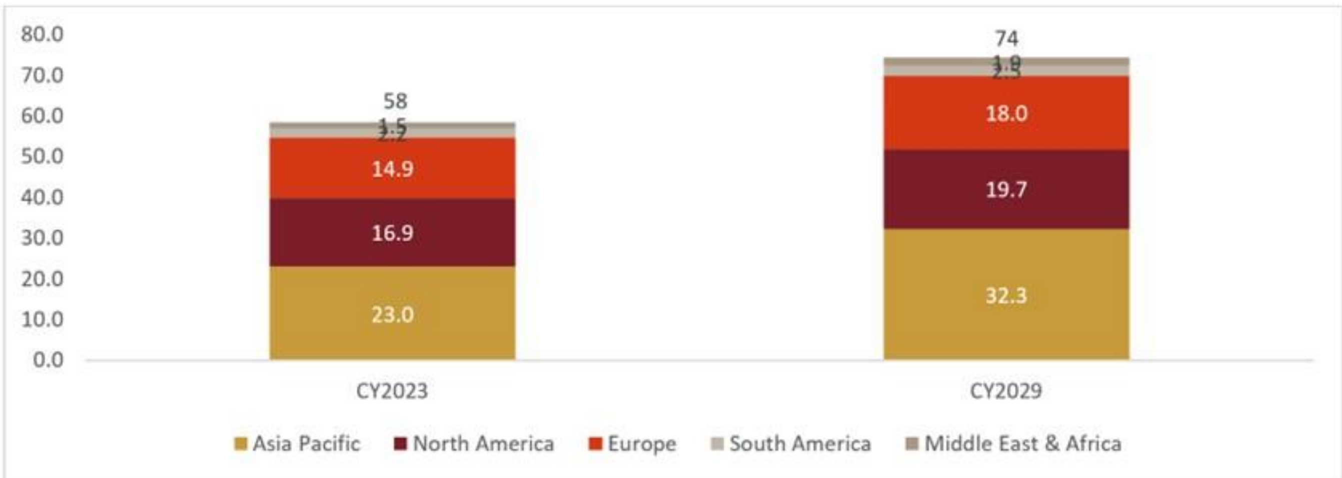


Note: A-Actual, F-Forecast
Source: CRISIL MI&A

Global Adhesives market size was valued at USD 58 billion in 2023 and is expected to grow at a rate of 4.9% till 2029, reaching a value of USD 74 billion. Adhesives are valued for their ability to bond different materials, resist vibrations, and evenly distribute stress. Key application areas include paper and packaging, construction, manufacturing, woodworking, and consumer products. Specialty adhesives, often seen as premium products, are especially important in construction, automotive, aerospace, furniture, and electrical/electronic sectors.

Segmentation by Geography

Figure 43: Global Adhesives Market Segmentation by Geography, USD billion, 2023 to 2029

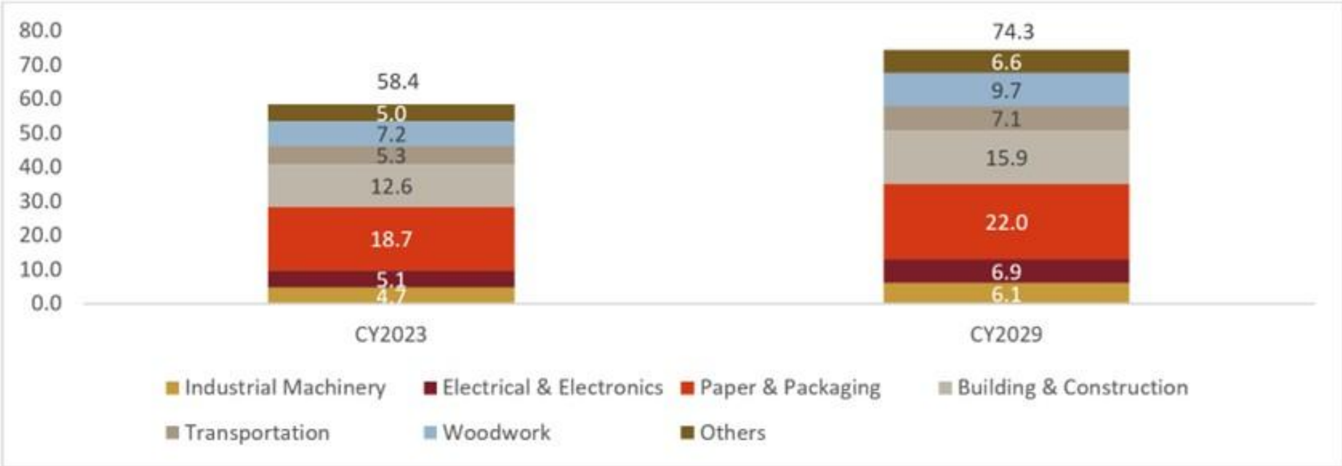


Source: CRISIL MI&A

In 2023, global Adhesive market was valued at USD 58 billion. Most of the demand is concentrated in the Asia-Pacific region, accounting 42% of the overall global adhesives demand. North America ranks second with 27% converting, while Western Europe holds a 20% share of the total value. The Middle East and Africa contributed 3% of the global adhesive market. The growth is driven primarily by strong demand from various Adhesive applications, including Paper & Packaging, Building & Construction, Woodwork, Electrical & Electronics, Industrial Machinery and Others.

Segmentation by Application

Figure 44: Global Adhesives Market Segmentation by Application, USD billion, 2023 to 2029F



Source: CRISIL MI&A

Building & Construction: This sector has the largest demand for adhesives, primarily due to their extensive use in bonding, sealing, and waterproofing applications. Adhesives are essential for assembling building components, flooring, insulation, and roofing. The growing focus on sustainable construction practices and eco-friendly adhesives could further boost demand in this sector as urbanization continues globally.

Transportation: The transportation sector includes automotive, aerospace, and rail industries, requires adhesives for weight reduction, bonding dissimilar materials, and enhancing vehicle durability. With a shift towards electric vehicles (EVs) and lightweight materials to improve energy efficiency, the demand for advanced adhesive technologies is expected to grow, especially as the automotive and aerospace sectors emphasize fuel efficiency and environmental impact.

Paper & Packaging: Adhesives play a crucial role in packaging, including flexible packaging along with tapes & labels for corrugated boxes, and cartons. The rapid growth of e-commerce is driving demand for packaging materials, thus increasing adhesive use. In addition, the rising preference for biodegradable and recyclable packaging could encourage the adoption of eco-friendly adhesives, propelling future demand.

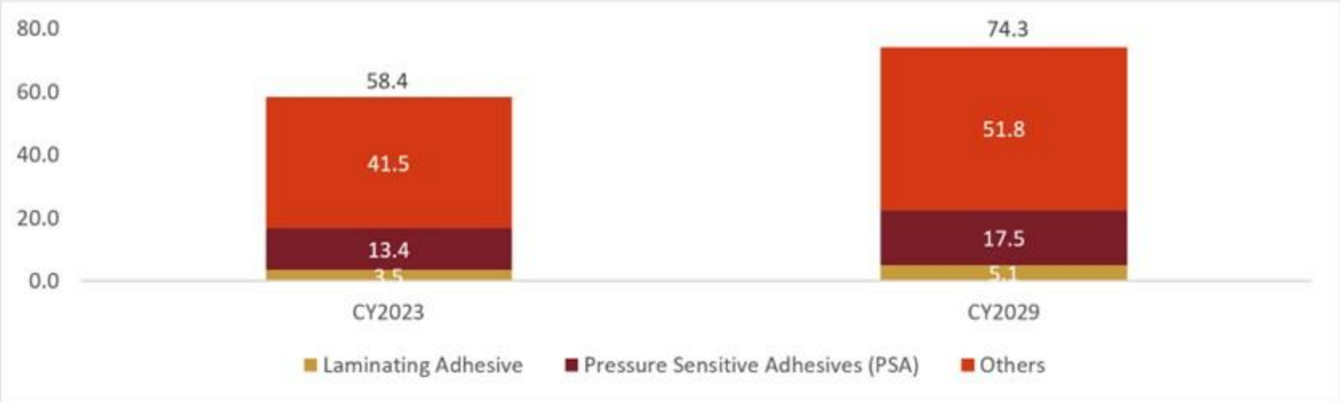
Woodwork: In woodwork, adhesives are essential for bonding wood in furniture manufacturing, cabinetry, and flooring. As home renovation activities and demand for aesthetically appealing furniture rise, the woodwork segment could see increased adhesive usage, especially in water-resistant and durable products.

Electrical & Electronics: Adhesives are vital in electronics for securing components, heat dissipation, and protection against environmental factors. With the expansion of electronics manufacturing and the miniaturization of devices, adhesive formulations are evolving to meet performance requirements, such as thermal conductivity and flexibility, in next-generation electronics.

Industrial Machinery: Adhesives are used for machine assembly, maintenance, and repairs in industrial settings. Demand in this segment may grow as industries seek durable adhesives that withstand extreme temperatures, pressures, and chemicals. The rise of automation and demand for high-performance machinery are expected to drive growth in this sector.

Segmentation by Type

Figure 45: Global Adhesives Market Segmentation by Type, USD billion, 2023 to 2029



Source: CRISIL MI&A

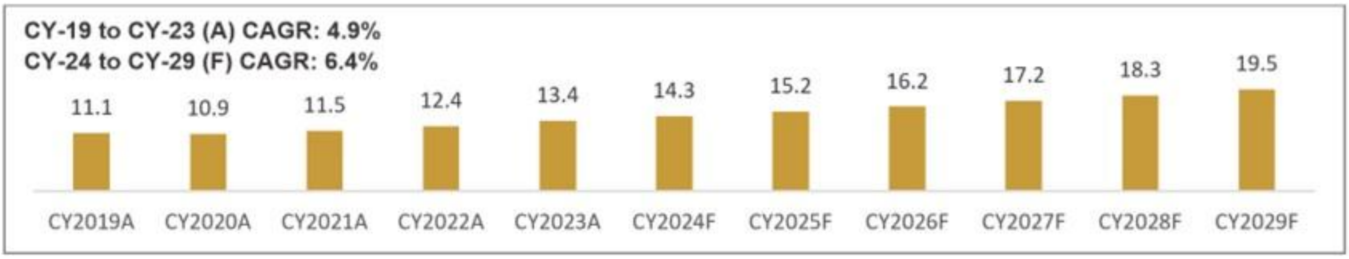
In 2023, pressure sensitive adhesives (PSA) has the market share of 23.0%, with a value of USD 13.4 billion and laminating adhesives has the market share of 6.0%, with a value of USD 3.5 billion. By 2029, the market expands significantly, with PSA reaching USD 17.5 billion and laminating adhesives growing to USD 5.1 billion. This growth indicates a substantial overall market expansion, driven primarily by the increasing demand for PSA, while laminating adhesives.

Others include hot melt, thermosetting, contact adhesives. Hot melt adhesives are used for manufacturing and packaging purposes in a wide array of industries due to their superior bonding strength, versatility and setting time. Thermosetting adhesives are materials which cannot be re-melted after they have cured. Thermosetting adhesives are usually made of two parts, namely, the resin and hardener. Contact adhesives are generally used to create strong mechanical bonds by applying adhesive to both surfaces that are supposed to be bonded together.

Global Pressure Sensitive Adhesive (PSA) Market

The global pressure sensitive adhesives (PSAs) market is experiencing robust growth, characterized by rising demand across diverse industries and evolving applications. As of 2023, the market was valued at USD 13.4 billion and is expected to grow at a rate of 4.6% till 2029, reaching a value of USD 17.6 billion. Several key factors are driving the growth of the pressure sensitive adhesives market. Firstly, the increasing demand from the packaging industry is crucial, particularly due to the growing need for convenience packaging in food and beverages. This segment represents the largest consumer of PSAs, with a variety of applications in labels, tapes, and sealing. Secondly, the automotive industry's requirements are also significant; the trend toward lightweighting and electrification promotes the utilization of PSAs for various applications, including bonding and assembly processes. Additionally, innovations in the healthcare sector are enhancing the market's growth; PSAs are increasingly used in surgical tapes, dressings, and transdermal drug delivery systems. Furthermore, sustainability initiatives are gaining traction, as there is a noticeable shift towards eco-friendly adhesive solutions such as bio-based adhesives, driven by regulatory pressures and consumer preferences for sustainable products.

Figure 46: Global Pressure Sensitive Adhesives Market Size, USD billion, 2019 to 2029F

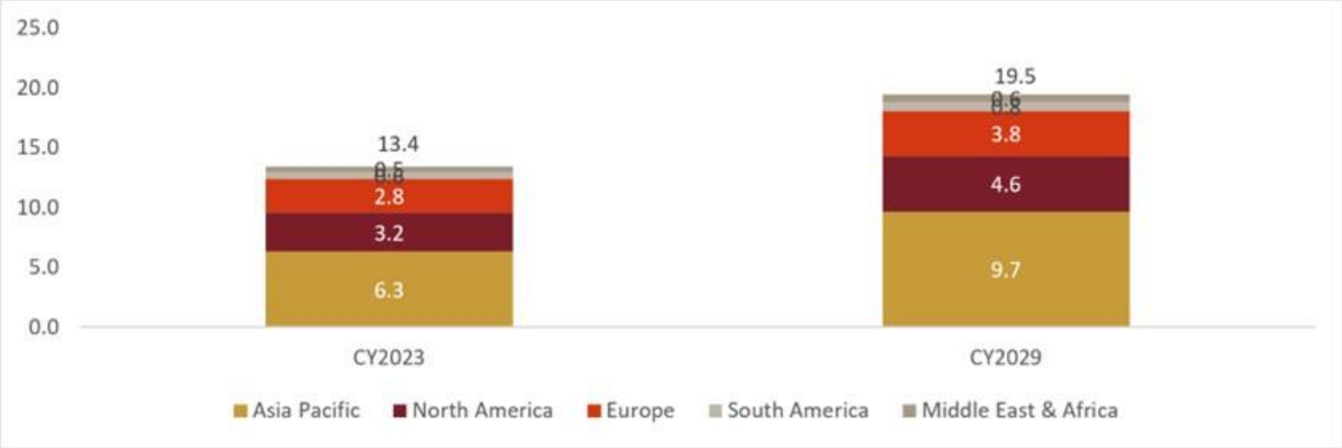


Note: A-Actual, F-Forecast
Source: CRISIL MI&A

The applications of pressure sensitive adhesives extend across various sectors, including packaging, automotive, healthcare, and industrial and consumer goods. In packaging, PSAs are indispensable for labels, tapes, and sealing applications, while in the automotive sector, they are used extensively for bonding interior components and for noise reduction. In healthcare, PSAs play a critical role in producing medical tapes, dressings, and drug delivery systems. Additionally, in industrial and consumer goods, PSAs are commonly employed in splicing, masking tape, and double-sided tapes.

Global PSA Market Segmentation by Geography

Figure 47: Global PSA Market Segmentation by Geography, USD billion, 2019 to 2029

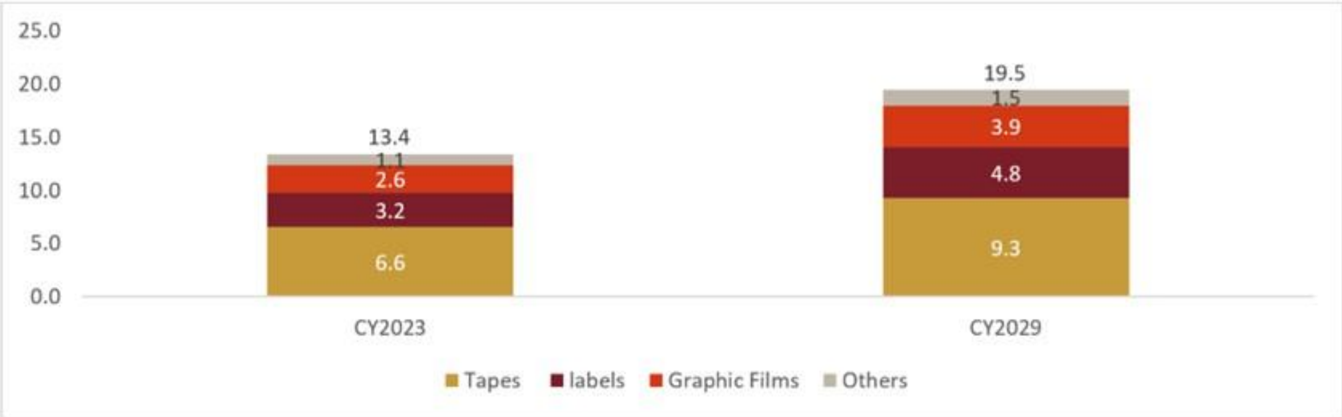


Source: CRISIL MI&A

The Asia Pacific region leads in demand, accounting for 47% of the market, which underscores the dominance of manufacturing hubs and expanding industrial bases in countries like China, India, and Japan. This large share is likely driven by increased consumption across automotive, electronics, and packaging industries within this region. North America follows with a market share of 24%, reflecting the strong demand from the automotive and healthcare sectors, particularly in the United States. Western Europe holds a significant portion as well, capturing 17% of the market, with demand concentrated in advanced manufacturing and packaging applications. The Middle East and Africa (MEA) and South America each contribute 4% to the global demand. These regions have smaller shares, likely due to relatively lower industrial output and slower adoption of PSA technology in comparison to other regions. This segmentation highlights the varying degrees of PSA adoption across regions, influenced by factors such as industrial development, technological advancements, and sectoral demands.

Global PSA Market Segmentation by End Use

Figure 48: Global PSA Market Segmentation by End Use, USD billion, 2023 to 2029



Source: CRISIL MI&A

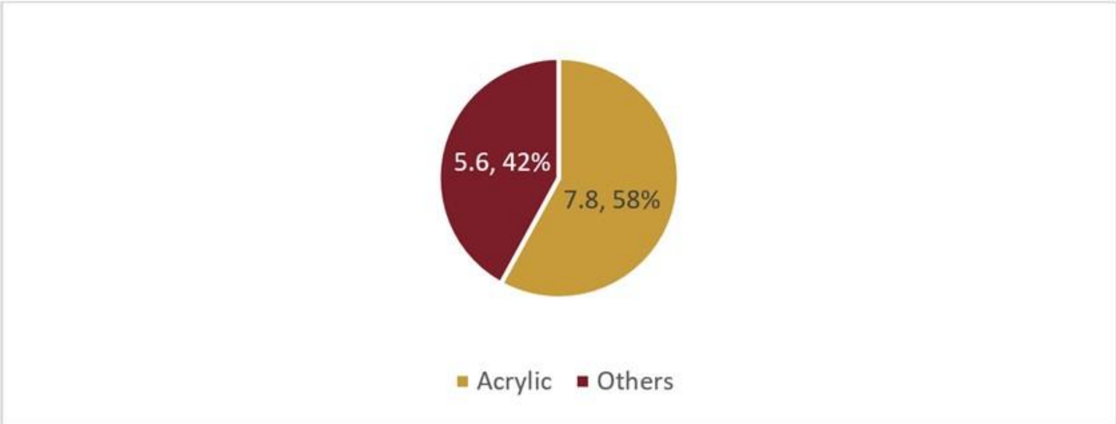
Tapes and labels dominate the PSA market due to their extensive use in various sectors like packaging, automotive, healthcare, and logistics. In packaging, PSAs are crucial for secure closures, branding, and tracking. The growth of e-commerce has further accelerated demand for PSAs in labels, as they play a vital role in shipping and inventory management. In the automotive industry, lightweight bonding solutions provided by PSAs help meet the demand for efficient and low-weight materials, reducing the need for mechanical fasteners and improving fuel efficiency. Advances in PSA technology, including solvent-free and eco-friendly adhesives, cater to the increased regulatory focus on sustainability and lower VOC (volatile organic compounds) emissions. This shift is expected to drive PSA adoption further in applications requiring strong, durable, and environmentally friendly adhesives.

The graphic films segment serves industries such as advertising, automotive wraps, and interior décor. PSAs used in graphic films enable easy installation and repositioning of graphics, which is ideal for temporary signage and vehicle wraps. Growing trends in customization and advertising, coupled with the expansion of digital printing technology, are contributing to higher demand in this area. For instance, automotive graphics and window films are gaining popularity, particularly in Asia-Pacific, where rapid urbanization is spurring demand for eye-catching advertising solutions. Furthermore, the weather-resistant and durable qualities of PSAs make them suitable for outdoor signage, which must withstand various environmental conditions. This sector is expected to expand as more businesses invest in high-quality advertising and branding solutions.

The others category includes niche applications across sectors like electronics, medical, and consumer goods. In electronics, PSAs are used for bonding components in devices, providing heat resistance and vibration dampening. The medical sector uses PSAs in applications like transdermal patches and medical tapes, which have gained importance due to an increase in remote healthcare and wearable medical devices. The growing emphasis on personal electronics and the healthcare sector's push for advanced medical devices are expected to drive growth in this segment. Additionally, with continued R&D, the development of bio-based PSAs and products for niche applications will help expand PSA use in specialized markets.

Global PSA Market Segmentation by Type

Figure 49: Global PSA Market Segmentation by Type, USD 13.4 billion, 2023



Source: CRISIL MI&A

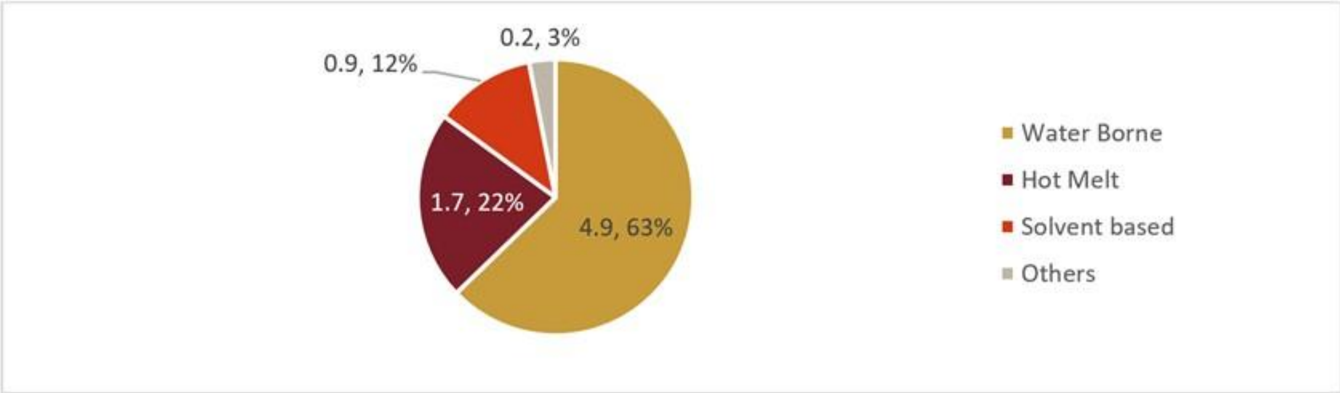
Acrylic PSAs are highly valued for their durability, UV resistance, and adhesive strength, making them the preferred choice for various applications. These adhesives are especially useful in sectors like:

- **Packaging:** Acrylic PSAs are commonly used in labels and tapes within the packaging industry due to their stability and ability to bond with different substrates.
- **Automotive and Transportation:** Their resilience under different environmental conditions makes them suitable for automotive parts, ensuring secure and durable adhesion.
- **Healthcare:** Acrylic PSAs are widely used in medical tapes and dressings due to their hypoallergenic properties and skin compatibility.
- **Electronics:** They are crucial in the assembly of electronic devices where high-performance bonding is required, as they provide a clean peel with minimal residue.

The remaining 42% of the market comprises various other types of PSA, including rubber, silicone, and hybrid formulations. These are employed for more specific uses:

- **Rubber PSAs:** Known for their strong initial tack, they are frequently used in packaging, general-purpose tapes, and labeling. However, rubber adhesives have limited UV and temperature resistance, making them more suitable for indoor applications.
- **Silicone PSAs:** These are highly resistant to extreme temperatures and chemicals, making them ideal for aerospace, medical, and electronics applications where performance in challenging conditions is essential.
- **Hybrid and Specialty PSAs:** Hybrid PSAs combine properties from different chemistries and are often customized for applications that require a blend of durability and flexibility, such as in flexible electronics and automotive components.

Figure 50: Global Segmentation of Acrylic PSA by Type, USD 7.8 billion, 2023



Source: CRISIL MI&A

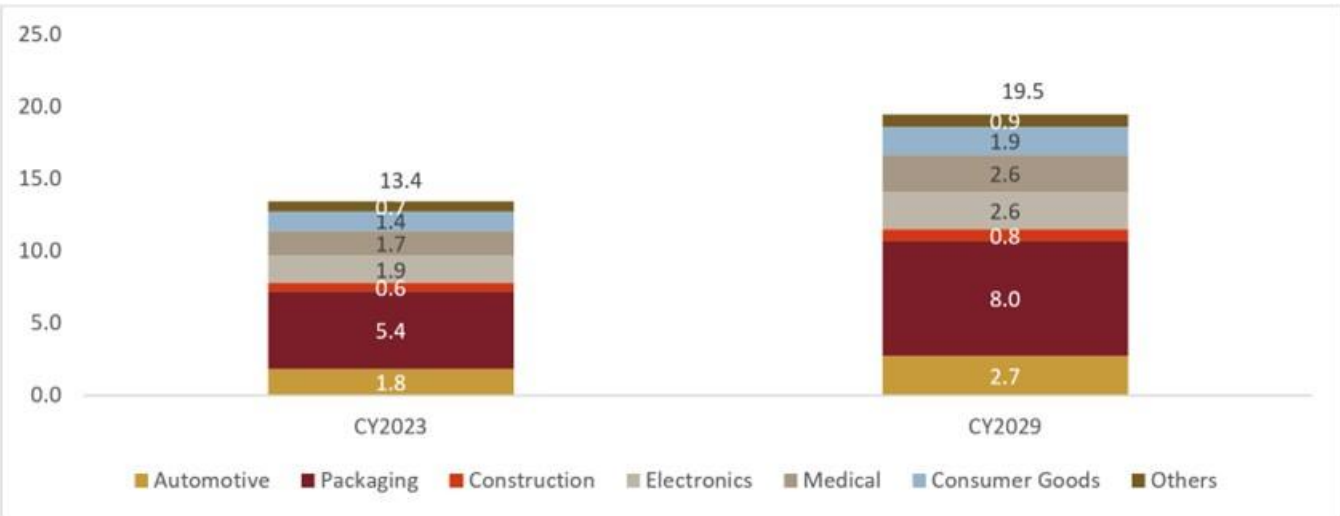
Water-Borne Acrylic PSA holds the largest market share due to its environmentally friendly profile and versatility. Water-borne adhesives use water as the primary solvent, which reduces volatile organic compound (VOC) emissions and is ideal for sustainable applications. These PSAs are widely used in sectors such as packaging, automotive, and construction. In packaging, water-borne PSAs are favored for labels and tapes due to their quick-drying nature and moderate bonding strength. The automotive industry also uses these adhesives for interior applications where heat resistance is not as critical as in exterior uses. In construction, water-borne adhesives are preferred for non-structural applications like insulation and flooring.

Hot Melt Acrylic PSAs are gaining popularity due to their fast-bonding speed and ability to adhere to a variety of surfaces, including rough or uneven textures. They are solvent-free, which makes them an economical and eco-friendly choice. Hot melt adhesives are widely used in consumer goods packaging, electronics, and automotive sectors. For instance, in the packaging industry, these adhesives are used for sealing cartons and packaging materials. In electronics, they are suitable for bonding components due to their quick setting and strong adhesion. The automotive industry employs hot melt PSAs in interior assembly processes, as they help improve assembly speed and efficiency without compromising strength.

Solvent-Based & others such as Radiation Curable Acrylic PSA are often derived from acrylic or rubber, offer superior durability, resistance to extreme temperatures, and high chemical resistance. These properties make them ideal for demanding applications in automotive and electronics, where components must withstand harsh environments. Radiation-curable PSAs, particularly those cured using UV light, provide similar benefits with added environmental advantages, as they emit minimal VOCs. They are frequently used in labels and tapes within food packaging, automotive, and electronics. Their rapid curing process and resistance to solvents and cleaners make them particularly useful in settings that demand quick production and durability.

Global PSA Market Segmentation by End User Industry

Figure 51: Global Paints & Coatings Market Segmentation by End Use Industry, USD billion, 2023 to 2029F



Source: CRISIL MI&A

Packaging: The largest segment, indicating that the packaging industry is the primary driver of PSA demand. This demand is anticipated to grow due to increased e-commerce and the need for sustainable and efficient packaging solutions. PSAs are used in labels, tapes, and packaging materials, which enhance product safety and integrity.

Automotive: PSAs are widely used in the automotive industry for bonding, sealing, and insulation applications. The growth in electric vehicles (EVs) and the emphasis on lightweight materials in automotive manufacturing are expected to drive the demand for PSAs, which contribute to vehicle efficiency and safety.

Electronics: PSAs are essential in electronics for applications such as bonding components, thermal management, and insulation. With the expansion of consumer electronics, wearable devices, and advanced technologies like 5G, the demand for PSAs in this sector is likely to grow significantly.

Medical: The medical sector uses PSAs in products like wound care dressings, surgical tapes, and medical devices. Growing healthcare needs, advancements in medical device technology, and the rise in remote healthcare solutions are expected to boost PSA demand in this industry.

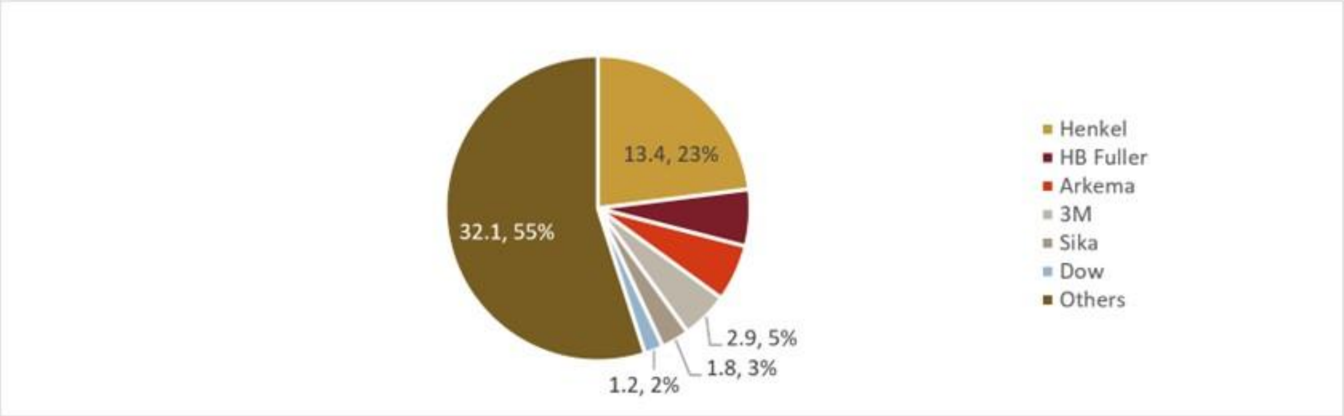
Consumer Goods: This segment includes PSAs used in household products, stationery, and personal care items. Rising consumer spending on these products will likely increase the demand for PSAs, especially in emerging markets.

Construction: The construction industry uses PSAs for insulation, flooring, and other bonding applications. Although it represents a smaller share, growth in urbanization and infrastructure projects globally is expected to gradually increase PSA demand in this sector.

Global Adhesives Manufacturers

The major players in the global adhesives market includes Henkel, H.B Fuller, Sika, Arkema, 3M, Dow and Others. Top 6-7 players in the industry accounts for more than 40% of the global Adhesives supply. The adhesive market is characterized by a competitive landscape with diverse applications across industries such as construction, automotive, aerospace, packaging, and consumer goods.

Figure 52: Global Adhesive Manufacturers Market Share, USD 58.4 billion, 2023



Source: CRISIL MI&A

Indian Adhesives Market

The Indian adhesives market is currently experiencing significant growth and transformation, driven by various factors across multiple sectors. This market is valued at USD 1.74 billion and is expected to grow at a rate of 7.7% till 2029, reaching a value of USD 2.72 billion. The growth is attributed to several key drivers. The construction industry plays a pivotal role, as ongoing urbanization and significant infrastructure projects have led to a heightened demand for adhesives for applications in building and construction, such as flooring, tiling, insulation, and paneling. Furthermore, the automotive sector contributes notably to market expansion, bolstered by India's growing automotive manufacturing capabilities and government initiatives like 'Make in India,' which promote local production of vehicles. Another significant driver is the packaging industry, the dominant end-user of adhesives, which is experiencing rapid growth fueled by the rising demand for flexible and lightweight packaging solutions, especially in response to the e-commerce boom. Additionally, advancements in adhesive formulations, particularly the development of sustainable and low-VOC (volatile organic compound) adhesives, are enhancing market growth by providing eco-friendly options that cater to changing consumer preferences.

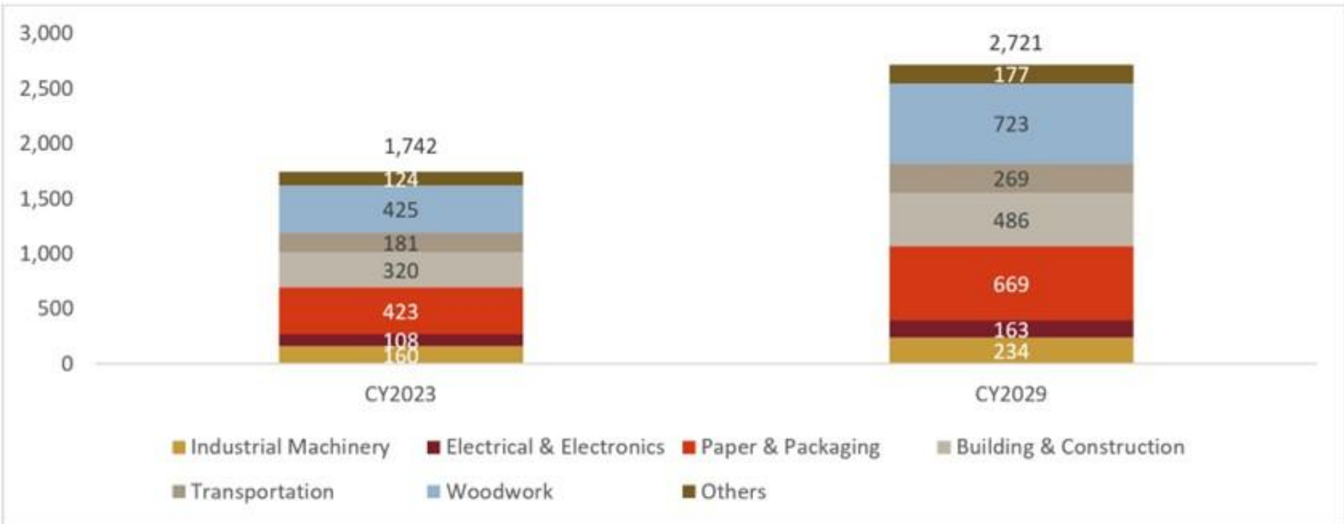
Figure 53: Indian Adhesives Industry Market Size, USD billion, 2019 to 2029

Note: A-Actual, F-Forecast
Source: CRISIL MI&A

The applications of adhesives across various industries in India are diverse and substantial. In the construction sector, adhesives are utilized extensively for floor and wall applications, providing durable and secure bonding solutions. In the automotive industry, adhesives are critical for assembly processes and interior finishing, where they contribute to both aesthetic appeal and weight reduction. The packaging sector employs adhesives widely for food and consumer goods packaging, focusing on sustainability and recyclability. Meanwhile, the woodworking industry relies on water-based adhesives due to their eco-friendly properties. As an emerging segment, aerospace applications are rapidly growing, driven by advancements in aviation technology and increasing demand for air travel.

Segmentation By Application

Figure 54: Indian Adhesives Market by Application, USD 1,742 million, 2023 to 2029



Source: CRISIL MI&A

Building & Construction: This sector holds the largest share of adhesive demand, driven by ongoing infrastructure development and urbanization. The construction industry's increasing adoption of adhesive solutions for applications like flooring, insulation, and joint sealing is expected to fuel growth. With India's growing focus on affordable housing and smart cities, demand for construction adhesives is likely to increase.

Transportation: The transportation sector includes automotive, aerospace, and railways, where adhesives are essential for reducing weight, improving durability, and enhancing safety. India's growing automotive market, driven by higher disposable incomes and urbanization, is boosting the need for high-performance adhesives. The push for electric vehicles (EVs) also contributes, as EV manufacturing often requires specialized adhesive solutions.

Paper & Packaging: This segment serves India's booming e-commerce and fast-moving consumer goods (FMCG) sectors, which demand sustainable and efficient packaging solutions. Adhesives are widely used in corrugated boxes, flexible packaging, and labeling. With increasing awareness of environmental concerns, the shift toward recyclable and biodegradable adhesives in packaging could further boost demand.

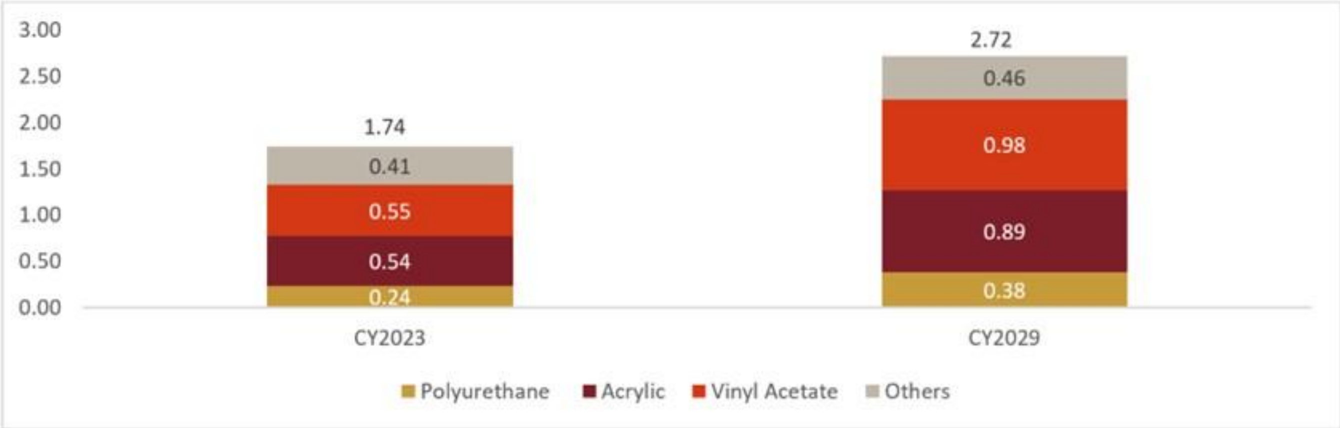
Industrial Machinery: Adhesives play a role in assembling and maintaining industrial machinery. India's industrial sector expansion, fueled by the government's "Make in India" initiative and increased investment in manufacturing, drives demand for adhesives. Growth in sectors like heavy machinery, electronics, and automation equipment further stimulates adhesive demand.

Woodwork: Adhesives are widely used in furniture and cabinetry, particularly in a market where wood and engineered wood products are popular. With rising demand for customized furniture, residential interior decor, and modular kitchens, adhesive demand is expected to increase. This growth is supported by a growing middle-class population and an expanding urban housing market.

Electrical & Electronics: Adhesives in this sector are essential for assembling electronic components, particularly in devices like smartphones, laptops, and other consumer electronics. As India grows as a hub for electronics manufacturing, adhesive demand in this sector is expected to rise. Emerging areas like 5G technology and Internet of Things (IoT) devices also contribute to growth.

India Adhesives Market Segmentation by Resin

Figure 55: Indian Adhesives Market by Resin, USD billion, 2023 to 2029



Source: CRISIL MI&A

Polyurethane adhesives are known for their flexibility, strength, and resistance to environmental factors. They are widely used in industries like automotive, construction, footwear, and packaging. In the automotive sector, polyurethane adhesives are used for bonding various materials, ensuring strong adhesion in challenging environments. In construction, they provide strong bonding for insulation panels, tiles, and concrete.

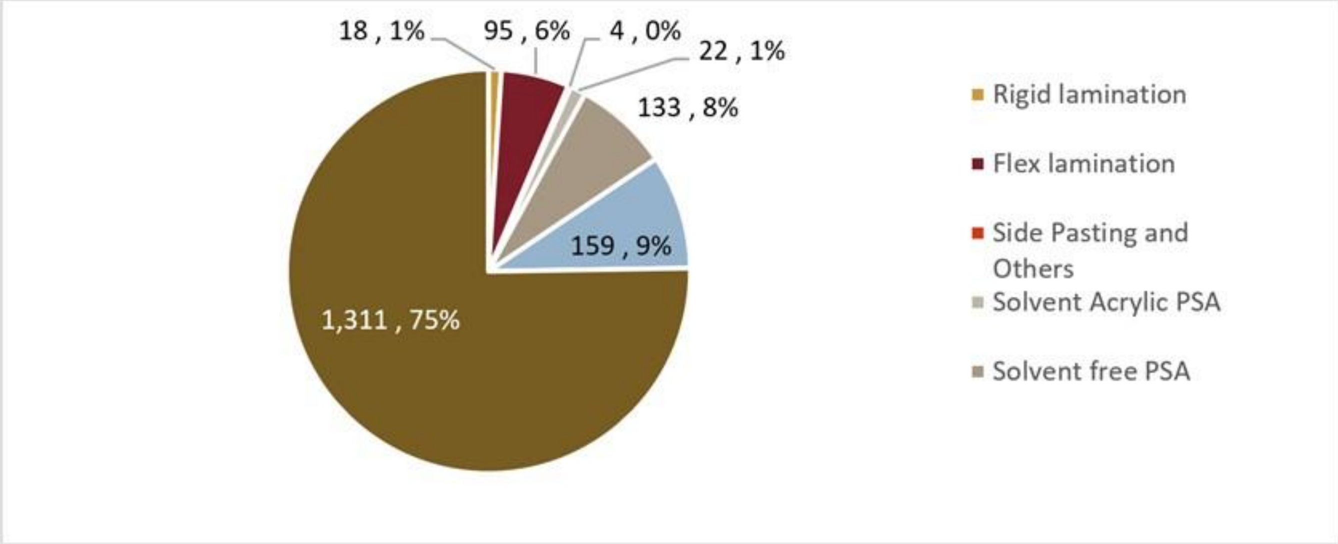
Acrylic adhesives are known for their fast-setting properties and durability. They are used in sectors like electronics, healthcare, and packaging. For example, in electronics, they provide strong bonding for components in devices. In healthcare, they are used in medical devices due to their biocompatibility. Acrylic adhesives are also preferred in packaging for their ability to bond various surfaces, including plastics and metals.

Vinyl Acetate/VAE adhesives are primarily water-based and are valued for their flexibility and cost-effectiveness. Commonly used in wood, paper, and packaging applications, VAE adhesives offer strong bonding for porous materials and are environmentally friendly.

Other categories include a range of other adhesives such as epoxy, silicone, and rubber-based adhesives. Epoxy adhesives are commonly used in aerospace and industrial applications due to their high bonding strength. Silicone adhesives find applications in the construction industry, especially for waterproofing and glazing. Rubber-based adhesives are used in footwear, consumer goods, and automotive.

India Adhesives Market Segmentation by Type

Figure 56: Indian Adhesives Market by Type, USD 1,742 million, 2023



Source: CRISIL MI&A

Jesons key products in the adhesives are water based PSA and has the market share of 35% in FY-24, in terms of value.

Rigid Lamination adhesives are used in industries like packaging and furniture manufacturing. These adhesives are critical for bonding rigid materials such as cardboard, plywood, and particleboard, ensuring structural integrity in applications like boxes, cartons, and furniture.

Flex Lamination are mainly used in flexible packaging for food and beverages. These adhesives enhance barrier properties, ensuring freshness and extended shelf life of packaged products.

Side Pasting and others are specific to niche applications such as binding and assembling, often seen in books, cartons, or specialty products.

Solvent Acrylic PSA are applied in high-performance tapes and labels, often for demanding environments requiring resistance to high temperatures or chemicals, such as electronics or industrial processes.

Solvent-Free PSAs are Preferred in automotive, construction, and medical applications, these adhesives are designed for environmentally conscious industries. They provide excellent adhesion without emitting volatile organic compounds (VOCs).

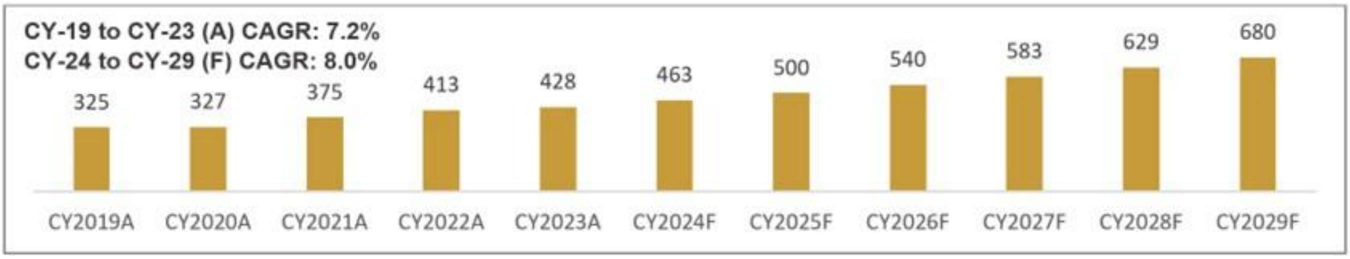
Water-Based PSAs are widely employed in labels, tapes, and packaging, these adhesives are valued for their eco-friendly nature and safe application in food and pharmaceutical packaging, offering durability and ease of use.

Others includes thermosetting adhesives, hot melt adhesives, and contact adhesives which are used for manufacturing and packaging purposes in a wide array of industries due to their superior bonding strength, versatility and setting time. Thermosetting adhesives are materials which cannot be re-melted after they have cured. Thermosetting adhesives are usually made of two parts, namely, the resin and hardener. Contact adhesives are generally used to create strong mechanical bonds by applying adhesive to both surfaces that are supposed to be bonded together.

India Pressure Sensitive Adhesives Market

The Indian pressure-sensitive adhesives (PSA) market was valued at USD 428 million and is expected to grow at a rate of 8.0% till 2029. This growth is largely driven by multiple factors, including advancements in key industries such as automotive and packaging, which are critical to the increased demand for pressure-sensitive adhesives. One of the primary growth drivers for the Indian PSA market is the development of the automotive sector. The expansion of this sector, particularly with the rise of electric vehicles, has led to an increased need for efficient bonding and assembly processes that utilize PSAs.

Figure 57: Indian Pressure Sensitive Adhesives Market Size, USD million, 2019 to 2029

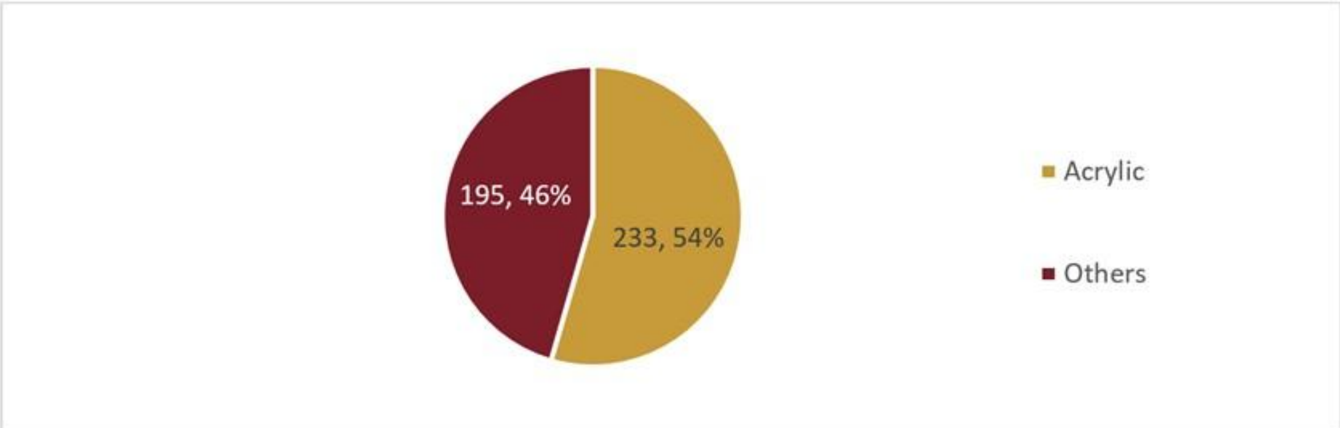


Note: A-Actual, F-Forecast
Source: CRISIL MI&A

Pressure-sensitive adhesives are employed across a wide range of applications, demonstrating their versatility in various sectors. In packaging, PSAs are crucial for both flexible and rigid forms, ensuring product integrity and enhancing consumer appeal through visual branding and graphics. In the automotive industry, they are employed for bonding, assembly, and noise dampening applications, enhancing vehicle safety and durability. The graphics and branding sectors also rely on PSAs for effective adhesion in signage and advertising, while medical and healthcare applications benefit from PSAs' protective qualities in pharmaceutical packaging.

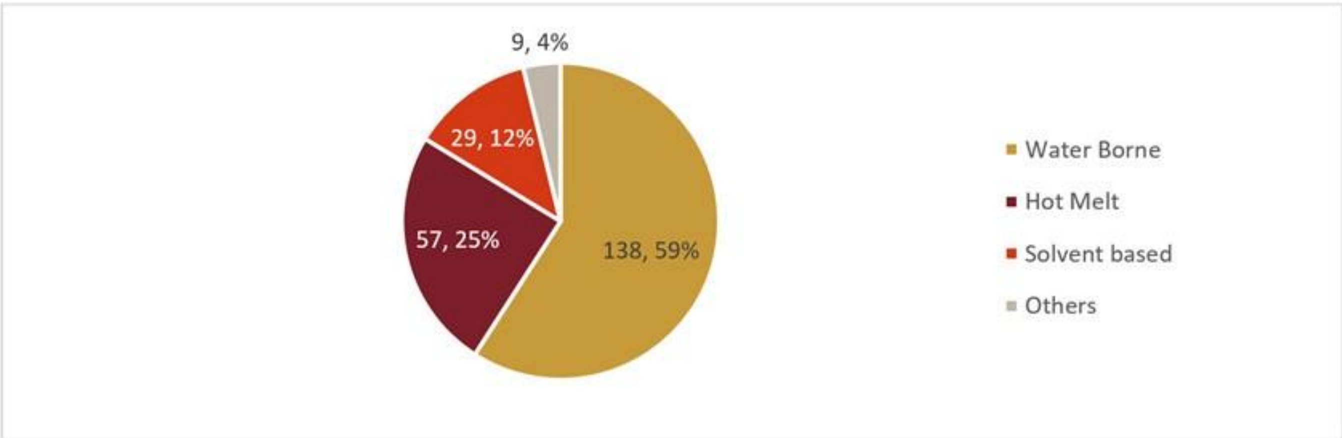
India Pressure Sensitive Adhesives Market

Figure 58: Indian PSA Market Segmentation by Type, USD 428 million, 2023



Source: CRISIL MI&A

Figure 59: Indian Acrylic PSA Market Segmentation by Type, USD 233 million, 2023

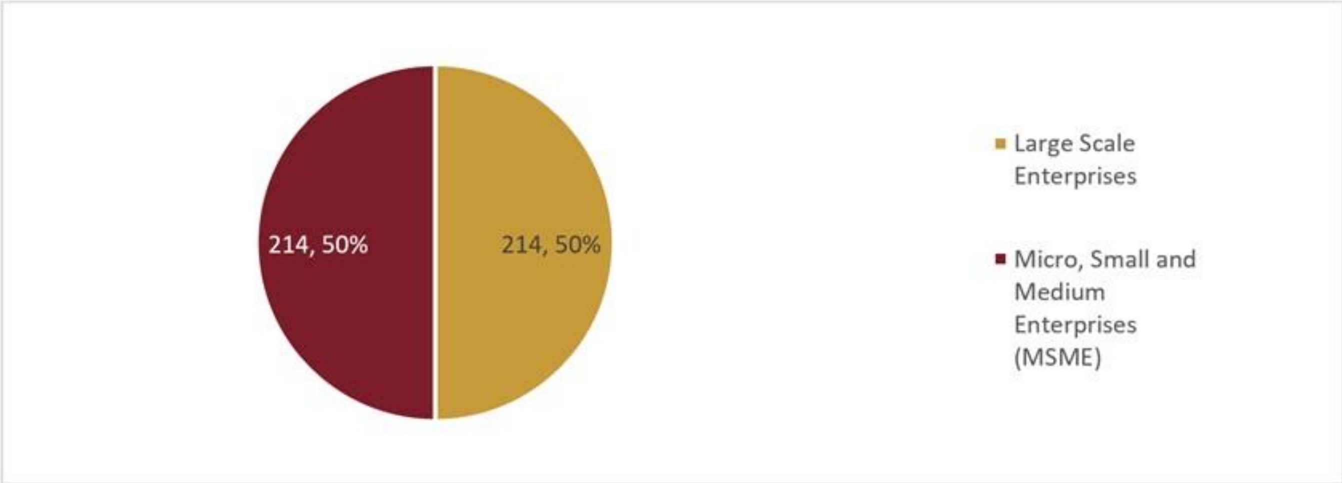


Source: CRISIL MI&A

Water borne acrylic PSAs use water as a solvent, along with polymer and a water dispersible agent. The acrylic binder is used mainly due to its property to resist ultraviolet light which translates into excellent exterior durability, including colour and gloss retention, along with resistance to chalking. These binders are majorly used in tapes and labels where water is retained and not absorbed by coating. They have limitations with usage in graphics and inkjets, as these require a material that does not contain water for durability. Water borne acrylic PSAs exhibit a promising future, as they are an eco and user friendly alternative to solvent based coatings These PSAs are known to be eco-friendly, as they are in accordance with US regulations that require water borne coatings to have a VOC content of less than 3 5 pounds per gallon of water. Jesons is the leading player in water based pressure sensitive adhesives (PSA) in the domestic market with a market share of 35% in FY-24, in terms of value.

India PSA Market Segmentation by Sector

Figure 60: Indian PSA Market Segmentation by Type, USD 428 million, 2023



Source: CRISIL MI&A

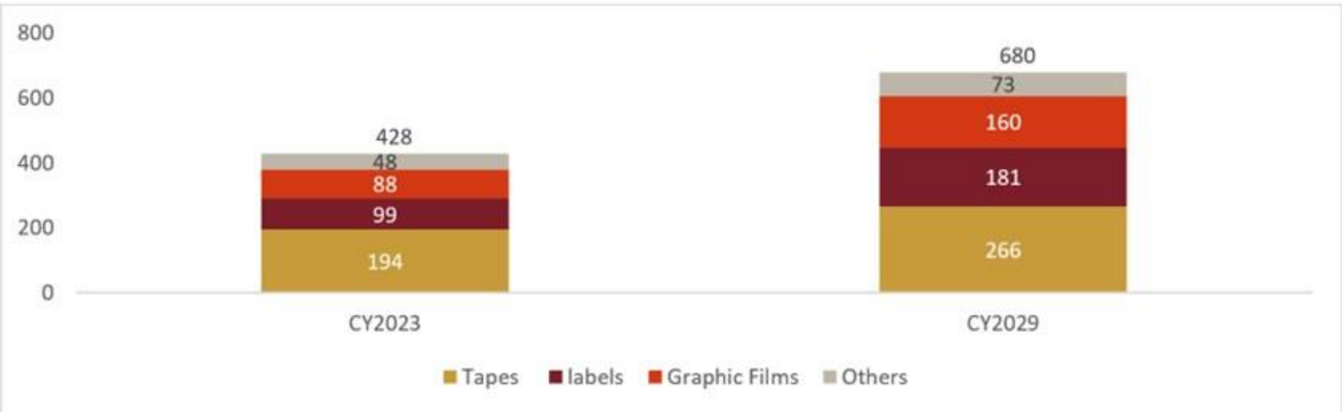
Large-Scale Enterprises (LSE): Large scale enterprises are companies that typically have a turnover of exceeding INR 250 crores. These companies are typically characterized by substantial production capacities, widespread distribution networks, and a focus on innovation. They produce a wide range of adhesive products tailored for industrial and consumer use, benefiting from economies of scale and investment in R&D.

Micro, Small, and Medium Enterprises (MSME): These enterprises typically have a turnover upto INR 250 crores. MSMEs, while smaller in scale, cater to niche markets and local demands, providing customized solutions. They are known for their flexibility in production and quick adaptability to market changes. These enterprises often operate regionally, ensuring cost-effectiveness and leveraging local resources. Many MSMEs also act as contract manufacturers for larger companies.

Together, these sectors contribute to the market's growth, with LSEs leading large-scale industrial applications and MSMEs supporting diverse, localized needs. The balance highlights the industry's dual reliance on scalability and customization.

India PSA Market Segmentation by Type

Figure 61: Indian PSA Market Segmentation by End Use, USD million, 2023 to 2029



Source: CRISIL MI&A

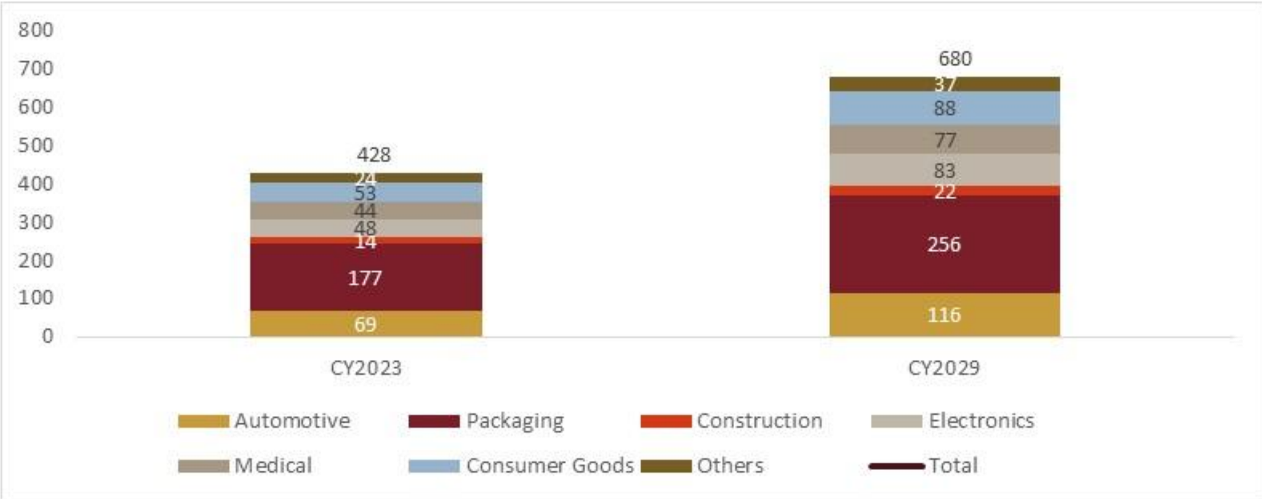
Tapes & Labels: This is the largest segment, accounting for 87% of the market. PSAs are widely used in tapes and labels due to their ease of application and strong bonding properties, making them essential in industries like packaging, logistics, automotive, and consumer goods. As India's e-commerce and logistics sectors grow, demand for tapes and labels is likely to increase. Additionally, industrialization and urbanization are driving higher usage in automotive and construction sectors, further propelling the need for PSAs in tapes and labels.

Graphic Films: The graphic films segment accounts for 8% of the PSA market. Graphic films are used for advertising, signage, and vehicle wraps. Growth in this segment can be driven by the expansion of the advertising and branding industries, as well as by new developments in infrastructure. As more companies invest in visual marketing and cities develop with new public spaces, there is likely to be a greater demand for PSAs in graphic films.

Others: This segment, accounting for 5%, includes applications such as medical and hygiene products, electronics, and specialty industrial uses. The growing healthcare industry in India, along with an increasing demand for medical and hygiene products, can boost this category. PSAs are also used in electronics, such as smartphones and wearables, where they offer durability and lightweight bonding solutions. With advancements in technology and an increase in consumer electronics, this segment may see growth in PSA usage.

India PSA Market Segmentation by End User Industry

Figure 62: Indian PSA Market Segmentation by End Use, USD million, 2023 to 2029



Source: CRISIL MI&A

Packaging: The packaging industry is the largest consumer of PSAs in India, driven primarily by the rise in e-commerce, retail, and logistics. PSAs are widely used in labels, tapes, and specialty packaging applications. Growth factors include:

- **E-commerce Expansion:** As e-commerce continues to grow in India, the demand for secure, durable, and tamper-evident packaging solutions increases.
- **Sustainable Packaging:** There's a shift toward eco-friendly packaging materials, which often require specialized PSAs for recyclability and biodegradability.
- **Food & Beverage Sector:** Increased consumption of packaged foods and beverages boosts the demand for PSAs used in food-safe packaging and labeling.

Automotive: The automotive sector utilizes PSAs in a variety of applications, including bonding, noise reduction, and vibration dampening. Growth factors include:

- **Automobile Production Growth:** As automotive manufacturing in India grows, especially with initiatives like "Make in India," PSA demand rises for various vehicle components.
- **Shift to EVs:** Electric vehicles (EVs) use PSAs in battery assembly and other lightweight components. As the EV market expands, PSA applications in EVs are expected to grow.
- **Focus on Lightweight Materials:** Automotive manufacturers are increasingly using lightweight materials to improve fuel efficiency, where PSAs play a critical role in bonding.

Medical: The medical industry uses PSAs for bandages, tapes, wound dressings, and other healthcare products. Growth factors include:

- **Healthcare Expansion:** Growing healthcare infrastructure and increased access to medical services in India drive the demand for medical tapes and dressings.

- **Rising Focus on Hygiene:** The demand for disposable hygiene products like medical tapes and wound care products is increasing, especially after the COVID-19 pandemic.
- **Advancements in Medical Devices:** The development of wearable health devices and advanced medical equipment requires specialized PSAs for secure and comfortable adherence.

Electronics: PSAs are widely used in electronics for screen assembly, heat management, and protective sealing. Growth factors include:

- **Consumer Electronics Boom:** Increased demand for smartphones, tablets, and wearables leads to a greater need for PSAs for component bonding and screen protection.
- **Miniaturization of Devices:** As devices get smaller, PSAs become critical for securing components without adding bulk.
- **Rising Demand for Smart Devices:** The growth of the Internet of Things (IoT) and smart home devices further fuels demand for PSAs in electronic assembly.

Construction: PSAs in the construction industry are used for insulation, sealing, and flooring applications. Growth factors include:

- **Urbanization and Infrastructure Projects:** Rapid urbanization and government investments in infrastructure drive demand for PSAs in insulation, bonding, and weatherproofing applications.
- **Green Building Practices:** Eco-friendly construction practices often use materials bonded with PSAs to reduce energy consumption and enhance insulation.
- **DIY Market Growth:** Rising interest in DIY home improvement, especially with flexible PSA solutions, contributes to growth in this sector.

Consumer Goods: PSAs in consumer goods are used in items like labels, packaging, and protective films. Growth factors include:

- **Increasing Consumer Spending:** As disposable income rises in India, the demand for various consumer goods (like electronics, clothing, and appliances) grows, boosting PSA use in labeling and packaging.
- **Focus on Brand Differentiation:** Companies are investing in high-quality labeling and packaging with PSAs to improve product appeal and shelf presence.
- **Personal Care and Hygiene Products:** Adhesive-backed products in personal care, such as diapers and hygiene products, drive demand in this sector.

Others: This category includes miscellaneous applications across various smaller industries. Potential growth could come from:

- **Textiles and Apparel:** PSAs in textile applications, such as in fashion accessories and fabric bonding, could see growth with fashion industry expansion.
- **Aerospace and Defense:** Increased investments in aerospace and defense can create niche demand for PSAs for bonding, insulation, and vibration damping applications.

Growth Driver for PSA Market

The pressure-sensitive adhesives (PSAs) market in India is experiencing significant growth driven by multiple factors. One of the primary drivers is the rising demand from the packaging sector, which accounts for approximately 41.2% of the market by application. This growth is fuelled by the increasing need for efficient packaging solutions due to the surge in consumer goods and e-commerce activities. PSAs are favoured in packaging because they enable rapid reworks, allow for immediate bonding upon application, and maintain brand aesthetics by ensuring that packaging is undamaged when opened. Furthermore, technological advancements are playing a crucial role in the market's expansion by fostering the development of more efficient and versatile products. Innovations such as water-based and hot melt PSAs minimize environmental impact and help meet stringent regulations regarding volatile organic compounds (VOCs), while the incorporation of nanotechnology enhances adhesive properties, making them suitable for diverse applications including electronics and medical devices. The construction and automotive sectors are particularly instrumental in this growth, with large-scale infrastructure projects necessitating reliable bonding materials for applications such as flooring and insulation, and the automotive industry seeking lightweight materials for fuel efficiency. Government regulations promoting sustainability are also affecting the market, as policies aimed at reducing single-use plastics and a push for biodegradable products compel manufacturers to explore greener alternatives, including PSAs made from bio-based raw materials. Moreover, there is a growing awareness among manufacturers about the benefits of advanced adhesive solutions, as educational efforts highlight the operational efficiency and cost savings associated with PSAs. This recognition underscores enhanced performance characteristics, reducing failure rates, and aligning with industry 4.0 trends by integrating PSAs into automated manufacturing processes. Collectively, these factors create a favourable environment for the expansion of the PSA market in India.

Challenges in PSA Market

Indian manufacturers in the pressure sensitive adhesives (PSA) market face several significant challenges that impact their operations and competitiveness. A primary concern is the volatility of raw material costs, particularly due to fluctuations in oil prices, as PSAs often rely on petroleum derivatives such as rubber and acrylics, making them susceptible to global market changes and geopolitical unrest, which exacerbates supply instability and increases costs. Additionally, compliance with complex regulatory frameworks, including environmental controls and safety standards mandated by agencies like the EPA, necessitates continuous investment in compliance management systems, with an increasing shift towards environmentally sustainable practices that may raise operational costs due to required technology upgrades. The competitive landscape further complicates matters, as Indian manufacturers must contend with both established global players that hold significant market shares and cheaper imports that can undercut local prices. This environment compels manufacturers to differentiate their products through innovation and quality enhancements, which often requires substantial investments in research and development that may be unattainable for smaller firms.

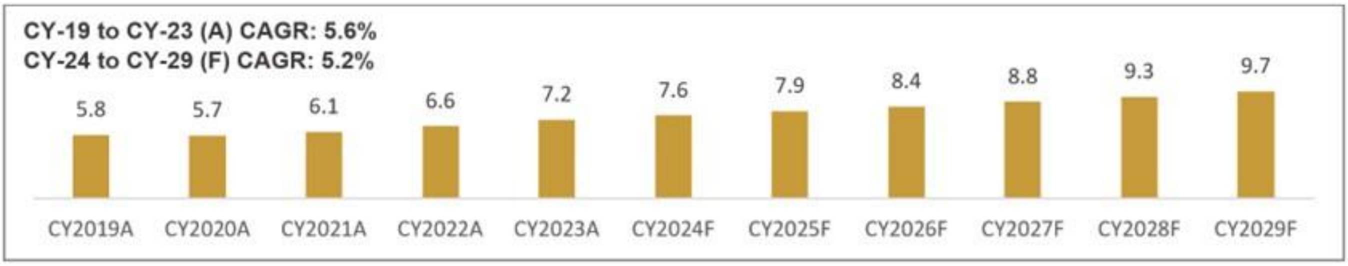
Wood Adhesives Market

There are several types of wood adhesives available on the market, and some of the most commonly used are listed below:

- Polyvinyl Acetate (PVA)
- Formaldehyde Adhesives
- Epoxy Adhesives
- Cyanoacrylate (CA)
- Rapid Glue
- Polyurethane-Based Adhesives

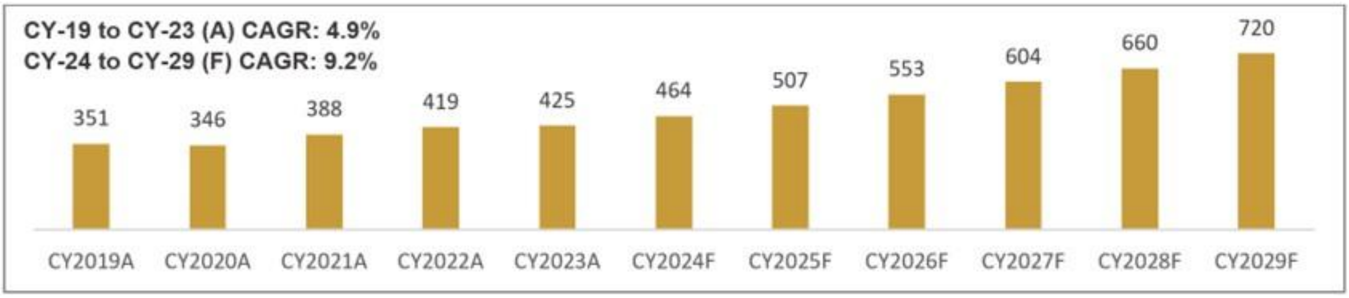
The global wood adhesives market was valued at USD 7.2 billion in 2023 and is expected to grow at a rate of 5.2% till 2029. The Indian wood adhesives market contributed ~6% to the global wood adhesives market and stood at USD 425 million in 2023 and is expected to reach USD 720 million by 2029, growing at a rate of 9.2%.

Figure 63: Global Wood Adhesives Market Size, USD billion, 2019 to 2029



Note: A-Actual, F-Forecast
Source: CRISIL MI&A

Figure 64: Indian Wood Adhesives Market Size, USD million, 2019 to 2029



Note: A-Actual, F-Forecast
Source: CRISIL MI&A

Competition Landscape

Henkel AG

Henkel is a Germany-based chemical company primarily focused on adhesives and sealants. Its adhesives division operates on five continents and in over 125 countries, with production facilities in 52 countries. The company is organized into two business sectors, with Adhesive Technologies being its most valuable segment. Henkel is a one of the top leading players in the global adhesives and sealants market. Henkel India gives over 1,200 employments in various parts of its business operates in India.

These adhesive technologies sector operates globally, providing adhesive and sealant systems, surface treatment products for industrial applications in sectors such as automotive, packaging, aerospace, electronics, durable consumer goods, and metal, as well as maintenance, repair, and overhaul applications.

Pidilite Industries

Pidilite Industry was established in 1954 by Late Shri Balvant Kalyanji Parekh. Pidilite Industry headquartered located in Andheri, Mumbai, Maharashtra, India. Company have more than 7,500 employees. Pidilite Industries Ltd (Pidilite) is a chemical company that specializes in manufacturing adhesives and various chemical products. Company has network of 600K + dealers / Retailers.

Its product offerings include adhesive technologies, waterproofing solutions, wood finishes, paints, automotive products, technical textiles, tile adhesives, tile grouts, and solutions for mechanical, electrical, plumbing, and woodworking applications. The company also provides waterproofing services. Pidilite markets its products under several well-known brands, including Dr. Fixit, Fevicryl, Fevistik, Fevicol MR, Fevikwik, Fevicol, and M-Seal. Its products find applications in the leather, footwear, textile, and paper chemical industries. Pidilite operates in multiple countries, including Bangladesh, Sri Lanka, the UAE, Ethiopia, Kenya, Egypt, Singapore, Brazil, Thailand, and the US. The generation of company revenue is nearly 85% from the consumer & bazar segment and nearly 15% through B2B segment.

Bostik Inc.

In 2005, Bostik expanded its portfolio through the acquisition of five adhesive companies: Cekomastik Kimya Sanayi in Turkey, the second-largest sealant producer in the country; Biscem in the United Kingdom, a professional ceramic tiling business (formerly a division of RMC from Cemex); Laybond in the United Kingdom, known for its strong position in adhesives and sealants for construction; AV Syntec in Australia, a leading brand in woodworking adhesives and coatings; and Global Brands in the Philippines, a top player in roofing sealants and assembly adhesives, which was subsequently renamed Bostik Philippines.

In 2006, Bostik's sales increased by 15% compared to the previous year, largely due to several acquisitions, including Sealocrete and Wetherby in the United Kingdom, and Paso in Germany, which bolstered its presence in the construction and distribution segments. Bostik also acquired Pegaso in Mexico for the industrial segment and the laminated adhesives business of DuPont in Germany, as well as purchasing shares from minority shareholders of ASA in Australia. In January 2007, Bostik acquired DuPont's adhesives business for the flexible packaging market, enhancing its strong technological position in this sector. Bostik's chemistry portfolio emphasizes polyurethane, polyamide, polyester adhesives, styrenic rubber, ethylene-vinyl acetate hot melt, and silyl-modified polymer adhesives.

H.B. Fuller

H.B. Fuller is based in the United States and has operations in 40 countries. Global construction adhesives and engineering adhesives sales represented about 14% and 41% of the company's 2023 revenues of $3.5 billion. Nearly 53% of revenue comes from North America, Asia Pacific region accounts 18% in revenue, and other regions such as Europe, India, Middle East, and

Africa accounts for remaining 29% share. The company has undergone significant restructurings since the late 1990s and has emerged as a leaner and more focused organization.

Astral

Astral is one of the leading manufacturers of hot melt adhesive in India, it also well-established global network in adhesive industry. The company was established in 1987, its work in construction chemicals, sealants, self-adhesives tap, and other industrial products. The product range includes hot melt adhesive films, instant adhesives, rubber-based adhesives, acrylic adhesives, epoxy resins, PUR glue, and bonding machines, all invent to meet different industrial application. In 2023, total revenue of Astral was around USD 683.2 million.

In 2014, Astral acquired a 76% stake in Resinova Chemie, located in Kanpur, India. Resinova offers a diverse product range, including acrylic adhesives, UV-curable adhesives, epoxy adhesives, and cyanoacrylates. Their adhesives are utilized across various applications such as furniture, sanitary products, construction, household items, and automotive industries. This acquisition enhances Astral product offerings and strengthens its position in the market by adding valuable adhesive solutions.

Brilliant Polymers

Brilliant Polymers Pvt. Ltd. is India’s foremost producer of laminating adhesives for flexible packaging. The company provides a comprehensive range of both solvent-free and solvent-based laminating adhesives for multilayer flexible packaging, catering to the food, pharmaceuticals, consumer goods, and various industrial applications. Additionally, Brilliant Polymers offers customized polyester and polyurethane polymers for diverse industries.

The company operates a state-of-the-art plant in Ambernath, India, and maintains its corporate office in Mumbai. It also has warehouses at eight locations across India and distributor warehouses in the Middle East, Africa, South Asia, and Southeast Asia.

Brilliant Polymers is committed to its Promise of Technology, Quality, and Service with every delivery. Its innovative products have garnered significant appreciation in the market, leading to a strong market share in the Indian domestic sector.

Astra Chemtech

Astra Chemtech is founded in 2000 by Sorathiya brothers along with the team of dedicated and highly skilled people, Astra Chemtech Private Limited specializes in the manufacturing and exporting of high-quality adhesives and chemicals. Company headquarters is located at Mumbai, India. Company product range includes synthetic adhesives, acrylic emulsions, and textile chemicals, ensuring to meet diverse customer needs.

Company exports its products majorly to Bangladesh, Nepal, United States of America, Sri Lanka, United Arab Emirates. Yearly company turnover is over INR 100 Crore. Company caters into Packaging & Converting adhesives, Pressure sensitive adhesives (PSAS), Rubber based adhesives for footwear, Polyurethane adhesives for high-end Footwear, Woodworking adhesives for the furniture industry and decoration industry, Acrylic emulsion for paints, Speciality coatings such as UV and Water based varnish for paper/boards, Construction chemicals, Personal Hygiene adhesives, Speciality resins, Textile coating and additives, and decorative products.

Nikhil Adhesives

Nikhil Adhesives, founded in 1986, specializing in the manufacturing and trading of polymer emulsions and adhesives, catering to various industries. The company’s product portfolio includes a wide range of items such as paint emulsions, textile emulsions, and construction chemicals, with popular brands like Mahacol, Emdicryl, Mahafix, Emdilith, Emditex, and Emdibind. The manufacturing infrastructure comprises several units in Dahanu, Silvassa, and Dahej, Gujarat, with a production capacity of approximately 60,000 tons per annum and ongoing expansions to meet rising demand. In FY-2024, the company reported revenues of INR 565 Crores. The company holds an ISO 9001:2008 certification, reflecting its commitment to quality management, and boasts a well-equipped laboratory for product development across various applications.

Construction Chemical Industry Overview

Construction Industry Overview

Construction is an integral part for the global economy and major job provider around the world. The construction industry involves building civil structures across infrastructure and industrial sectors. Some of the key infrastructure verticals includes Building construction, roads and highways, Railways, Urban Infrastructure, Water supply & sanitation etc. The construction industry can be categorized into several end-use segments, each with unique characteristics and demands:

Table 5: Key End Use Segment in Construction Industry

End Use Segment	Description
Residential Construction	Involves the building of houses, apartments, and other structures for habitation, which is expected to dominate the market in the near term
Commercial Construction	Includes the construction of offices, retail centers, and commercial facilities. This sector is more complex and faces stringent regulations compared to residential construction.
Industrial Construction	Encompasses manufacturing plants, storage facilities, and other industrial operations. Regulatory demands are high, especially concerning environmental impacts.
Infrastructure Projects	These large-scale constructions include bridges, roads, and utilities, and are essential for public services. Increasing government budgets for infrastructure have led to robust activity in this sector.

The industry also provides huge employment opportunity because of its constant requirement for skilled and unskilled labourers. Moreover, growth in construction is also positive for sectors such as steel and cement, which are key raw materials.

<u>Contribution of Chemicals in Construction Industry</u>

Construction chemicals and advanced materials, collectively referred to as chemicals and advanced materials (CAMs), are essential for the longevity and integrity of various structures. They help reduce material waste while providing enhanced protections and increased structural resilience. There is demand for construction chemicals, which include concrete admixtures, adhesives, sealants, coatings, and insulation materials, resulting from the ongoing advancements in construction techniques and materials. The construction chemicals market growth is fuelled by multiple trends, including advancements in technology, sustainability concerns, and the increasing demand for construction materials. Companies in the construction industry are now exploring more innovative solutions and methods, including eco-friendly materials and digitization, to remain competitive and meet the evolving demands of the market.

Table 6: Key End Uses Construction Chemicals

End User Industry	Description
Concrete Admixtures	Concrete admixtures are designed to enhance the properties of concrete, improving workability, setting time, and strength. Common classifications include plasticizers, superplasticizers, accelerators, retarders, and air-entraining agents.
Waterproofing Chemicals	These chemicals are utilized to prevent water ingress into structures. They come in various forms, such as coatings, membranes, or additives, making concrete or mortar impermeable to water.
Protective Coatings	These chemicals create a barrier against environmental factors, thereby extending the lifespan of surfaces. They are routinely used on concrete floors, roofs, and walls.
Adhesives	Adhesives are essential for bonding surfaces together in construction projects, with forms varying from liquids and pastes to tapes.
Concrete Repair Materials	These specialized compounds restore the structural integrity of damaged concrete through repair mortars and epoxies.
Grouts and Anchoring Chemicals	Grouts fill gaps between surfaces, while anchoring chemicals secure components in place, aiding in structural stability.
Flooring Systems	These consist of various chemical layers (primers, coatings, sealants) designed to create durable and aesthetically pleasing floor surfaces.

Global Construction Chemicals Industry Overview

The global construction chemicals industry, valued at USD 112 billion in 2023, is poised for significant growth with an expected compound annual growth rate (CAGR) of around 5.1% to reach USD 150 billion by 2029. This growth is primarily driven by increasing urbanization, rising investments in infrastructure projects, and a heightened focus on sustainability within the construction sector. Construction chemicals play a vital role in enhancing the functionality, durability, and performance of construction materials. They find applications across various segments, including residential, commercial, and infrastructure projects, contributing to the overall efficiency and longevity of structures.

Figure 65: Global Construction Chemicals Industry Market Size, USD billion, 2019 to 2029F

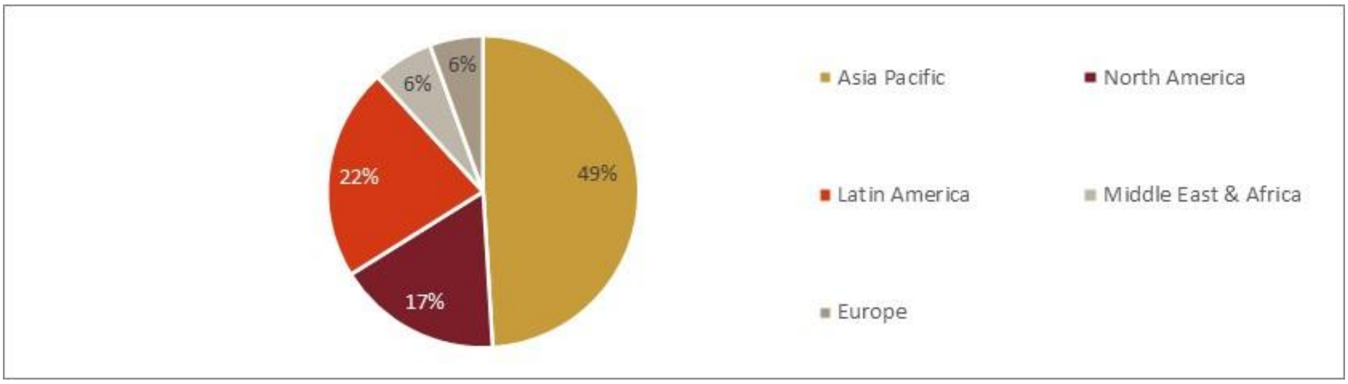
Note: A-Actual, F-Forecast

Source: CRISIL MI&A

However, the industry faces challenges such as stringent environmental regulations regarding volatile organic compounds (VOCs) released during construction, which may impact growth. Nevertheless, key trends such as the adoption of innovative sustainable materials, growing awareness of green building practices, and significant advancements in product formulations are shaping the future of this dynamic industry. As companies intensify their research and development efforts to comply with environmental standards while enhancing product performance, the construction chemicals market is expected to evolve, positioning itself as an essential component in the construction landscape.

Segmentation by Geography

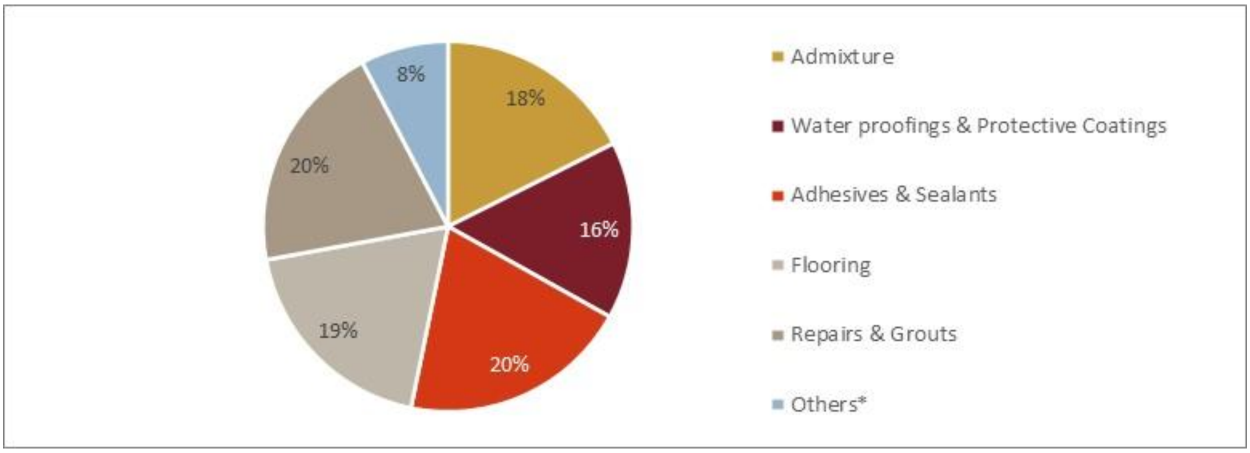
Figure 66: Global Construction Chemicals Market by Geography, USD 112 billion, 2023



Source: CRISIL MI&A

Segmentation by End Use Industries

Figure 67: Global Construction Chemicals Market by End Use Industry, USD 112 billion, 2023



**Others include modular construction, industrial infrastructure*
Source: CRISIL MI&A

The major segments include Adhesives & Sealants and Repairs & Grouts, each contributing 20% of the market share, followed closely by Flooring (19%), Admixtures (18%), Waterproofing & Protective Coatings (16%), and Others (8%). These segments collectively highlight the diverse applications of construction chemicals, essential for enhancing the performance, durability, and aesthetics of construction projects.

Indian Construction Chemicals Industry Overview

The Indian construction chemicals industry is experiencing significant growth, driven by key factors such as rapid urbanization, increasing infrastructure development, and rising awareness of sustainable practices. The market is valued at USD 1.8 billion in FY-24 and is expected to reach USD 3.5 billion by 2029, growing with a CAGR of 15%. The growth is largely fuelled by government initiatives aimed at enhancing urban infrastructure, which include major projects like the Smart Cities Mission and the Housing for All program.

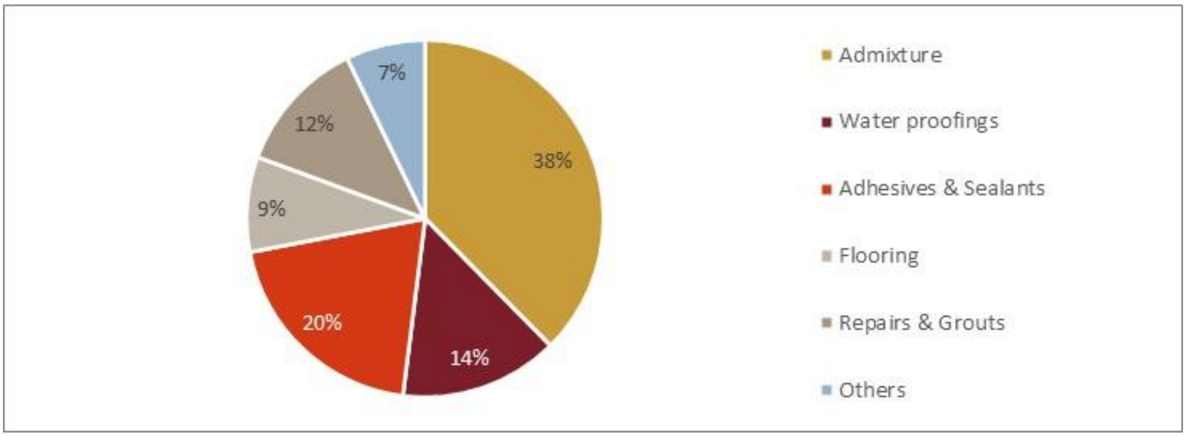
Figure 68: Indian Construction Chemicals Industry Market Size, USD billion, FY-19 to FY-29

Note: A-Actual, F-Forecast
Source: CRISIL MI&A

However, the industry also faces challenges such as raw material price volatility, regulatory compliance, and the need for innovation in sustainable product development. As stakeholders increasingly prioritize environmental responsibility, the demand for eco-friendly construction chemicals is rising, underscoring the evolving landscape of this vital industry.

Segmentation by End Use Industries

Figure 69: Indian Construction Chemicals Market by End Use Industries, USD 1.8 billion, 2023



Source: CRISIL MI&A

The Indian construction chemicals market in 2023, valued at USD 1.8 billion, is primarily driven by admixtures, which make up the largest share at 38%, highlighting their essential role in enhancing the strength, durability, and workability of concrete in construction projects. Adhesives and sealants follow with 20%, underscoring their importance for bonding and sealing in various applications. Flooring and waterproofing represent 14% and 9%, reflecting the demand for protective, durable finishes and moisture resistance in buildings, especially given India's varied climatic conditions. Finally, repair and rehabilitation hold a 12% share, indicating the rising need for maintaining and retrofitting aging infrastructure. This segmentation points to a diverse market where different product categories address the unique needs of a rapidly growing and urbanizing construction sector.

Competition Landscape

Construction chemicals plays a vital role in enhancing the durability, efficiency, and sustainability of construction materials. The industry is comprised of key players both in India and globally, with a focus on various segments such as concrete admixtures, waterproofing solutions, sealants and adhesives.

Table 7: Key Manufacturers of Construction Chemicals in India

Domestic Manufacturers	Establishment	Products	Revenue from operations FY-24 INR Crores	Segment Revenue (%)
Pidilite Ltd	1959	Industrial Adhesives, Industrial Bonding Solutions, Industrial Resins, elastomeric coating, sealants, water proofing, Textile Chemicals, Footwear Adhesives, Leather Chemicals, Paper Chemicals, Maintenance, and Repair & Overhaul Solutions	12,383	Adhesives & Sealants: 55.5% Construction & Paint Chemicals: 21.0% Art & Craft Materials: 6.0% Industrial Adhesives: 5.2%

Domestic Manufacturers	Establishment	Products	Revenue from operations FY-24 INR Crores	Segment Revenue (%)
				Industrial Resins & Construction Chemicals (Project): 8.4% Pigments & Preparation: 3.4% Others: 0.5%
Jesons Industries	1999	Archteural Coatings, Industrial Adhesives, Textile Chemicals, Acrylic Emulsions, Pressure Sensitive Adhesives	1,496	Coating Emulsions: 62.3% Adhesives: 33.6% Specialty Chemicals: 1.0% Trading: 3.0% Others: 0.1%
Kamsons Chemicals Pvt Ltd	1972	Acrylic Emulsions for construction chemicals, waterproofing and water based inks, Elastomeric & Waterproofing Emulsions, Tape Adhesives, Water based Polyurethane Dispersions,	245	NA
HP Adhesives Ltd	1987	Solvent Cements, Silicone Sealants, Contact Adhesives, Polyvinyl Acetate Adhesives, Ball Valves & Tapes	236	Solvent Cement: 57% Silicone Sealants:15.2% Contact Adhesives & PVA Adhesives: 9.3% Ball Valves & Tapes: 14.7% Others: 3.8%
Nikhil Adhesives*	1986	Paint Emulsions, Industrial Adhesives, Consumer Adhesives, Tape Adhesives, Textile Binders, Rubber Adhesives, Packaging & Lamination Adhesives, Construction Chemicals, Emulsion for carpets, Textile Finishing Emulsions	564	Construction Chemicals: 15% Consumer & Contract Manufacturing: 23% Industrial Adhesives: 11% Paint Emulsions: 36% RDP: 1% Textile: 12% Export: 2%
Apcotex Industries	1980	Synthetic Rubber (Nitrile Rubber, High Styrene Rubber, Powdered Nitrile Rubber), Synthetic Latex (SB Latex, Pure Acrylic Latex, Styrene Acrylic Latex, Vinyl Pyridine Latex)	1124.5501	NA
Indofil Industries	1962	Agrochemicals, Specialty Performance Chemicals	3069	Agrochemicals Domestic: 40% Agrochemicals International: 45% Innovative Solutions: 15%
BASF India	1943	Agrochemicals, Battery Binders, Architecture Paints & Coatings, Gypsum Wallboards, Adhesives, Paper Coatings, Personal Care & Hygiene, Textile Chemicals, Leather Chemicals, Footwear Chemicals	13767.48	Materials: 30% Agricultural Solutions: 14% Chemicals: 12% Nutrition & Care: 21% Surface Technologies: 6%

Domestic Manufacturers	Establishment	Products	Revenue from operations FY-24 INR Crores	Segment Revenue (%)
				Industrial Solutions: 16% Others: 1%
Dow India#	2006	Performance Materials, Industrial Intermediates, Palstics, Paints, Inks, Coatings, Films, Tapes, Release Liners, Beauty & Personal Care	10743.64	NA

Note: N.A- Not Available

* *Segmentwise Manufacturing Sales in Volume in Tons*

Revenue is for FY-2023

Source: Company Filings

Table 8: Key Manufacturers of Construction Chemicals around the world

Global Manufacturers	Location	Products	Revenue from operations CY-2023 USD million
Sika AG	Switzerland	Concrete Admixtures, Cement Additives, Waterproofing Systems, Roof Systems, Construction Adhesives, Tile Setting Systems, Firestop Systems, Rigid Bonding, Cement Additives	12,516
Dow Inc	United States	Acrylic Emulsions, Pressure Sensitive Adhesives, Sealants, Antiscalants, Catalysts, Cellulosics, Chelates, Ethanolamines, Elastomers, Alcohols, Carboxylic Acids, Esters Polyurethanes & Construction Chemicals revenue: USD 8,316 million	44,622
BASF	Germany	Acrylic Resins & Polymer Emulsions, Biners/Resin, Additives, Specialty Chemicals, PSA type Flooring adhesives, Waterproofing Systems, Polyurethane Systems	74,570
Henkel AG	Germany	Industrial Adhesives, Industrial Cleaners, Industrial Coatings, Industrial Lubricants, Industrial Sealants	23,285
Saint Gobain	France	Adhesive Tapes, Bonding Tapes, Gasketing Foams, PTFE Films, Silicone Coated Films, Hoses & Fittings, Tubing & Accessories, High Performance Seals	51,890

Note: The revenue is for entire company

Demand Drivers & Restraints

The construction chemicals industry in India is experiencing significant changes driven by various demand drivers and facing several restraints.

Demand Drivers for the Construction Chemicals Industry

1. **Urbanization and Infrastructure Development**

   Rapid urbanization in India is a primary demand driver for construction chemicals. As more people move to urban areas, there is a growing need for housing, transportation, and public infrastructure. The Indian construction industry is projected to expand by 7% in real terms in 2024, supported by substantial government investment in infrastructure. This trend is complemented by the government's commitment to enhancing transport infrastructure, which in turn boosts the demand for construction chemicals.

2. **Government Initiatives and Policy Support**

   There are significant government initiatives aimed at boosting the construction chemicals market. Policies such as the increase in capital expenditure budgets directly impact construction activities and the demand for related chemicals. For instance, the outlay for capital expenditure in the FY2024-25 budget was increased by 11.1%, amounting to INR 11.1 trillion. Moreover, governmental support for the 'Make in India' initiative encourages local production and consumption of construction chemicals.

3. **Growth of Specialty and Sustainable Chemicals**

   The shift towards sustainable building practices is driving growth in the specialty construction chemicals segment. Increased awareness about environmental issues has led to a higher demand for eco-friendly construction chemicals, such as bio-based polymers and low-emission materials. This trend aligns with global standards in sustainable urbanization.

4. **Technological Advancements**

The integration of advanced technologies in construction methods has positively influenced the demand for innovative construction chemicals. These technologies not only improve performance but also ensure compliance with modern construction standards, thus driving up chemical requirements.

Restraints Facing the Construction Chemicals Industry

1. **Competition and Market Dynamics**

The construction chemicals industry in India faces intense competition from established players as well as new entrants, which may pressure profit margins and market share. Established companies may have more resources to invest in marketing and product development, challenging smaller firms.

2. **Regulatory Challenges**

The regulatory landscape concerning construction chemicals can be complex and evolving. Compliance with safety and environmental standards can impose additional costs on manufacturers and slow down project timelines. Furthermore, obtaining timely environmental clearances poses a persistent challenge.

3. **Raw Material Shortages**

A significant concern for the construction chemicals industry is the scarcity of raw materials. The industry relies heavily on specific chemicals, and any disruption in the supply chain can impact production capabilities. This has been exacerbated by global supply chain disruptions due to recent geopolitical tensions.

4. **Skilled Labour Shortages**

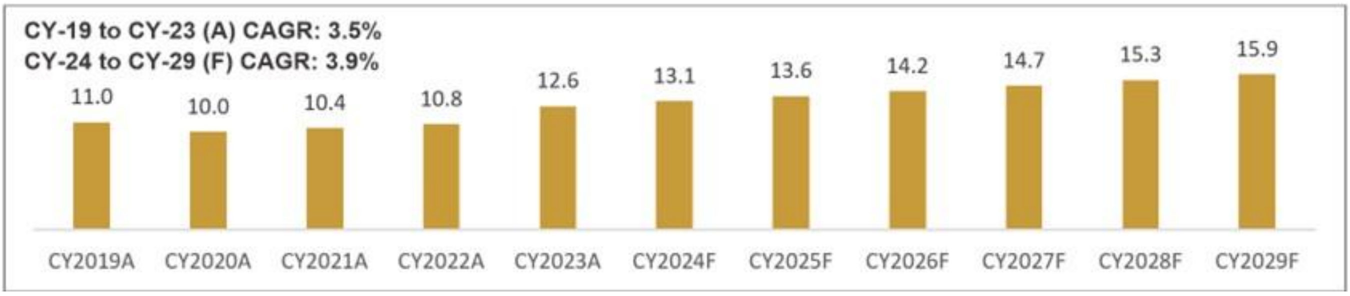
The industry also faces a shortage of skilled labour, particularly in the research and development (R&D) sector. This impacts the innovation capabilities of companies aiming to develop new and improved chemical formulations to meet market demands

Company's Other Product Portfolio Overview

Textile Chemicals: Introduction

Textile chemicals refer to a diverse range of chemical substances utilized throughout different stages of textile manufacturing, including preparation, dyeing, finishing, and functional treatment of fabrics. These chemicals enhance the properties, appearance, and performance of textiles, allowing manufacturers to produce a wide variety of fabric types suitable for various applications. They are of several types including colourants & auxiliaries, coating & sizing, finishing agents, surfactants, and bleaching agents. Textile Chemicals find application in various types of textiles including apparels, home textile, technical textiles, etc.

Figure 70: Global Textile Chemical Industry Market Size, USD billion, 2019 to 2029F



Note: A-Actual, F-Forecast
Source: *Industry Reports, CRISIL MI&A*

Figure 71: India Textile Chemical Industry Market Size, USD billion, 2019 to 2029F

Note: A-Actual, F-Forecast
Source: *Industry Reports, CRISIL MI&A*

Growth Drivers for Textile Chemicals

- **Increasing Demand for Apparel and Home Furnishing:** The global textile chemicals market is significantly influenced by the rising demand for apparel. Factors such as growing populations and increasing disposable incomes are the primary drivers. The demand for textiles is expected to continue increasing, particularly in emerging markets, as these regions witness urbanization and improved spending capacity.

- **Rising Demand for Advanced and High-Performance Fabrics:** In India, the textile chemicals market is propelled by the increasing demand for advanced fabrics, which are vital in sectors such as medical textiles and protective clothing. This demand is driven by regulatory requirements and the need for higher quality across various applications.

- **Economic Growth and Urbanization:** Economic growth, rising disposable income, changing consumer lifestyles and increased urbanization globally lead to heightened demand for textiles across various applications. This trend is particularly evident in Asia Pacific, which holds a substantial market share due to its robust textile manufacturing base and cost-effective production.

Challenges Faced by Textile Chemicals Industry

A significant concern is the environmental impact, as the industry contributes to water pollution and greenhouse gas emissions. Compliance with increasingly stringent environmental regulations, such as the EU's REACH regulation and the US's Toxic Substances Control Act (TSCA), also presents obstacles, as manufacturers must navigate complex requirements to avoid legal ramifications and ensure market compliance. Finally, shifts in consumer demand towards sustainable and ethical products present further challenges and opportunities for the industry; while there is increasing demand for eco-friendly textiles, aligning production practices with consumer expectations requires significant operational changes, often caught between the need to innovate and the realities of market price sensitivity and demand uncertainty.

Carpet Chemicals: Introduction

The carpet chemicals market is a vital segment of the broader textile and chemical industries, encompassing a variety of substances integral to the manufacturing, maintenance, and cleaning of carpets. These chemicals are essential for enhancing the performance, durability, and aesthetics of carpets while addressing critical hygiene and safety concerns.

The primary categories of carpet chemicals include manufacturing chemicals and cleaning agents. Manufacturing chemicals, such as solvents, dyes, adhesives, and finishing agents, are crucial in carpet production. Notable examples include sodium bicarbonate, commonly used in cleaning processes; acetic acid, which plays a significant role in dyeing; and formaldehyde, which serves as a bonding agent in various applications. Additionally, per- and polyfluoroalkyl substances (PFAS) are often utilized for soil and stain resistance coatings, and antimicrobial agents, including silver-based compounds, are employed to inhibit mold and bacterial growth.

Figure 72: Global Carpet Chemical Industry Market Size, USD billion, 2023 to 2029F

Note: A-Actual, F-Forecast

Source: *Industry Reports, CRISIL MI&A*

The global carpet chemicals market was valued at USD 4.5 billion in 2023 and is expected to grow at a rate of 5.2% till 2029. The demand for carpet chemicals is driven by several key factors, including the flourishing construction and refurbishment industry, which bolsters the demand for carpets and subsequently the chemicals used in their upkeep. Rapid urbanization is another significant driver, resulting in increased residential and commercial building projects that heighten the need for effective carpet maintenance solutions.

In terms of applications, carpet chemicals are utilized across various sectors. The residential sector drives demand significantly, as homeowners increasingly seek effective cleaning solutions tailored to household needs. In the commercial sector, carpets in hotels, offices, and public spaces require regular maintenance and specialized cleaning products to maintain their appearance and hygiene. Although smaller, the industrial segment is also experiencing growth due to the need for robust cleaning solutions in manufacturing environments competitive pressure within the market.

Growth Drivers of Carpet Chemicals

- **Expansion of the Construction and Real Estate Sectors:** The expansion of the construction and real estate markets plays a critical role in the growth of carpet chemicals. As more residential and commercial buildings are constructed, the need for effective carpet maintenance solutions rises.

- **Rising Awareness of Hygiene and Cleanliness:** Consumer awareness around hygiene has significantly increased, particularly in the wake of health crises such as the COVID-19 pandemic. This has elevated the demand for carpet disinfectants and cleaning products.

- **DIY Cleaning Trends:** The rising prevalence of do-it-yourself (DIY) cleaning trends among homeowners is positively impacting the market. With more individuals undertaking their carpet cleaning, the demand for convenient and efficient carpet cleaning chemicals has increased.

Challenges Faced by Carpet Chemicals Industry

Regulatory pressures, such as strict environmental protection laws and safety standards, necessitate compliance management and significant investment, particularly with emerging regulations like New York’s Carpet Collection Program Law, which mandates recycling efforts and the reduction of harmful chemicals like PFAS. Toxicological concerns regarding volatile organic compounds (VOCs) and other hazardous substances in carpets raise health risks, particularly impacting indoor air quality and prompting manufacturers to ensure their products are safe for consumers, especially vulnerable populations like children. Furthermore, sustainability practices have become critical as consumer awareness of environmental issues rises; however, transitioning to eco-friendly materials and waste management poses a challenge due to the industry’s reliance on synthetic fibers, which are harmful to the environment. Economic factors such as fluctuations in raw material prices and global trade uncertainties also impact production costs, while competition from alternative flooring options, like hardwood and laminate, pressures manufacturers to innovate in product differentiation. Lastly, shifting consumer perceptions, particularly among younger generations, drive a demand for sustainable and health-conscious carpet solutions, compelling manufacturers to adapt their marketing and product development strategies to address these evolving consumer preferences.

Leather Chemicals: Introduction

Leather chemicals are specialized compounds essential in the processing of animal hides into finished leather products. These chemicals are critical at various stages of leather production, including preservation, tanning, dyeing, and finishing. They enhance the quality, durability, and aesthetic appeal of leather goods, while also contributing to improved efficiency in processing and reduced water consumption during production.

Leather chemicals find a wide range of applications across various industries. Notably, the footwear industry consumes almost more than 50% of these chemicals, focusing on enhancing durability and aesthetic appeal. The automotive sector extensively utilizes leather chemicals for interior design, with an emphasis on luxury and comfort. The furniture industry is also a significant consumer, driven by the demand for premium leather options.

Figure 73: Global Leather Chemical Industry Market Size, USD billion, 2019 to 2029F

Note: A-Actual, F-Forecast
Source: *Industry Reports, CRISIL MI&A*

The global leather chemicals market was valued at USD 8.3 billion in 2023 and is expected to grow at a rate of 5.9% till 2029. The growth is attributed to the growing demand in end use industries like footwear, automotive, furniture & textile industry. Several factors are propelling the growth of the leather chemicals market. One of the primary drivers is the increasing demand for footwear and automotive upholstery, particularly in developing economies where these sectors are experiencing a resurgence. Additionally, rising disposable incomes are fueling consumer interest in premium leather products, including luxury items. Technological advancements in leather processing technologies are also contributing to market growth, as they lead to greater processing efficiency and a reduced environmental impact, prompting manufacturers to invest in advanced chemical solutions.

Despite the promising growth prospects, the leather chemicals market faces several challenges. One of the most pressing issues is the environmental concerns associated with leather production, leading to stringent regulations regarding chemical usage and waste management. These regulations often increase operational costs for manufacturers. Additionally, fluctuating raw material prices can impact production costs and profit margins. Furthermore, the increasing popularity of synthetic leather and vegan options poses a considerable threat to the traditional leather chemicals market.

Growth Drivers of Leather Chemicals

- **Increasing Demand from Multiple Industries:** There is a significant rise in the demand for leather products across various sectors, including:
    - **Footwear:** The increasing consumer preference for leather footwear continues to boost the manufacturing sector, contributing to the demand for leather chemicals used in the tanning and dyeing processes.
    - **Automotive Industry:** The expansion of the automotive sector, especially for high-end vehicle interiors, necessitates high-quality leather upholstery, thereby driving demand for associated chemicals.
    - **Furniture and Textiles:** Rising household incomes and the demand for luxury goods have led to an increased use of leather in furniture and textile applications.
- **Rising Preferences for Luxury Leather Goods:** The uptick in luxury leather goods, particularly in emerging markets, is a substantial driver. The preference for high-quality, aesthetically appealing leather products creates a continuously growing demand for leather chemicals.

Challenges Faced by Leather Chemicals Industry

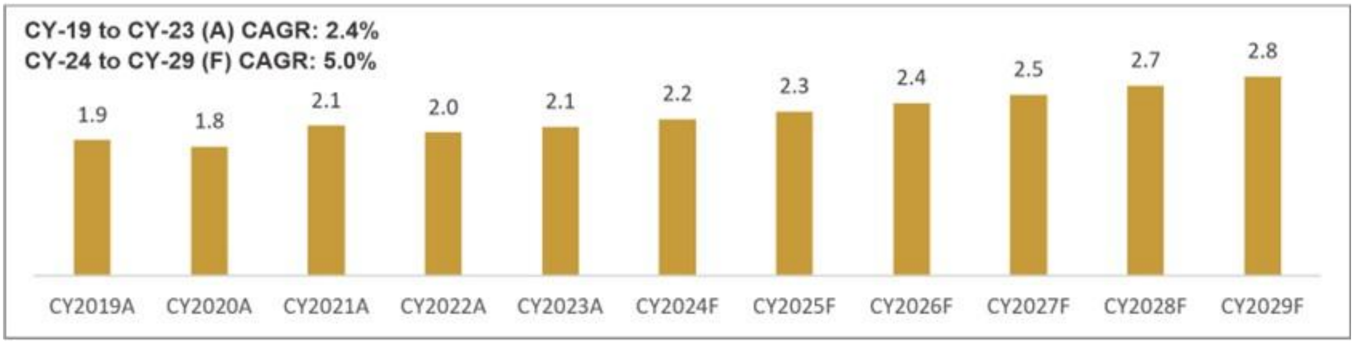
One of the foremost issues is the environmental impact associated with leather production, the production processes involve extensive water usage and the application of hazardous chemicals, such as chromium and formaldehyde, leading to substantial pollution and waste, which necessitates urgent measures for sustainability. In addition to environmental concerns, health and safety risks pose serious challenges for workers in the leather production process, where exposure to toxic chemicals can result in respiratory issues and skin disorders, compounded by physical hazards related to sharp instruments and heavy machinery. Cost pressures add another layer of complexity, as the leather industry competes with synthetic alternatives that typically have lower production costs, with fluctuating prices for raw materials also affecting profitability.

Paper Coating Chemicals: Introduction

Paper coating chemicals encompass a variety of materials applied to paper products to enhance surface properties, print quality, and overall performance. These coatings are typically composed of mixtures of pigments, binders, and additives that improve characteristics such as gloss, smoothness, ink absorbency, and durability. Key components in these coatings include pigments like kaolin and calcium carbonate, which provide opacity and brightness; binders such as latex or starch, which help the pigments adhere to the paper surface; and additives that enhance certain properties, including water resistance or UV protection. The result is a product that is ideal for applications in printing and packaging.

The applications of paper coating chemicals are diverse, including significant uses in printing, packaging, and labeling. Coated papers are essential for high-quality printed materials such as magazines, brochures, and catalogs, where enhanced clarity and vibrancy are necessary. In the packaging sector, coated papers are widely used to meet requirements for moisture resistance and durability, particularly in food packaging. Moreover, these coatings enhance the visual appeal and functionality of labels and other specialized paper products.

Figure 74: Global Paper Coating Chemical Industry Market Size, USD billion, 2019 to 2029F



Note: A-Actual, F-Forecast
Source: *Industry Reports, CRISIL MI&A*

The global paper coating chemicals market was valued at USD 2.1 billion in 2023 and is expected to grow at a rate of 5.0% till 2029. Several factors are driving the growth of the paper coating chemicals market. Key among these is the increasing demand from the packaging sector, fueled by the rise of e-commerce and consumer goods that necessitate attractive and functional packaging solutions, particularly in the food and beverage industry. The expansion of the printing industry, along with its continuous growth in advertising materials, magazines, and promotional items, further enhances the demand for coated papers, which offer superior printability. Additionally, the trend toward sustainability is important as companies increasingly seek eco-friendly and bio-based materials.

Despite its growth potential, the paper coating chemicals market faces several challenges. The impact of digitalization poses a significant threat, as the shift toward digital media reduces the demand for traditional paper products. Additionally, the fluctuating prices of essential raw materials can affect production costs and profit margins, creating uncertainty for manufacturers. Stricter environmental regulations regarding non-biodegradable coatings also challenge producers to adapt their products to comply with new standards.

Growth Drivers of Paper Coating Chemicals

- **Increasing Demand for High-Quality Printing:** The growing need for high-quality printed materials, such as magazines, brochures, and packaging, drives demand for paper coating chemicals. Consumers and businesses increasingly prefer aesthetically appealing printed goods, necessitating improved coatings that enhance print quality and durability.

- **Expansion of the Packaging Industry:** The packaging sector remains the largest consumer of paper coatings, driven by the rise of e-commerce and the need for innovative packaging solutions. The demand for corrugated boxes, paper bags, and flexible packaging is notable, particularly as companies strive to meet consumer expectations for sustainability.

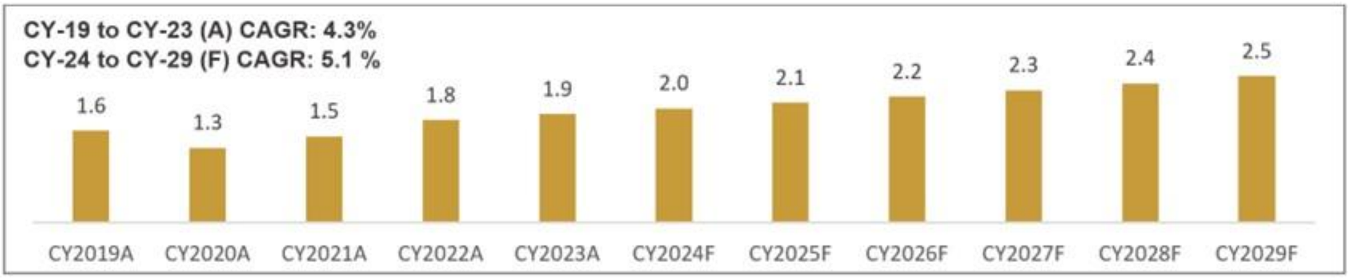
Key Challenges faced by Paper Coating Chemical Industry

From an environmental perspective, traditional coating materials, such as polyethylene and ethylene vinyl alcohol, contribute to microplastic pollution upon disposal, while the production process consumes excessive water and energy, leading to considerable greenhouse gas emissions. This necessitates the adoption of more sustainable practices. Regulatory challenges further complicate the landscape, as new mandates from organizations like the U.S. Environmental Protection Agency impose stringent compliance requirements, straining resources and imposing costs on manufacturers. Additionally, technological advancements are crucial for improving product quality and efficiency; however, integrating innovations such as biodegradable coatings requires significant research and development investment. In terms of market dynamics, there is increasing competition from fully biodegradable alternatives as consumers become more environmentally conscious, compelling companies to adapt to shifting preferences while managing profitability amidst market fluctuations. The supply chain for essential raw materials is fraught with vulnerabilities, highlighted by recent global disruptions that have affected sourcing and transportation, thereby necessitating robust strategies to ensure consistent availability and cost control.

Wood Working Chemicals: Introduction

Wood working chemicals refer to a variety of substances used in the wood working industry, designed to prevent degradation, enhance durability, and improve the aesthetic and functional qualities of wood products. These chemicals include wood preservatives, adhesives, finishes, and treatments, which are essential across applications in construction, furniture manufacturing, and other wood working industries.

Figure 75: Global Wood Preservatives Industry Market Size, USD billion, 2019 to 2029F



Note: A-Actual, F-Forecast
Source: *Industry Reports, CRISIL MI&A*

The global wood preservatives market was valued at USD 1.9 billion in 2023 and is expected to grow at a rate of 5.1% till 2029. These chemicals find extensive applications primarily in construction, where wood preservatives protect structures from decay and insect damage. They are also crucial in furniture making, where adhesives and finishes enhance both the durability and aesthetics of products, as well as in various industrial applications, including utility poles and railroad ties.

However, the market faces challenges, including competition from alternative materials like wood-plastic composites, which provide superior durability, and the need for compliance with stringent regulations regarding the use of certain chemicals. Moreover, the growing emphasis on sustainability complicates production processes for some manufacturers.

Growth Drivers of Wood Working Chemicals

- **Growth in the Construction Sector:** The expansion of the construction sector is pivotal to the growth of wood working chemicals. The increasing number of residential, commercial, and industrial building projects enhances the demand for wood products, which in turn necessitates the use of various chemicals for treatment and preservation.

- **Rising Popularity of Wooden Furniture:** The global furniture market is experiencing a significant shift towards wooden furniture due to its aesthetic appeal and durability. This trend leads to an increased use of wood working chemicals to ensure the longevity and resistance of wooden products against pests and fungi.

- **Economic Growth in Developing Countries:** Rapid industrialization and urbanization in developing countries are creating a robust marketplace for wood working chemicals. As economies grow, the demand for construction and furniture products rises, directly affecting the consumption of these chemicals.

Challenges Faced by Wood Working Chemicals

Environmental challenges are significant, as companies must navigate emissions and waste disposal issues associated with toxic substances used in wood processing. Concerns about the effectiveness of landfill emissions management and resource depletion from unsustainable practices threaten the availability of essential raw materials. Worker safety and health are paramount, given the risks posed by exposure to hazardous substances, including wood dust and toxic chemicals, which can lead to serious health issues; existing regulations on exposure levels are often inadequately enforced, necessitating effective safety management practices. Regulatory challenges further complicate the landscape, requiring companies to adhere to stringent national and international standards concerning the handling, storage, and disposal of hazardous materials, demanding substantial investment in technology and training. Innovation is crucial for competitiveness, yet companies struggle to develop new, environmentally friendly chemical alternatives without disrupting existing manufacturing processes, leading to high research and development costs. Economic pressures, including competition and market volatility, contribute to price fluctuations in raw materials, directly affecting profit margins while increasing compliance and sustainability costs; thus, economic viability hinges on adapting to market pressures while maintaining product quality. Additionally, a growing consumer demand for environmentally friendly and sustainable wood finishing products requires companies to reevaluate their product lines and marketing strategies to align with consumer preferences, creating both challenges and opportunities.

Competition Landscape & Benchmarking

Jesons Industries Ltd

Jesons Industries Ltd, has emerged as one of India's largest manufacturers of coating materials and adhesives, demonstrating robust growth through its commitment to innovation and customer-centric practices.

The company specializes in a diverse product portfolio that includes **Pressure Sensitive Adhesives (PSA), Woodworking Adhesives, HMPSA, Solvent Based PSA, Water based laminating adhesives, Coating Materials, Construction Chemicals, Textile Leather and Paper Chemicals.** The end user industry includes Tapes, Labels, Decorative Paints, and Furniture.

Jesons operates seven manufacturing facilities, comprising two facilities at located in Daman, one facility each at Roorkee, Chennai, Mundra, and Vapi with a total production capacity of approximately 3,00,000 metric tonnes per annum (MTPA). The company expanded its production capacity by its seventh greenfield project in Saykha (Dahej). In March 2024, the facility commenced the operations with the pigment emulsion plant and it is anticipated that in Phase 2, which involves the manufacturing of Adhesives and Coating Materials will start operations in Q1FY26. The total capacity is expected to touch 1,00,000 MTPA by FY27.

Jeson is an innovation led company with a dedicated focus on developing specialty products with services, customized based on requirements and specific orders from customers. The R&D capabilities enable the company to provide customized products and solutions. The R&D facility houses a team of 40 qualified personnel as of 30th September, 2024, which along with decades of experience in the Coating Emulsions and Adhesives industries, enables us to develop a robust pipeline of specialized products and solutions, which are customized to our customer requirements.

The Innovation Centre, spanning 30,000 square feet, is poised to host over 100 scientists, driving innovation. Product offering from Innovation Centre has broaden portfolio in business-critical segments such as Construction Chemicals, Wood Working Adhesive & Re-Dispersible Powders. The company has robust pipeline of products, which comprises 22 products under development, which will enable the company to cater to existing and new customers and markets.

Jesons Industries has established strategic global marketing partnerships with prominent companies to enhance its product offerings across various chemistry applications. The partnerships include Alberdingk Boley from Germany, specializing in Polyurethane Dispersions, which are widely used in coatings and adhesives. San Nopco, a Japanese company, provides expertise in Defoamers and Rheology Modifiers, essential for optimizing product formulations by controlling foam and adjusting flow properties. Soken, also from Japan, focuses on Solvent Based Pressure Sensitive Adhesives (PSA), which are critical for adhesive applications requiring solvent-based solutions. Lastly, DY from Korea supplies Hot Melt PSA, an adhesive solution suitable for applications needing quick bond formation without solvents. These collaborations enable Jesons Industries to access advanced technologies and expand its portfolio in diverse market segments.

Kamsons Chemicals Pvt Ltd

Kamsons Chemicals Pvt Ltd is a prominent chemical manufacturing company based in India, established in 1972, with its head office located at Mumbai, Maharashtra. The company has two manufacturing facilities located at Mahape and Ambernath, Navi Mumbai. Specializing in acrylic polymer emulsions, the company offers an extensive product portfolio that includes acrylic resins, emulsions, water-based polyurethane dispersions, construction chemicals, and paint binders, catering to various industries such as paints, construction, textiles, paper, and leather.

Kamsons has a strong focus on research and development, continuously innovating to create niche and new-generation products, particularly in the fields of waterproofing and construction materials and has patented aqueous matte coating compositions for substrates. In addition to its manufacturing and R&D capabilities, Kamsons engages in technical collaborations to enhance its product offerings, notably in the development of polyurethane coatings for industrial applications. The company also establishes global partnerships, having imported products from notable suppliers like Formosa Plastics Corporation and exports to regions including Australia, New Zealand, and the United Arab Emirates.

The company has a production capacity that supports a significant turnover, estimated between INR 250 to 300 crores annually, demonstrating the company's robust operational scale. Through its diverse product range and strategic business operations, Kamsons Chemicals Pvt Ltd has established itself as a key player in the chemical manufacturing sector in India.

HP Adhesives Ltd

HP Adhesives Ltd is a prominent manufacturer and distributor of adhesives and sealants based in Mumbai, India. The company's product portfolio encompasses a diverse range of offerings, including solvent cements (PVC, cPVC, and uPVC), silicone sealants, contact adhesives, white glue/PVA, FRP manhole covers, and plumbing accessories. HP Adhesives operates a multi-product manufacturing facility located in village Narangi, Raigad district of Maharashtra, with an annual production capacity exceeding 13,500 tons. The company's commitment to innovation is further underscored by its dedicated research and development team, which is composed of both Indian and international experts, continuously striving to enhance product offerings and develop new solutions. HP Adhesives serves a variety of business segments including plumbing, home improvement, automotive, glass glazing, textiles, and more, providing tailored solutions to meet the needs of these industries.

The company has established technical collaborations with significant organizations, such as a strategic partnership with HP Inc. for developing laminating adhesives compatible with HP Indigo ElectroInk. Furthermore, the company has global partnerships across Asia, the Gulf, the United States, Africa, and Europe, contributing to its sales presence in over 40 countries. With respect to production capacity, HP Adhesives is recognized as the largest solvent cement manufacturer in India. Through its extensive distribution network and unwavering commitment to quality, HP Adhesives Ltd continues to be a key player in the adhesive industry, striving for growth and innovation.

Nikhil Adhesives Ltd

Nikhil Adhesives Ltd. is a significant player in India's adhesive and polymer emulsion industry. The company offers a diverse product portfolio that includes polymer emulsions and adhesives for various applications such as paint emulsions for interior and exterior use, textile emulsions and binders for fabric processing, construction chemicals that provide strong bonding solutions, and consumer adhesives marketed under brands like Mahacol and Emdicryl. The company operates five strategically located manufacturing facilities in Dahanu, Silvassa, Dahej, Tumkur, and Mehatpur, with a total production capacity of 120,000 tons per annum, allowing it to cater effectively to both domestic and international markets. The company exports its products in Asia, Africa, and the Middle East, and has built a reputation for quality that has established a firm foothold in these regions. Moreover, the company prioritizes research and development efforts focused on innovative product formulations and sustainable practices, investing in modern technologies to enhance product quality and remain competitive.

Apcotex Industries Ltd

Apcotex Industries Ltd is a prominent player in the synthetic rubber and latex sector, recognized for its extensive manufacturing, research and development, and export activities. The company specializes in producing a diverse array of synthetic rubber types, such as nitrile butadiene rubber (NBR) and high-styrene rubber (HSR), along with various synthetic latex products utilized across multiple industries, including automotive, textiles, and construction. The company operates strategically located manufacturing facilities in Taloja, Maharashtra, and Valia, Gujarat, which are equipped with advanced technology and precision monitoring systems to ensure efficiency, safety, and flexibility in production. The recent establishment of their first Nitrile Latex plant in India marks significant investments aimed at enhancing overall production capacity, reflecting the company's commitment to meeting growing market demands. Apcotex's export operations contribute notably to its sales, with over 20% generated from international markets, particularly in regions such as the United Arab Emirates, Malaysia, and Egypt. The company emphasizes innovation through robust R&D facilities focused on developing advanced, environmentally friendly products and processes, thereby aligning with sustainability initiatives.

Visen Industries Ltd

Visen Industries Ltd is a leading manufacturer specializing in polymer emulsions for various industries, including paints, textiles, adhesives, and construction, with its establishment dating back to 1985. The company offers a comprehensive product portfolio that includes acrylic dispersants, opaque polymers, VAM/VEOVA terpolymer, and vinyl acrylic emulsions, all tailored to meet specific customer requirements and enhance the value of projects. With manufacturing facilities located in India, specifically at Tarapur and Silvassa, and is expanding its capabilities with a newly established polymer plant in the Hamriyah Free Zone, UAE, which is set to become the largest in the region. Actively engaging in export activities, the company serves diverse international markets, particularly in the Middle East and Africa, securing its position as a reliable partner to various global clients. The company places a significant emphasis on research and development, operating centralized R&D centres in India and the UAE, which focus on innovating new formulations that comply with global quality standards while promoting sustainability. Additionally, Visen has developed strategic partnerships, including a notable investment from The Carlyle Group in 2011, facilitating its growth initiatives and expanding its global footprint.

Dow International Pvt Ltd (Dow India)

Dow International Pvt Ltd, a subsidiary of Dow Inc., operates in India as part of a strategic initiative to advance as a leading materials science company dedicated to addressing global challenges through innovation and sustainability. The company offers a wide-ranging product portfolio that includes performance materials, industrial intermediates, and differentiated plastics, servicing multiple sectors such as packaging, infrastructure, automotive, and consumer care with products like acrylic emulsions, adhesives, and specialty chemicals. The compay operates three manufacturing facilities in India, strategically located to support both domestic and international production needs, equipped with advanced manufacturing technologies and supplemented by Centres of Excellence that enhance operational efficiency and innovation. Dow's global manufacturing capabilities indicate substantial output to meet increasing demands. Additionally, Dow India engages in active export activities, utilizing its global network to deliver specialized materials to diverse markets worldwide, including Europe, Asia Pacific, and the Americas. R&D is a cornerstone of Dow's operations, with significant investment in developing new materials and processes that align with sustainability, featuring advanced technologies and collaborations with international partners to drive materials science advancements. Furthermore, Dow India fosters global partnerships that enhance its innovation potential, working with non-profits for community development and sustainability, as well as with academic institutions to facilitate cutting-edge research initiatives that provide insights into emerging technologies and practices.

BASF India Ltd

BASF India Ltd, a subsidiary of BASF SE, is a prominent player in the Indian chemical industry, operating across diverse segments, including Agricultural Solutions, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care, and Chemicals. This broad portfolio allows the company to serve various sectors such as agriculture, automotive, pharmaceuticals, construction, and consumer care, utilizing technological expertise from its parent company. Company's key product offerings include crop protection products for agriculture, advanced materials for plastics and automotive applications, polymer dispersions and performance chemicals, surface coatings and catalysts, as well as ingredients for food, pharmaceuticals, and personal care products. BASF India has strategically established several manufacturing facilities in locations including Dahej, Mangalore, Ankleshwar, and Panoli, with the Dahej facility noted for its significant chemical production scale, backed by a robust investment of INR1,000 crores. The Mangalore site stands out as the largest production facility in South Asia, enhancing capacity for coatings and chemicals, while production capabilities across Panoli and Thane have been increased by over 40% to meet market demand. Actively engaging in exports, the company contributes to India's chemical export sector, its global supply chain integration facilitates notable international trade opportunities. In terms of innovation, BASF India invests heavily in research and development, operating research facilities in Thane and Pune, focusing on organic synthesis, agricultural solutions, and sustainable chemistry. The Pune Agricultural Research Station specifically develops innovative solutions tailored to local agricultural challenges, further enhancing productivity and sustainability. Furthermore, BASF India engages in significant global partnerships, such as its collaboration with AM Green B.V., to produce low-carbon chemicals from renewable energy, showcasing its commitment to sustainability and strategic market advancement.

Laxmi Organics Ltd

Laxmi Organic Industries Limited is a leading specialty chemicals manufacturer in India, primarily focused on acetyl intermediates and specialty chemicals. Since its establishment in 1989, the company has carved a significant niche in the market, achieving high standards in quality and reliability while expanding its product offerings and capabilities. The company operates through two main segments: Acetyl Intermediates and Specialty Intermediates. The company is recognized as the top manufacturer of acetyl intermediates in India and ranks third globally (excluding China) . It develops a wide range of chemical products essential for several sectors, including pharmaceuticals, agrochemicals, and food packaging. The strategic focus on innovation and quality has enabled the company to maintain a strong market position. By continuously expanding its product range through R&D, Laxmi Organic offers over 30 products developed in-house.

The company has two strategically located manufacturing facilities in Mahad, Maharashtra. One facility specializes in acetyl intermediates, while the other focuses on specialty intermediates. The total production capacity exceeds 232,000 tonnes per annum (TPA), ensuring that the company can meet both domestic and international demand effectively.

The company is committed to enhancing its product line through extensive R&D activities. It operates two Department of Scientific and Industrial Research (DSIR)-recognized facilities equipped with advanced technological infrastructure to develop specialty chemicals and advanced intermediates. This focus on R&D has enabled Laxmi Organic to unlock value by continuously innovating and expanding its product offerings.

The company has established significant collaborations and partnerships worldwide. Notably, it signed a memorandum of understanding (MoU) to enhance its production capacity in the synthetic organic chemicals sector in collaboration with Kiri Group, highlighting its proactive approach to expanding its operational footprint.

Operational Performance Benchmarking

Table 9: Operational Performance of Peers

Manufacturer	Revenue FY-24 (INR Million)	Installed Capacity MTPA FY-24	Relevant Business Segments Revenue (INR Millions)	Market Coverage (Domestic & Exports)
Jesons Industries	14,962	283,137	Coating Materials: 9,325 Adhesives: 5,029 Specialty Chemicals: 144 Trading & Others: 464	Domestic: 70% Exports: 30%
Visen Industries Ltd	16,608	-	Sales of manufactured goods: 74%	Domestic: 73%

Manufacturer	Revenue FY-24 (INR Million)	Installed Capacity MTPA FY-24	Relevant Business Segments Revenue (INR Millions)	Market Coverage (Domestic & Exports)
			Trading: 26%	Export: 27%
Kamsons Chemicals Pvt Ltd*	2,447	-	NA	Domestic: 72% Export: 28%
HP Adhesives Ltd	2,360	13,500	Solvent Cement: 57% Silicone Sealants:15.2% Contact Adhesives & PVA Adhesives: 9.3% Ball Valves & Tapes: 14.7% Others: 3.8%	NA
Nikhil Adhesives	5,642	120,000	Construction Chemicals: 15% Consumer & Contract Manufacturing: 23% Industrial Adhesives: 11% Paint Emulsions: 36% RDP: 1% Textile: 12% Export: 2%	Domestic: 98% Export:2%
Apcotex Industries	11,246	176,000	NA	Domestic: 70% Export: 30%
Dow International Pvt Ltd*#	107,436	-	NA	Domestic: 97% Export: 3%
BASF India Ltd	137,675	-	Materials: 30% Agricultural Solutions: 14% Chemicals: 12% Nutrition & Care: 21% Surface Technologies: 6% Industrial Solutions: 16% Others: 1%	Export: 2% Domestic: 98%
Laxmi Organics	28,245	232,000	Essential Products (Ethyl Acetate, Acetic Anhydride, Acetaldehyde, etc): 30% Specialty Products (Ketene & Diketene Derivatives, Esters, Amides & Acrylides, Flurorospecialty intermediates): 70%	Export: 30% Domestic: 70%

*Note: *Revenue for FY-23#revenue is on standalone basis*
Source: Company Websites, Company Filings

Financial Performance Benchmarking with Peers

Revenue & Growth

Table 10: Revenue Benchmarking

Domestic Manufacturers	Revenue from Operations (INR Millions)					
	FY-20	FY-21	FY-22	FY-23	FY-24	Growth (FY20-24)
Jesons Industries	9,015.50	10,857.17	20,659.62	17,220.99	14,962.29	14%
Visen Industries Ltd	11,855.46	10,990.10	17,784.43	17,045.94	16,608.29	9%
Kamsons Chemicals Pvt Ltd*	1,368.68	1,923.70	2,886.79	2,446.59	-	21%
HP Adhesives Ltd	845.12	1,181.62	1,645.99	2,329.96	2,360.18	29%
Dow International Pvt Ltd*	59,974.58	70,003.07	103,303.88	107,436.40	-	21%
Nikhil Adhesives Ltd	4,217.09	4,910.06	8,137.37	7,434.63	5,641.93	8%
Apcotex Industries Ltd	4,959.81	5,406.36	9,568.91	10,799.29	11,245.50	23%
Laxmi Organics Ltd	15,341.22	17,684.48	30,841.87	27,911.69	28,650.07	17%
BASF India Ltd	75,945.60	95,583.40	130,997.30	136,447.70	137,674.80	16%

Note: Financials for FY-24 is not available. Growth rate is from FY-20 to FY-23*
Source: Company Filings, CRISIL MIA

Gross Profit Margins

Table 11: Gross Profit Margins Benchmarking

Domestic Manufacturers	Gross Profit Margin				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	15.43%	23.15%	14.97%	15.38%	18.25%
Visen Industries Ltd	12.55%	27.23%	19.21%	14.01%	15.57%
Kamsons Chemicals Pvt Ltd*	19.57%	20.43%	16.22%	19.10%	-
HP Adhesives Ltd	36.01%	31.26%	26.58%	27.79%	37.24%
Dow International Pvt Ltd*	18.93%	22.43%	14.62%	13.55%	-
Nikhil Adhesives Ltd	15.89%	13.87%	12.69%	15.02%	18.11%
Apcotex Industries Ltd	29.99%	37.23%	34.83%	34.44%	30.86%
Laxmi Organics Ltd	28.52%	33.60%	31.51%	33.53%	32.82%
BASF India Ltd	18.84%	18.43%	17.10%	15.89%	17.04%

*Note:*Financials for FY-24 is not available*
Formula used for Gross Profit Margin calculation is as follows:
Gross Profit Margin: Gross Profit / Revenue from Operations
Source: Company Filings, CRISIL MIA

EBITDA, EBITDA Margins & Growth

Table 12: EBITDA Benchmarking

Domestic Manufacturers	EBITDA (INR Millions)					
	FY-20	FY-21	FY-22	FY-23	FY-24	Growth (FY20-24)
Jesons Industries	476.50	1,288.23	1,295.70	914.91	1,017.77	21%
Visen Industries Ltd	438.53	1,964.46	2,039.94	773.80	1,003.33	23%
Kamsons Chemicals Pvt Ltd*	127.24	258.88	244.41	253.04	-	26%
HP Adhesives Ltd	41.89	119.69	112.99	190.02	308.06	-
Dow International Pvt Ltd*	3,384.36	8,273.24	5,873.88	3,125.89	-	-3%
Nikhil Adhesives Ltd	191.03	221.74	434.27	345.81	307.69	13%
Apcotex Industries Ltd	333.79	698.73	1,398.19	1,585.17	1,139.48	36%
Laxmi Organics Ltd	1,135.47	2,167.18	3,677.23	4,908.69	4,844.38	44%
BASF India Ltd	2,786.30	6,328.40	9,114.00	6,866.40	8,898.30	34%

Note: Financials for FY-24 is not available. Growth rate is from FY-20 to FY-23*
Formula used for EBITDA is as follows:
EBITDA: Revenue from Operations – Cost of Goods - Employee benefits expense - Other Expenses
Source: Company Filings, CRISIL MIA

Table 13: EBITDA Margins Benchmarking

Domestic Manufacturers	EBITDA Margin, %				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	5.29%	11.87%	6.27%	5.31%	6.80%
Visen Industries Ltd	3.70%	17.87%	11.47%	4.54%	6.04%
Kamsons Chemicals Pvt Ltd*	9.30%	13.46%	8.47%	10.34%	-
HP Adhesives Ltd	4.96%	10.13%	6.86%	8.16%	13.05%
Dow International Pvt Ltd*	5.64%	11.82%	5.69%	2.91%	-
Nikhil Adhesives Ltd	4.53%	4.52%	5.34%	4.65%	5.45%
Apcotex Industries Ltd	6.73%	12.92%	14.61%	14.68%	10.13%
Laxmi Organics Ltd	7.40%	12.25%	11.92%	17.59%	16.91%
BASF India Ltd	3.67%	6.62%	6.96%	5.03%	6.46%

*Note:*Financials for FY-24 is not available*
Formula used for EBITDA is as follows:
EBITDA Margin: EBITDA / Revenue from Operations
Source: Company Filings, CRISIL MIA

PAT & Margins

Table 14: PAT Benchmarking

Domestic Manufacturers	PAT (INR Millions)					
	FY-20	FY-21	FY-22	FY-23	FY-24	Growth (FY20-24)
Jesons Industries	296.30	928.50	858.92	490.40	565.91	18%
Visen Industries Ltd$	-83.60	880.11	1,092.68	198.74	196.68	-39%
Kamsons Chemicals Pvt Ltd*	85.23	178.91	182.36	184.81	-	29%
HP Adhesives Ltd$	-47.29	100.60	60.07	108.58	205.68	27%
Dow International Pvt Ltd*	1,790.38	5,352.85	3,576.70	649.91	-	-29%
Nikhil Adhesives Ltd	70.23	156.54	252.64	170.40	132.51	17%
Apcotex Industries Ltd	166.27	441.59	988.06	1,079.39	538.79	34%
Laxmi Organics Ltd	702.40	1,270.64	2,564.55	1,246.12	1,205.35	14%
BASF India Ltd	228.70	5,526.10	5,948.40	4,028.90	5,632.70	123%

*Note:*Financials for FY-24 is not available. Growth rate is from FY-20 to FY-23*
$ Growth rate is from FY-21 to FY-24
Source: Company Filings, CRISIL MIA

Table 15: PAT Margins Benchmarking

Domestic Manufacturers	PAT Margin, %				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	3.26%	8.47%	4.12%	2.84%	3.78%
Visen Industries Ltd$	-0.70%	7.97%	6.12%	1.15%	1.18%
Kamsons Chemicals Pvt Ltd*	6.14%	9.21%	6.27%	7.47%	-
HP Adhesives Ltd$	-5.45%	8.12%	3.59%	4.60%	8.60%
Dow International Pvt Ltd*	2.96%	7.65%	3.46%	0.60%	-
Nikhil Adhesives Ltd	1.66%	3.19%	3.10%	2.29%	2.35%
Apcotex Industries Ltd	3.31%	8.09%	10.24%	9.93%	4.76%
Laxmi Organics Ltd	4.57%	7.17%	8.28%	4.44%	4.17%
BASF India Ltd	0.30%	5.77%	4.53%	2.94%	4.07%

Note: Financials for FY-24 is not available. Growth rate is from FY-20 to FY-23*
Formula used for PAT is as follows:
PAT Margin: PAT / Revenue from Operations
Source: Company Filings, CRISIL MIA

ROE, ROCE

Table 16: ROE Benchmarking

Domestic Manufacturers	ROE, %				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	18.80%	42.44%	28.44%	13.51%	13.63%
Visen Industries Ltd	-2.85%	26.36%	25.24%	3.98%	4.00%
Kamsons Chemicals Pvt Ltd*	24.32%	36.81%	26.57%	21.25%	-
HP Adhesives Ltd	-	132.87%	8.01%	7.60%	12.97%
Dow International Pvt Ltd*	15.76%	30.07%	18.74%	4.83%	-
Nikhil Adhesives Ltd	16.48%	29.38%	34.53%	18.21%	12.29%
Apcotex Industries Ltd	6.29%	15.87%	28.17%	24.75%	10.80%
Laxmi Organics Ltd	16.44%	17.38%	21.96%	9.18%	7.51%
BASF India Ltd	1.72%	36.47%	28.86%	16.00%	19.01%

*Note:*Financials for FY-24 is not available*
Formula used for ROE is as follows:
ROE: PAT / Average Shareholder's Equity
Source: Company Filings, CRISIL MIA

Table 17: ROCE Benchmarking

Domestic Manufacturers	ROCE, %				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	22.17%	43.23%	26.03%	14.51%	17.00%
Visen Industries Ltd	1.97%	29.63%	24.22%	5.47%	8.21%
Kamsons Chemicals Pvt Ltd*	26.36%	42.10%	29.94%	24.32%	-
HP Adhesives Ltd	-	22.02%	8.22%	10.38%	16.45%
Dow International Pvt Ltd*	16.82%	38.02%	24.73%	14.45%	-
Nikhil Adhesives Ltd	23.04%	24.20%	41.63%	24.49%	16.47%
Apcotex Industries Ltd	6.96%	18.07%	32.82%	26.68%	12.37%
Laxmi Organics Ltd	23.47%	19.71%	24.40%	25.80%	20.19%
BASF India Ltd	4.87%	25.05%	34.66%	20.03%	23.58%

Note: Financials for FY-24 is not available*
Formula used for ROCE is as follows:
ROCE: EBIT / Average Capital Employed
Source: Company Filings, CRISIL MIA

Working Capital Days

Table 18: Working Capital Days Benchmarking

Domestic Manufacturers	Working Capital Cycle (days)				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	26	40	35	48	54
Visen Industries Ltd	-32	-28	33	53	52
Kamsons Chemicals Pvt Ltd*	7	-2	6	5	-
HP Adhesives Ltd	-	88	85	91	126
Dow International Pvt Ltd*	28	30	22	12	-
Nikhil Adhesives Ltd	27	32	22	27	47
Apcotex Industries Ltd	79	59	40	48	54
Laxmi Organics Ltd	14	-1	13	30	12
BASF India Ltd	38	24	23	26	23

Note: Financials for FY-24 is not available*
Formula for Working Capital Cycle is as follows:
Working Capital Cycle: Inventory Days + Receivable Days – Payable Days
Source: Company Filings, CRISIL MIA

Net Debt & Net Worth

Table 19: Net Debt Benchmarking

Domestic Manufacturers	Net Debt (INR Millions)				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	371.90	504.79	1,074.13	449.92	613.79
Visen Industries Ltd	1,809.51	1,866.31	2,721.84	2,035.07	3,108.85
Kamsons Chemicals Pvt Ltd*	-172.22	-292.97	-406.59	-594.48	-
HP Adhesives Ltd	333.03	413.73	-341.76	32.30	-85.75
Dow International Pvt Ltd*	1,597.09	-3,193.45	-2,292.52	-2,322.95	-
Nikhil Adhesives Ltd	2,517.27	1,859.75	1,501.85	2,685.42	3,861.29
Apcotex Industries Ltd	254.97	-6.27	412.24	1,294.46	1,585.32
Laxmi Organics Ltd	790.89	-3,982.95	-489.32	2,661.17	-1,813.30

Domestic Manufacturers	Net Debt (INR Millions)				
	FY-20	FY-21	FY-22	FY-23	FY-24
BASF India Ltd	3,822.00	-209.30	-1,262.20	-3,671.90	-6,242.90

Note: Financials for FY-24 is not available*
Formula for Net Debt is as follows:
Net Debt: Long term borrowing + Short Term borrowing – Cash and Cah Equivalents – Bank Balances other than cash and cash equivalents
Source: Company Filings, CRISIL MIA

Table 20: Net Worth Benchmarking

Domestic Manufacturers	Net Worth / Equity (INR Millions)				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	1,724.20	2,650.91	3,388.83	3,870.66	4,430.25
Visen Industries Ltd	2,902.04	3,775.80	4,883.17	5,105.88	4,718.44
Kamsons Chemicals Pvt Ltd*	376.96	595.07	777.43	962.23	-
HP Adhesives Ltd	24.83	126.59	1,373.39	1,482.88	1,688.89
Dow International Pvt Ltd*	12,258.83	23,349.37	14,822.33	12,066.84	-
Nikhil Adhesives Ltd	456.70	608.84	854.53	1,016.68	1,139.88
Apcotex Industries Ltd	2,512.74	3,054.03	3,961.64	4,760.13	5,217.43
Laxmi Organics Ltd	4,273.04	10,350.43	13,010.39	14,123.84	17,979.92
BASF India Ltd	12,439.80	17,861.50	23,360.80	27,011.80	32,235.00

Note: Financials for FY-24 is not available*
Source: Company Filings, CRISIL MIA

Net Debt/EBITDA & Net Debt/Equity

Table 21: Net Debt/EBITDA Benchmarking

Domestic Manufacturers	Net Debt/EBITDA				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	0.78	0.39	0.83	0.49	0.60
Visen Industries Ltd	4.13	0.95	1.33	2.63	3.10
Kamsons Chemicals Pvt Ltd*	-1.35	-1.13	-1.66	-2.35	-
HP Adhesives Ltd	7.95	3.46	-3.02	0.17	-0.28
Dow International Pvt Ltd*	0.47	-0.39	-0.39	-0.74	-
Nikhil Adhesives Ltd	1.32	0.84	0.35	0.78	1.25
Apcotex Industries Ltd	0.76	-0.01	0.29	0.82	1.39
Laxmi Organics Ltd	0.70	-1.84	-0.13	0.54	-0.37
BASF India Ltd	1.37	-0.03	-0.14	-0.53	-0.70

Note: Financials for FY-24 is not available*
Source: Company Filings, CRISIL MIA

Table 22: Net Debt/Equity Benchmarking

Domestic Manufacturers	Net Debt/Equity				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	0.22	0.19	0.32	0.12	0.14
Visen Industries Ltd	0.62	0.49	0.56	0.40	0.66
Kamsons Chemicals Pvt Ltd*	-0.46	-0.49	-0.52	-0.62	-
HP Adhesives Ltd	13.41	3.27	-0.25	0.02	-0.05
Dow International Pvt Ltd*	0.13	-0.14	-0.15	-0.19	-
Nikhil Adhesives Ltd	0.55	0.31	0.18	0.26	0.34
Apcotex Industries Ltd	0.10	0.00	0.10	0.27	0.30
Laxmi Organics Ltd	0.19	-0.38	-0.04	0.19	-0.10
BASF India Ltd	0.31	-0.01	-0.05	-0.14	-0.19

Note: Financials for FY-24 is not available*
Source: Company Filings, CRISIL MIA

Net Fixed Asset Turnover

Table 23: Net Fixed Asset Turnover Benchmarking

Domestic Manufacturers	Net Fixed Asset Turnover Ratio				
	FY-20	FY-21	FY-22	FY-23	FY-24
Jesons Industries	10.59	9.69	13.20	9.71	6.92
Visen Industries Ltd	2.05	1.93	3.29	3.20	3.18
Kamsons Chemicals Pvt Ltd*	19.61	28.56	44.46	38.85	-
HP Adhesives Ltd	7.13	6.32	4.80	4.71	3.81

Domestic Manufacturers	Net Fixed Asset Turnover Ratio				
	FY-20	FY-21	FY-22	FY-23	FY-24
Dow International Pvt Ltd*	16.71	15.36	25.20	24.97	-
Nikhil Adhesives Ltd	9.64	9.41	13.57	10.22	6.50
Apcotex Industries Ltd	4.14	3.62	5.46	3.66	2.86
Laxmi Organics Ltd	4.00	4.04	4.99	2.90	2.31
BASF India Ltd	7.66	10.33	15.22	16.38	16.91

Note: Financials for FY-24 is not available*
Formula for Net Fixed Asset Turnover Ratio is as follows:
Net Fixed Asset Turnover Ratio: Revenue from Operations / (Property, Plant and Equipment + Capital Work In Progress + Rights of Use of Assets)
Source: Company Filings, CRISIL MIA

Strategic Positioning of the Company

Diversified Product Portfolio

Amongst the Indian manufacturers, Jesons Industries Ltd is one of the largest range of products in coating materials and adhesives product categories. The company is one of the leading manufacturers of coating emulsions to the paint sector and water-based pressure sensitive adhesives in tape and label segments (in terms of sales value), in India with 27% & 35% market share in respective categories .

Within adhesives, the largest segment is water based pressure sensitive adhesives (PSA.) The company’s PSAs are primarily utilized in BOPP packaging tapes, labels, and stickers, serving a wide customer base including major manufacturers. Jesons is the leading player in water based pressure sensitive adhesives (PSA) in the domestic market with a market share of 35%. The company supplies to a wide range of customers in this segment like Cosmos Twisters, Cellotape Industries, Shanti Patra Plastics, New Pack, N V G Specialty Papers & coatings, Sarvodaya Industries, Crown Tapes and Astron Packaging.

Their coating materials find applications in decorative paints, construction chemicals, textiles, and paper binders. Jesons is a leading player in paint emulsions for the non-captive domestic market with a market share of 27%. The company has a large customer based across both corporate accounts and MSME such as Asian Paints, Berger Paints, Kansai Nerolac Paints, Nippon Paints, Indigo Paints, JSW Paints, Shalimar Paints, Kamdhenu Paints, Fosroc Chemicals, SIKA India, Saint Gobain India, Clariant IGL Specialty Chemicals and NCL Buildtek.

Furthermore, Jesons is actively involved in producing and/or distributing additives for coatings on various substrates such as concrete, textile, paper and leather. These additives include rheology modifiers, dispersants, opacifiers and defoamers.

Jesons has focussed on developing export markets for its products in adhesives and coating materials and is the leading exporter of coating emulsions and pressure sensitive adhesives to markets in MEA and SSEA (South and South East Asia).

Jesons has established a strong foothold in high-growth markets across Asia-Pacific, Middle East and Africa, for coating materials. They are the largest exporter of acrylic polymers under *HS Code 39069090* for coating materials and adhesives from India. They have a share of 33% of all exports under HS code 39069090 from India.

The company has a wide range of customers in the export market like Asian Paints (Global operations), Crown Paints Kenya, Berger Paints Singapore, Kansai Nerolac (Bangladesh), Kuwait Paint Company, Chemscapes International, Anchor Alllied Factory and Lalan Printing and Packaging, Kemic Joint Stock Company and Pure Chemical.

This extensive array of products reflects Jesons’ commitment to innovation and sustainability in industries such as paint, packaging, automotive, textile, and furniture, construction, paper and leather positioning the company as a key player in both domestic and international markets.

All Jesons’ manufactured products are water based and are environmentally friendly as compared to solvent based products. Many of the coating emulsions are low in VOC. The shift in the trend towards the adoption of environment-friendly paints and coatings coupled with the favourable regulatory scenario is likely to support the development of low VOC content paints and coatings. The consumption of water-based paints is rising globally, and the demand is expected to remain high as the Indian paint manufactures are switching from solvent-based to water-based paints. The overall fluctuating prices of oil are creating a major pricing issue for paint companies. The slew of recent capacity increases announced by key paint firms is also more concentrated on water-based systems. Our focus on R&D and customized solutions approach positions us well to capitalize on the increasing demand for water-based paints.

Product Categories

Jesons Industries specializes in several main categories within its product portfolio, including:

- **Pressure Sensitive Adhesives (PSA):** These are water-based acrylic adhesives prominently used in packaging, labels, and stickers.

- **Woodworking**

- **HMPSA**

- **Solvent Based PSA**

- **Waterbased laminating adhesives**

- **CoatingMaterials:** These emulsions are utilized mainly in decorative paints, construction chemicals, textiles, and paper binders, catering to a wide range of mid to small-scale paint manufacturers.

- **Construction Chemicals:** These products are designed for enhancing bond strength, flexibility, and durability in construction environments. Products included are Cement Primers**,** Roof Coatings**,** Flexible Membranes**,** Acrylic Emulsion Paints**.**

- **Textile Leather and Paper Chemicals:** The products are specially formulated to be APEO and formaldehyde-free, adding premium quality finishes. Products included are Textile Binders, Coated paper and leather binders, Thickeners, Dispersing Agents.

Multiple Manufacturing Facilities

Jesons Industries Limited has established a significant manufacturing presence across India, with seven facilities located in Daman, Vapi, Roorkee, Chennai, Mundra and Saykha. Each site is strategically positioned to optimize operations, enhance product delivery, and cater to both domestic as well as international markets.

- **Manufacturing Unit in Daman**: Jesons operates two manufacturing facilities located at Daman. These units focus on the production of specialty chemicals, particularly in pressure-sensitive adhesives (PSA), textile auxiliaries, vinyl polymers, acrylic polymers, glue & adhesives, contributing to Jesons' significant market share in these segments.

- **Manufacturing Unit in Vapi:** This facility specializes in manufacturing acrylic emulsions at this facility. Vapi is strategically located to facilitate easy access to raw materials and a robust supply chain network, which enhances production efficiency.

- **Manufacturing Unit in Roorkee:** Established in 2008, this unit has a manufacturing capacity of 61,320 MTPA and focuses on high-quality specialty coating adhesives & pressure sensitive adhesives. The strategic location in Uttarakhand not only helps in catering to the northern markets but also benefits from proximity to key transportation routes, facilitating quick distribution.

- **Manufacturing Unit in Chennai:** This facility specializes in the manufacturing of tape adhesives and emulsions with a production capacity of 87,642 MTPA. Chennai's position as a major logistics and shipping hub in South India significantly benefits Jesons' operations, enhancing its ability to meet both metropolitan and export demands efficiently.

- **Manufacturing Unit in Mundra:** Recognized for its advanced warehouse management, the Mundra unit focuses on the production of pressure-sensitive adhesives. The proximity to Adani Ports facilitates smooth logistics and faster shipping times, which is crucial for exporting products to international markets.

- **Manufacturing Unit Saykha:** As part of the expansion plan, the company established its seventh greenfield project in Saykha (Dahej) with an investment amount of approximately INR 200 crore. In March 2024, the facility commenced operations with the pigment emulsion plant. It is anticipated that Phase 2 which involves the manufacturing of Adhesives and Coating Materials will start operations in Q1FY26. Total plant capacity is estimated at 1,00,000 MTPA by FY27.

Strategic Location Advantages

The manufacturing facilities of Jesons Industries are strategically located to leverage transportation and logistics efficiencies.

- **Access to Transportation Networks:** The plants in Daman, Vapi, Roorkee, Chennai, Saykha and Mundra are well-connected to major highways, railways, and ports, simplifying the logistics of both inbound raw materials and outbound finished products.

- **Enhanced Supply Chain Capability:** By situating manufacturing units in regions with robust supply chains and infrastructure, Jesons have optimized their inventory management and operational costs, ensuring timely delivery to consumers.

- **Cost-Effective Operations:** The locations chosen help minimize transportation costs associated with distribution, which is essential for maintaining competitive pricing in the specialty chemicals market.

Jesons Industries Limited has established strategically placed manufacturing facilities that not only enhance operational efficiency but also align with its commitment to high product standards and responsive service to customers both domestically and globally.

Exports

Jesons has established a strong foothold in high-growth markets across Asia-Pacific, Middle East and Africa, for coating materials. They are the largest exporter of acrylic polymers under *HS Code 39069090* for coating materials and adhesives from India. They have a share of 33% of all exports under HS code 39069090 from India.

Table 24: Jesons' share of Exports out of India under HS Code 39069090

Country	Jesons' share of Export from India
Africa	
Senegal	96%
Ivory Coast	91%
Ethiopia	82%
Ghana	73%
Nigeria	57%
Middle East	
Iraq	92%
Kuwait	78%
UAE	35%
South & South East Asia	
Sri Lanka	36%
Nepal	23%
Bangladesh	23%
Vietnam	63%

Source: Volza

Research & Development

Jeson is an innovation led company with a dedicated focus on developing specialty products with services, customized based on requirements and specific orders from customers. The R&D capabilities enable the company to provide customized products and solutions. The R&D facility houses a team of 40 personnel as on 30th September 2024, which along with decades of experience in the Coating Emulsions and Adhesives industries, enables us to develop a robust pipeline of specialized products and solutions, which are customized to our customer requirements.

The company has developed and launched 42new products in the past 3years. This includes 26 products introduced in Fiscal 2024 and during the six-month period ended September 30, 2024.

The company has a robust pipeline of products, which comprises 22 products under development as of September 30, 2024, which will enable the company to cater to existing and new customers and markets. The R&D has 22 new products in the pipeline.

Jesons R&D is working on large opportunities for usage of emulsions in soil stabilization and road making. In an effort to develop environmentally friendly products, our R&D has developed 30 CMR free (Carcinogenic Mutagenic Reprotoxic) over the past 2 years.

The Innovation Centre, spanning 30,000 square feet, is poised to host over 100 scientists, driving innovation. Product offering from Innovation Centre has broadened portfolio in segments such as Construction Chemicals, Wood Working Adhesive & Re-Dispersible Powders. The company has robust pipeline of products, which comprises 22 products under development, which will enable the company to cater to existing and new customers and markets.

The company has also received and in the process of registering patents:

Table 25: Patents

S. No	Title
1	Received - A Biocidal Composition and a process for its preparation
2	Applied For - Redispersible Polymer Powder and a process for its preparation

Global Partnerships

Due to R&D capabilities and long-standing relationships with customers, Jesons is one of the very few companies to have developed customized products in collaboration with its customers in coating materials and adhesives product groups.

Table 26: Global Partnerships

S. No	Partner Name	Chemistry
1	Alberdingk Boley, Germany	Polyurethane Dispersions
2	San Nopco, Japan	Defoamers, Rheology Modifiers
3	Soken, Japan	Solvent Based PSA
4	Dae Yang Industrial, Korea	Hot Melt PSA

Alberdingk Boley, Germany

Alberdingk Boley, based in Germany, is a leading chemical company recognized for its commitment to sustainability and innovation within the industrial sector. The company specializes in producing a wide array of sustainable and eco-friendly chemical products, including acrylic and polyurethane dispersions, biobased materials, and advanced emulsions that are primarily utilized in coatings, adhesives, and sealants applications. The geographical presence of Alberdingk Boley extends across Europe and into global markets, where it maintains a notable reputation for high-quality products and exceptional customer service. Additionally, the company invests significantly in research and development, continually innovating its product offerings to meet both current and emerging market needs while fostering long-term partnerships built on trust and collaboration. Through this strategic approach, Alberdingk Boley is not only positioned as a key player in the chemical industry but also as a proactive contributor to ecological conservation efforts, making significant strides toward achieving sustainability goals without compromising on quality and performance.

San Napco, Japan

San Napco, officially known as San Nopco Limited, was established in Japan and has become a distinguished provider of chemical solutions, primarily focusing on defoamer agents and dispersants. The company is well-recognized for its innovative products such as defoamers, including SN 2000 and SN 1370, which are essential in industries like coatings, inks, textiles, and paper, addressing critical issues such as foam control during production processes. San Napco operates not only in Japan but also has an international presence with subsidiaries and trading partners across Asia, including significant operations in Korea and Shanghai, thereby facilitating its reach in the global market. The company’s strong emphasis on high-quality formulations and technical-grade products underscores its commitment to meeting the diverse needs of its industrial clientele, ensuring reliability and performance in various applications.

Soken Chemical & Engineering, Japan

Soken Chemical & Engineering Co., Ltd., established in 1948 and headquartered in Tokyo, Japan, is a prominent manufacturer of pressure-sensitive adhesives, particularly known for its solvent-based adhesive products. The company’s product offerings include a diverse range of acrylic pressure-sensitive adhesives, functional polymers, organic fine particles, and specialty coated products, catering to various industrial applications such as packaging, automotive, and electronics. Soken emphasizes innovation and quality in its manufacturing processes, which has positioned it as a reliable supplier globally. Additionally, the company has expanded its geographical presence through strategic partnerships, notably with Jesons Industries Ltd., allowing for enhanced distribution capabilities and technological collaboration. Soken’s commitment to sustainability is reflected in its efforts to develop environmentally friendly adhesive solutions, further solidifying its role as a key player in the global adhesive market.

Dae Yang Industrial

Dae Yang Industrial Co., Ltd., established in 1985, is a South Korean company specializing in the production of hot melt pressure-sensitive adhesives (PSA). Initially focused on developing innovative adhesive solutions, the company has expanded its product offerings to include a wide range of applications, such as hygiene products, packaging, furniture, and industrial tapes. Dae Yang Industrial has earned recognition for its quality, receiving notable awards including the 5 Million and 10 Million Dollar Export Tower awards, distinguishing it as a prominent player in the adhesive industry. With a commitment to research and development, they have automated their production processes to enhance product quality and meet diverse customer needs. The company exports its products to various countries, including those in North America, Europe, and Asia, ensuring a substantial geographical presence in global markets. Their ongoing partnership with Jesons Industries Ltd further strengthens their market position and product innovation, enabling them to offer customized solutions that adhere to domestic and international regulations, thus solidifying Dae Yang Industrial's role as a leader in the hot melt adhesive sector.

Key Strategic Measures & Initiatives

Jesons Industries Limited has implemented several strategic measures and initiatives to strengthen its market position and enhance operational efficiency. These steps reflect the company's commitment to innovation, sustainability, and customer satisfaction.

- **Strategic Alliances and Partnerships:** Jesons has formed strategic alliance with multiple global companies such as, San Nopco Japan, DY Korea, Alberdingk Boley Germany and many more. These collaboration is aimed at leveraging both companies' strengths to expand market reach and improve service offerings. Establishing such partnerships helps Jesons tap into new markets and enhances its distribution capabilities.

- **Focus on Innovation and Product Development:** Jesons Industries is recognized for its commitment to innovation and new technologies, particularly in the manufacturing of Pressure Sensitive Adhesives (PSA) and Coating Emulsions (SCE). The company is continuously working on developing new products to cater to evolving customer needs and market demands, which has led to enhanced product offerings in sectors like tapes, labels, decorative paints, and construction chemicals.

- **Sustainable Practices and Environmental Commitment:** Jesons has prioritized sustainability within its operational framework. It is the first emulsion manufacturing company in India to receive the Responsible Care certification, demonstrating its dedication to environmental responsibility. The company employs green chemistry principles, focusing on replacing petrochemical products with bio-based alternatives, which emphasizes reducing the overall environmental impact. This commitment is fundamental to Jesons' business strategy, aligning with global environmental standards and enhancing its corporate reputation.

- **Strategic Location of Manufacturing Facilities:** The company has strategically located its manufacturing units across key regions in India, including Daman, Vapi, Roorkee, Chennai, and Mundra. This distribution facilitates efficient logistics and transportation, allowing for quick delivery times and reduced lead times to customers. The positioning of these facilities also serves to optimize supply chain management, benefit from proximity to major markets, and lower logistical costs.

- **Emphasis on Quality and Compliance:** Jesons operates under multiple quality certifications, including ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, ensuring that its products meet high industry standards. This focus on quality is critical to maintaining customer trust and satisfaction, further solidifying Jesons' reputation in the specialty chemicals market.

- **Market Positioning and Export Initiatives:** Jesons Industries has established itself as one of the largest manufacturers of acrylic emulsions in India. The company is actively expanding its exports to high-growth markets in East Asia, Africa, and the Middle East. This strategic direction not only increases revenue streams but also helps diversify market risks.

Best Practices followed by Company

Jesons Industries Limited follows a comprehensive approach to best practices across various facets of its operations. These practices are centered on quality assurance, sustainability, innovation, employee development, customer relationship management, and supply chain optimization. Below are the key areas of best practices observed in the company:

- **Safety & Quality Assurance Management:** Jesons Industries emphasizes safety and high-quality standards throughout its manufacturing processes. Key initiatives include:

    - **Certifications:** The company has achieved multiple quality certifications, including ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, which underscores its commitment to quality management systems.

    - **Responsible Care Certification:** Jesons is among the few companies in India to receive the "Responsible Care Certification" from the Indian Chemical Council for all its manufacturing sites, demonstrating its commitment to safe and environmentally sound operations.

    - Corporate Quality Assurance and Safety leaders in our manufacturing team who are responsible for safety and quality assurance across all plants

- **Sustainability and Environmental Management:** Jesons Industries has integrated sustainability into its core operations, focusing on reducing environmental impact:

- **Zero Liquid Discharge Policy:** This policy ensures that all water used in the manufacturing processes is recycled before discharge, showcasing Jesons' commitment to responsible water management.
- **Strategic Plant Locations:** The company's manufacturing facilities are strategically situated to reduce logistical emissions through just-in-time deliveries and returnable packaging.
- Jesons has drafted an ESG vision for the company. It worked with an external consultant (Big 4) to set the ESG journey with annual milestones.
- The company was among the pioneers in transportation of emulsion polymers in tankers across India to customers and is actively promoting the utilization of flexi tanks for export markets.

- **Innovation and Product Development:** Jesons fosters a culture of innovation to meet dynamic market needs:
  - **State-of-the-Art R&D Center:** The company has invested in a modern R&D facility that drives product development through customer-centric innovation. This center focuses on exploring safe and green chemistries, catering to various industry challenges.
  - **Customer Engagement:** Jesons emphasizes direct relationship with customers to understand their challenges, which assists its research and development processes.
  - **Innovative Product Rollouts:** The company employs a methodical approach to product testing and refinement, ensuring that new solutions meet high performance and quality standards before market introduction.
  - **Digital PLM Optiva:** Digital PLM Optiva is a product lifecycle management solution specifically designed for manufacturers in industries like food, beverage, chemicals, and life sciences. It offers a unified view of product data and processes that enables organizations to streamline their operations and enhance compliance with regulatory requirements.
- **Employee Training and Development:** Employee development is crucial at Jesons, focusing on building a skilled workforce:
  - **Training Programs:** Jesons offers training in various areas including technical, commercial, safety related and soft skill development. These programs are designed to enhance employee competencies and ensure they are well-equipped for their roles.
  - **Continuous Learning:** The company promotes a culture of continuous learning and improvement, ensuring that employees are kept up-to-date with industry standards and practices.
- **Customer Relationship Management:** Building strong relationships with customers is a priority for Jesons:
  - **Long-term Partnerships:** Jesons focuses on maintaining and nurturing relationships with key clients and partners through reliable service and quality products. This approach not only increases customer satisfaction but also fosters loyalty and trust. Top 10 customers have a relationship with the company ranging from 4 years to 12 years. Average years is since 9 years.
  - **Feedback Integration:** The insights gathered from customer feedback are vital for further enhancements in product quality and service, which aligns with Jesons' customer-centric philosophy.
- **Supply Chain Management:** Jesons employs robust supply chain practices to optimize efficiency and reduce costs:
  - **Strategic Plant Locations:** The distribution of manufacturing units across India enhances the company's responsiveness and efficiency in meeting market demands.
  - **Returnable Packaging and Just-in-Time Delivery:** These initiatives help minimize waste and promote sustainability, reflecting Jesons' commitment to operational excellence.
- **Digital Initiatives: (match with business section)** Jesons Industries Ltd has undertaken several digital initiatives aimed at enhancing its operational efficiency, promoting sustainable innovation, and addressing industry demands through collaboration. They have implemented SAP S/4HANA, including the Ariba platform, to streamline business processes, optimize resource management, and enhance procurement practices. The company has also adopted OPTIVA, a new product development software, used by their innovation centre to facilitate innovation for new

products. The company uses People Strong, a human resource management system, to improve employee engagement and streamline HR operations.

OUR BUSINESS

Unless otherwise indicated or the context otherwise requires, the financial information for Financial years ended March 31 2022, March 31, 2023 and March 31, 2024 and the six-month period ended September 30, 2024, included herein is derived from the Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to "we" or "us" mean Jesons Industries Limited, its Subsidiaries and Associate Company, and to "Company" or "our Company" mean Jesons Industries Limited. For further information relating to various defined terms used in our business operations, see "Definitions and Abbreviations" on page 199.

*Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report titled "Assessment of Paints, Coatings and Adhesives Market" dated January 6, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Limited and commissioned by our Company exclusively in connection with the Offer, pursuant to an engagement letter dated October 5, 2024. The CRISIL Report is available on our website, at https://jesons.net/investor-relations/ and has also been included in "Material Contracts and Documents for Inspection –Material Documents" on page 437. Unless otherwise indicated, all financial, operational, industry and other related information derived from CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. The industry related data included in this section may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner. See, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 13.*

We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, some of which may not be derived from our Restated Consolidated Financial Information or otherwise subjected to an examination, audit or review by our Statutory Auditors. Our financial year ends on March 31 of every year, so all references to a particular financial year are to the twelve-month period ended March 31 of that year. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in "Risk Factors", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and "Restated Consolidated Financial Information" on pages 25, 124, 318, and 262, respectively.

Overview

We are one of the leading manufacturers of coating emulsions to the paint sector and water-based pressure sensitive adhesives in tape and label segments (in terms of sales value), in India (*Source: CRISIL Report*). Our products are used in various end user industries, such as paints, packaging, wood working (furniture), construction industry, tile industry, textiles, leather chemicals, carpet chemicals and paper chemicals. Amongst the Indian manufacturers, we have one of the largest range of products in coating materials and adhesives product categories (S*ource: CRISIL Report*). We are one of the leading coating emulsion suppliers to the Indian paint sector with a non-captive domestic market share of 27% in the segment in Fiscal 2024, in terms of sales value (*Source: CRISIL Report*). We have a 35% market share in India in the water-based pressure sensitive adhesives for tapes and labels (*Source: CRISIL Report*).

Set forth below are details of the contribution of coating materials and adhesives products:

Particulars	**Six-month period ended September 30, 2024**		**Financial year ended March 31, 2024**		**Financial year ended March 31, 2023**		**Financial year ended March 31, 2022**	
	Revenue from Operations (in ₹ million)	**% of revenue from operations (in %)**	**Revenue from Operations (in ₹ million)**	**% of revenue from operations (in %)**	**Revenue from Operations (in ₹ million)**	**% of revenue from operations (in %)**	**Revenue from Operations (in ₹ million)**	**% of revenue from operations (in %)**
Coating materials	4,516.44	62.05%	9,285.38	62.06%	9,558.64	55.51%	10,309.58	49.90%
Adhesives	2,637.66	36.24%	5,025.72	33.59%	6,115.12	35.51%	8,540.98	41.34%

Our Company has also been an exporter of coating materials and adhesives since 2008 and has a global footprint of exports to more than 48 countries, as of September 30, 2024.

The table below sets forth the contribution from exports (including export incentives) to our revenue from operations for the periods indicated:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)
Exports	2,217.55	30.46%	4,497.21	30.06%	4,645.21	26.97%	5,657.90	27.39%

We have successfully established a strong foothold in high-growth markets across Asia-Pacific, Middle East and Africa, for coating materials. We are the largest exporter of acrylic polymers for coating materials and adhesives from India with a 33% share of all exports from India under HS Code 39069090 (*Source: CRISIL Report*).

We have a well-defined process of evolving our product portfolio, where we continue to enhance existing products and develop new specialty products based on market demand and customer requirements. The table below provides details of our product groups, brands, and end-uses:

Product group	Coating materials & adhesives products (manufactured + marketing)	Brand / trade name	End-use products	End-user industry	Customers
Coating materials	Acrylic Emulsions	Bondex/ Coviguard	• Interior and exterior paints • Textile printing • Construction	• Paints • Textile • Construction	**Domestic Customers:** • Asian Paints Limited • Berger Paints India Limited • Indigo Paints Limited • Kamdhenu Colour and Coatings Limited • Nippon Paint (India) Private Limited • Kansai Nerolac Paints Limited • Fosroc Chemicals India Pvt Ltd • Surfa Coats (India) Private Limited • NCL Buildtek Ltd. • Clariant IGL Specialty Chemicals Pvt. Ltd **International Customers:** • Crown Paints Kenya PLC
	Styrene Acrylic Emulsions	Bondex / Coviguard	• Interior and exterior paints, • Textile printing • Construction (water proofing compound, Cementous water proofing compound, elastomeric / flexible coating) • Paper coating • Leather binders	• Paints • Textile • Construction • Paper • Leather	
	Acrylic Dispersing Agents, Thickeners Opacifiers, Defoamers, Dispersants, Rheology modifiers and wetting agents	Bondex San Nopco/ NOPCO	• Interior and exterior paints • Carpet back coating • Textile binders	• Paints • Textile • Carpets	
	VAM Acrylic Emulsions & VAM Veova	Bondex	• Interior and exterior paints • Carpet back coating • textile finishing • Construction	• Paints • Textile • Carpets • Construction	

Product group	Coating materials & adhesives products (manufactured + marketing)	Brand / trade name	End-use products	End-user industry	Customers
	Binders & TIO2 Slurry, Extenders Slurry	Rdymix	• Interior and exterior paints	• Paint	• Kemic Joint Stock Company (Kemic Jsc) • Kuwait Paint Company K.S.C • Pure Chemica Ltd. • Anchor Allied Factory LLC • Chemscapes International LLP • Kansai Nerolac (Bangladesh) Limited
	Polyvinyl Acetate Emulsions Homopolymer	Polytex/ Bondex	• Textile finishing • Interior Paints	• Textile • Paint	
	RDP	Bondex	• Wall Putty • Tile Adhesives	• Construction • Masoanry	
	Formulated construction chemicals	Rdymix	• Water Proofing	• Construction	
Adhesives	Acrylic Emulsions	Bondex	• Tapes	• Packaging • FMCG • Pharmaceuticals • E-commerce	**Domestic Customers:** • Cosmos Twisters Private Limited, • Cellotape Industries Pvt. Limited, • Sarvodaya Industries Packaging Private Limited • Ambit Transmission Products Pvt Limited • Astron Packaging Limited • New Pack Plastics Pvt. Ltd. • N V G Speciality Papers and Coatings LLP • Shanti Patra Plastics Pvt. Ltd. • Crown Tapes Private Limited **International Customers:** • Lalan Printing and Packaging Pvt. Ltd.
	VAM Acrylic Emulsions	Bondex	• Labels	• Packaging • FMCG • Pharmaceuticals • E-commerce	
	Wood working	Bondex	• Furniture • Doors	• Joineries • Construction	
	HMPSA	DY	• Tapes • Labels	• Packaging • FMCG • Pharmaceuticals • E-commerce	
	Lamination adhesive	Bondex	• Flexible Packaging	• Packaging	
	Pigment Emulsion - Complementary product to tape adhesives	Bondex	• Tapes	• Packaging • FMCG • Pharmaceuticals • E-commerce	

As of September 30, 2024, we had a portfolio of 210 products which are marketed under the brands Bondex®, Rdymix®, Coviguard®, Blue Glue®, INDTAPE®, Polytex®. We also hold a patent for a long-acting biocidal composition and its preparation process. We are a research driven company with a dedicated focus on developing specialty products with services, customized to the specific needs of our customers.

As of September 30, 2024, we had 1,500 customers. The table below sets forth the details of contribution of our top 10 customers to our revenue from operations for the periods indicated:

Particulars	**Six-month period ended September 30, 2024**		**Financial year ended March 31, 2024**		**Financial year ended March 31, 2023**		**Financial year ended March 31, 2022**	
	Revenue from operations (in ₹ million)	**% of revenue from operations (in %)**	**Revenue from operations (in ₹ million)**	**% of revenue from operations (in %)**	**Revenue from operations (in ₹ million)**	**% of revenue from operations (in %)**	**Revenue from operations (in ₹ million)**	**% of revenue from operations (in %)**
Top10 customers	1,608.89	22.10%	3,086.43	20.63%	3,646.26	21.17%	4,246.91	20.56%

Our R&D facility, which houses a team of 40 personnel as of September 30, 2024, along with our decades of experience in the coating materials and adhesive products industries, enable us to develop a robust pipeline of specialized products and solutions, which are customized based on customer requirements and specific orders.

We have a demonstrated track record of introducing new products. For instance, over the past three financial years and the six-month period ended September 30, 2024, we have launched 42 new products catering to end-user industries such as woodworking, RDP, and formulated construction chemicals. Of these, 26 products were introduced in financial year ended March 31, 2024, and during the six-month period ended September 30, 2024. Our new products have enabled us to further diversify our customer base across various industries.

The table below sets forth the details of our R&D expenses for the periods set forth below:

Particulars	**Six-month period ended September 30, 2024**		**Financial year ended March 31, 2024**		**Financial year ended March 31, 2023**		**Financial year ended March 31, 2022**	
	(in ₹ million)	**(% of total revenue from operations)**	**(in ₹ million)**	**(% of total revenue from operations)**	**(in ₹ million)**	**(% of total revenue from operations)**	**(in ₹ million)**	**(% of total revenue from operations)**
R&D expense	54.15	0.74%	104.36	0.70%	67.57	0.39%	50.74	0.25%

We also have a pipeline of products, which comprises 22 products under development as of September 30, 2024, which will enable us to cater to existing and new customers and markets. (*Source: CRISIL Report*). We have launched 42 products in the last three Fiscals and the six-month period September 30, 2024.

While we derive a significant portion of our revenue from direct customers which contributed to ₹18,769.09 million, ₹16,175.34 million, ₹14,277.41 million, ₹6,785.45 million being 90.85%, 93.93%, 95.42% and 93.22% of our revenue from operations in the financial year ended March 31, 2022, March 31, 2023, March 31, 2024 and the six-month period ended September 30, 2024, respectively, we also sell to various distributors. As of September 30, 2024, we had 62 distributors in India and spread across more than 48 countries. The average age of our relationship with our top 10 customers as of Year ended March 31, 2024, spans approximately nine years. Our quality consistency and technical support enables us to have long term relationships with our customers. Further, due to our R&D capabilities, we have been able to develop customized products and solutions as per customer requirements. For further details, please see "*Business – Research driven and R&D led product offering*" on page 208.

Our top 10 coating materials and adhesive products customers for the respective financial periods contributed to 20.56%, 21.17%, 20.63% and 22.10% of our revenue from operations for year ended March 31, 2022, March 31, 2023, March 31, 2024and the six- month period ended September 30, 2024, respectively. Accordingly, our customer base enables us to de-risk customer concentration.

We have seven strategically located manufacturing facilities, comprising two facilities at the Daman (Dadra and Nagar Haveli and Daman and Diu), and one facility each at Roorkee (Uttarakhand), Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu), Mundra (Gujarat), Vapi (Gujarat) and Saykha (Gujarat) which cater to the domestic as well as export markets. Most of our manufacturing facilities are located either near custom ports or within close proximity to customers, allowing for logistical efficiency. Our multi-location facilities and strong distribution network and our supply in tankers, flexi tanks, intermediate bulk containers ("**IBC**"), drums, caters to the demands of clients from varied geographies. We also have three warehouses located in Daman, Vapi and Bhiwandi for all our finished products.

Our manufacturing facilities are ISO certified which include (i) BS OHSAS 18001: 2007 now migrated to ISO 45001:2018; ISO 14001: 2015; ISO 9001: 2015 for Roorkee (Uttarakhand), (ii) ISO 9001: 2015 for Daman (Dadra and Nagar Haveli and Daman and Diu), (iii) ISO 9001: 2015; BS OHSAS 18001: 2007 now migrated to ISO 45001:2018; ISO 14001: 2015 for Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu). Further, our manufacturing facility at Mundra (Gujarat) has received the ISO 219001:2015 certification, for manufacture and supply of coating materials and adhesives. For further details, please see "*Business - Manufacturing Facilities*" on page 216.

Our R&D Center is approved by the Department of Scientific and Industrial Research (Ministry of Science and Technology), Government of India. Our R&D center at Turbhe is ISO certified which include ISO 9001 : 2015; ISO 14001 : 2015; BS OHSAS 18001 : 2007 now migrated to ISO 45001:2018.

Financial and operating performance

We believe in optimizing the utility of our assets to enhance capital efficiency, while focusing on quality of the products manufactured by us. For instance, as of March 31, 2024, our Fixed Assets Turnover stood at 6.92.

Set out below are our key performance indicators:

(in ₹ million, except percentages)

Particulars	For the six months period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Revenue from operations(1)	7,279.08	14,962.29	17,220.99	20,659.62
EBITDA(2)	552.76	1,017.77	914.90	1,295.70
EBITDA Margin(3) (%)	7.59%	6.80%	5.31%	6.27%
Profit after tax for the period / year(4)	311.83	565.91	490.40	858.92
PAT Margin(5) (in %)	4.27	3.78	2.84	4.07
RoE(6) (in %)	6.80	13.63	13.51	28.44
RoCE(7) (in %)	7.63	17.00	14.51	26.03
Fixed Asset Turnover Ratio(8)	2.69	6.92	9.71	13.20
Net Debt(9)	1,519.66	613.79	449.92	1,074.13
Net Debt/EBITDA(10)	2.75	0.60	0.49	0.83
Working Capital Days(11)	137	54	48	35
Net Debt/Equity(12)	0.32	0.14	0.12	0.32

Figures for RoE, ROCE, Fixed Asset Turnover Ratio, Net Debt/EBITDA, Working Capital Days not annualized for six month period ended September 30, 2024

Notes:

(1) Revenue from Operations as reported in the Restated Consolidated Financial Information.
(2) EBITDA is calculated as profit before tax plus depreciation and amortisation expense plus finance cost less other income.
(3) EBITDA margin is calculated as EBITDA divided by revenue from operations.
(4) Profit After Tax is Profit after tax as reported in the Restated Consolidated Financial Information
(5) Profit After Tax Margin is calculated as profit after tax divided by Total Income
(6) RoE (in %) is calculated as Profit after Tax for the period divided by average net worth as on the last date of the reporting period. Net Worth is the aggregate value of equity share capital and other equity as appearing in the balance sheet of the relevant period.
(7) RoCE (in %) defined as EBIT divided by average Capital Employed, where Capital Employed is defined as total debt (Long Term borrowings + Short Term borrowings) plus Net Worth as on the last date of the reporting period.
(8) Asset Turnover ratio is calculated as Revenue from operations divided by average fixed assets (Property, plant and equipment, right of use assets, capital work in progress).
(9) Total debt less cash and cash equivalents and bank balances other than cash and cash equivalents.
(10) Net debt divided by EBITDA
(11) Working Capital Days is calculated as inventory days plus receivable days less payable days.
Receivables days is calculated as 365 / (Revenue from operations /Average Trade receivables as on the last date of the relevant period).
Inventory days is calculated as 365 / (COGS / Average Inventory as on the last date of the relevant period)
Payable days is calculated as 365 / (COGS /Average Trade Payables as on the last date of the relevant period).
(12) Net debt divided by total net worth as on the last date of the reporting period

Our strengths

One of the leading players in coating materials and adhesives with diversified geographical presence spanning across key regions in India and globally

We are one of the leading manufacturers of coating materials to the paint sector and water based pressure sensitive adhesives in tape and label segments (in terms of sales value), in India (*Source: CRISIL Report*). Our products are used in various end user industries, such as paints, packaging, and chemicals for construction, textiles, leather, carpet and paper. Amongst the Indian manufacturers, we have one of the largest range of products in coating materials and adhesives product categories (*Source:*

CRISIL Report). We are one of the leading coating emulsion suppliers to the Indian paint sector with a non-captive domestic market share of 27% the coating emulsions in Fiscal 2024, in terms of value (*Source: CRISIL Report*).

With a robust, efficient manufacturing, coupled with superior product offering we are one of the leading supplier of adhesives in tape and label segment in India. We have a 35% market share in India in the water-based PSA segment. (*Source: CRISIL Report*).

Our domestic as well as export sales are driven by direct customer sales, as well as sales to distributors. While direct sales to customers account for majority of our revenue, we also undertake sales through a wide global distributor network. As of September 30, 2024, we had 62 distributors across India and 48 countries. Accordingly, our distributor network across various countries helps us establish our presence across diversified geographies.

We have successfully established a strong foothold in high-growth markets across Asia-Pacific, Middle East and Africa, for coating materials (*Source: CRISIL Report*). We are the largest exporter of acrylic polymers (*HS code 39069090*), which are used in coating materials and adhesives, from India, with a 33% share of all exports from India under HS Code 39069090 (*Source: CRISIL Report*)

Set out below are the region-wise details of our revenue, as a percentage of our total export revenue, for the applicable financial periods:

Region	**Six-month period ended September 30, 2024**		**Financial year ended March 31, 2024**		**Financial year ended March 31, 2023**		**Financial year ended March 31, 2022**	
	Revenue (in ₹ million)	**% contribution to total export revenue**	**Revenue (in ₹ million)**	**% contribution to total export revenue**	**Revenue (in ₹ million)**	**% contribution to total export revenue**	**Revenue (in ₹ million)**	**% contribution to total export revenue**
Africa	968.22	43.66%	2,044.19	45.45%	1,807.33	38.91%	2,604.34	46.03%
Asia Pacific	616.24	27.79%	1,112.25	24.73%	1,568.74	33.77%	1,917.26	33.89%
Middle East	624.90	28.18%	1,255.83	27.92%	1,214.78	26.15%	1,029.54	18.20%
Others	8.18	0.37%	84.95	1.89%	54.36	1.17%	106.75	1.89%
Total	**2,217.55**	**100.00%**	**4,497.21**	**100.00%**	**4,645.21**	**100.00%**	**5,657.90**	**100.00%**

We have set-up sales offices in Mumbai, Chennai and Delhi so as to enable us to market our products as well as understand customer needs in these regions, and consequently, develop products to service such requirements. We have set up our manufacturing facility in Mundra to focus on manufacturing products for the export market. As of September 30, 2024, we had a global footprint of exports to 48 countries. Set out below is a map indicating our export markets and diversified geographical presence*:

(Map not to scale)

* *As of September 30, 2024, the countries where our Company exports products include UAE, Nigeria, Bangladesh, Kuwait, Vietnam, Nepal, Iraq, Srilanka, Senegal, Algeria, Ghana, Ethiopia, Uganda, Denmark, Kenya, Tunisia, Madagascar, Russia, Oman, Saudi Arabia, Singapore, Egypt, Tanzania, Zambia, Lebanon, Philippines, Jordan, Libya, Qatar, Kazakhstan, Thailand, South Africa, Albania, Mali, Bahrain, Rwanda, Malaysia, Romania, Malawi, Yemen, Australia, Turkey, Israel, Cote D'ivoire, Mauritius, Djibouti, USA.*

Diversified product portfolio and customised solutions

We manufacture a wide and diversified range of coating materials, adhesives for various end user industries, such as paints, packaging, wood working (furniture), construction industry, tile industry, textiles, leather chemicals, carpet chemicals and paper chemicals. Amongst Indian manufacturers, we have one of the largest range of products in coating emulsions and adhesives product categories (S*ource: CRISIL Report*).

We have expanded into multiple new product segments, including woodworking adhesives, ready-to-use formulated construction chemicals, adhesives for flexible packaging, hot melt adhesives for tape and label applications, polyurethane dispersions, redispersible powders for wall putty and tile adhesives, and specialized additives for coatings and adhesives such as defoamers, dispersants, rheology modifiers, and wetting agents.

Our products are marketed under the brands Bondex®, Rdymix®, Coviguard®, Blue Glue®, INDTAPE®, and Polytex®. We also hold a patent for a long-acting biocidal composition and its preparation process. We have continuously diversified our product portfolio to address the needs of a diverse range of customers and applications. As of September 30, 2024, we had a portfolio of 210 products. We also have a robust pipeline of products, which comprises 22 products under development as of September 30, 2024, which will enable us to cater to existing and new customers and markets. We have launched 42 products in the last three Fiscals and the six-month period September 30, 2024.

All our manufactured products are water based and are environmentally friendly as compared to solvent based products. Many of our coating emulsions are low in VOC. The shift in the trend towards the adoption of environment-friendly paints and coatings coupled with the favourable regulatory scenario is likely to support the development of low VOC content paints and coatings. (*Source: CRISIL Report*). Accordingly, we believe our environment friendly approach will enable us to capitalise on such a shift.

The table below provides details of our product groups, brands, and end-uses:

Product group	Coating materials & adhesives products (manufactured + marketing)	Brand / trade name	End-use products	End-user industry
Coating materials	Acrylic Emulsions	Bondex/ Coviguard	• Interior and exterior paints • Textile printing • Construction	• Paints • Textile • Construction

Product group	Coating materials & adhesives products (manufactured + marketing)	Brand / trade name	End-use products	End-user industry
	Styrene Acrylic Emulsions	Bondex / Coviguard	• Interior and exterior paints, • Textile printing • Construction (water proofing compound, Cementous water proofing compound, elastomeric / flexible coating) • Paper coating • Leather binders	• Paints • Textile • Construction • Paper • Leather
	Acrylic Dispersing Agents, (Thickeners Opacifiers, Defoamers, Dispersants, Rheology modifiers and wetting agents)	Bondex San Nopco/NOPCO	• Interior and exterior paints • Carpet back coating • Textile binders	• Paints • Textile • Carpets
	VAM Acrylic Emulsions & VAM Veova	Bondex	• Interior and exterior paints • Carpet back coating • textile finishing • Construction	• Paints • Textile • Carpets • Construction
	Binders & TIO2 Slurry, Extenders Slurry	Rdymix	• Interior and exterior paints	• Paint
	Polyvinyl Acetate Emulsions Homopolymer	Polytex/ Bondex	• Textile finishing • Interior Paints	• Textile • Paint
	RDP	Bondex	• Wall Putty • Tile Adhesives	• Construction • Masoanry
	Formulated construction chemicals	Rdymix	• Water Proofing	• Construction
Adhesives	Acrylic Emulsions	Bondex	• Tapes	• Packaging • FMCG • Pharmaceuticals • E-commerce
	VAM Acrylic Emulsions	Bondex	• Labels	• Packaging • FMCG • Pharmaceuticals • E-commerce
	Wood working	Bondex	• Furniture • Doors	• Joineries • Construction
	HMPSA	DY	• Tapes • Labels	• Packaging • FMCG • Pharmaceuticals • E-commerce
	Lamination adhesive	Bondex	• Flexible Packaging	• Packaging
	Pigment Emulsion - Complementary product to tape adhesives	Bondex	• Tapes	• Packaging • FMCG • Pharmaceuticals • E-commerce

The table below sets forth the details of our revenue from operations from coating materials and adhesives for the periods indicated:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Revenue from Operations(in ₹ million)	% of revenue from operations (in %)	Revenue from Operations (in ₹ million)	% of revenue from operations (in %)	Revenue from Operations (in ₹ million)	% of revenue from operations (in %)	Revenue from Operations (in ₹ million)	% of revenue from operations (in %)
Coating materials	4,516.44	62.05%	9,285.38	62.06%	9,558.64	55.51%	10,309.58	49.90%
Adhesives	2,637.66	36.24%	5,025.72	33.59%	6,115.12	35.51%	8,540.98	41.34%

Due to our R&D capabilities, we have been able to develop customized products and solutions as per customer requirements. For further details of their key characteristics, please see "- *Our Product Portfolio*" on page 213. By working closely with our customers, we are able to innovate and develop technologies that can be applied effectively in our products for customers. Products tailored to a customer's application and processes tend to have a life cycle linked to that of the customer's needs, which, may be several years in the case of some products Our ability to have longstanding relationship with customers enables the stability of our revenue and facilitates the development of new product applications.

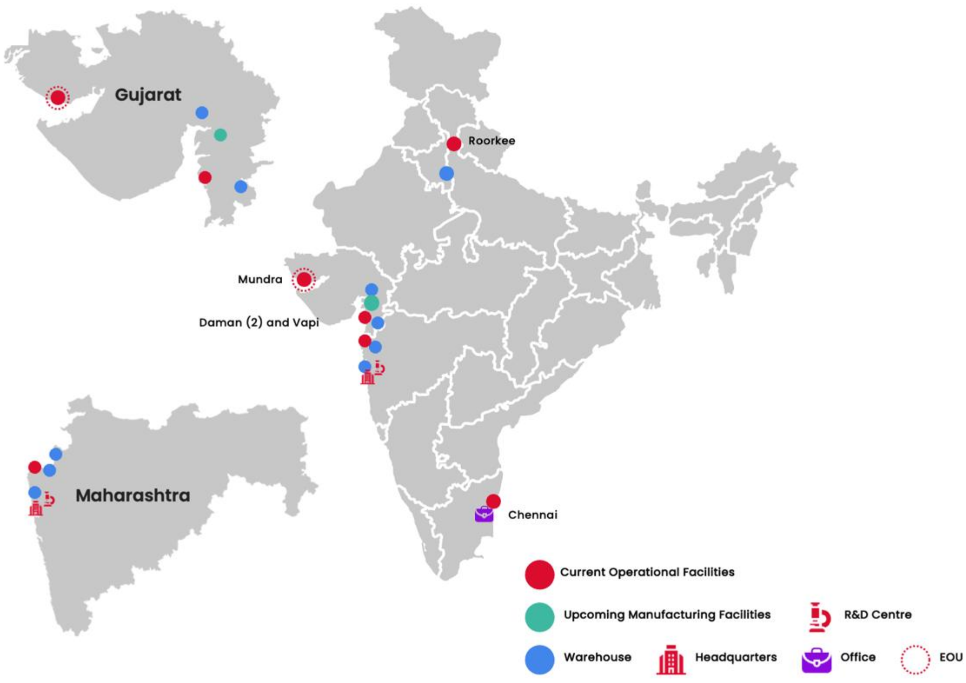
A few examples of our customized innovations include a high-performance product with outstanding machine performance and operational efficiency and low foaming characteristics, developed exclusively for a leading Indian tape manufacturer. For prominent southeast Asian paint customer, we engineered, an emulsion designed for exterior applications with superior anti-efflorescence properties. Additionally, we developed, a specialized binder for cementitious waterproofing solutions, tailored to the requirements of a global market leader in construction chemicals. These examples highlight our commitment to delivering innovative, client-focused solutions that drive efficiency and performance.

Out of the various industries we supply to, our major business is on the paints and packaging industries. We have strategically entered new industries, such as formulated construction chemicals, woodworking adhesives, and RDP, to fuel future growth, broadening our market presence and diversifying our portfolio. This expansion positions us to capitalize on emerging opportunities, ensuring sustainable development and reinforcing our competitive edge in the evolving market landscape.

As per CRISIL Report, the Indian paint industry was valued at around $11 billion in 2023 and is poised to grow at 8.7% CAGR from 2024 till 2029. Accordingly, our business caters to a large and growing market, as indicated in the aforesaid industry trends and statistics.

Strategically located production facilities with fungible capabilities, efficient supply chain management and export capabilities

We have seven strategically located manufacturing facilities, comprising two facilities at the Daman (Dadra and Nagar Haveli and Daman and Diu), and one facility each at Roorkee (Uttarakhand), Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu), Mundra (Gujarat), Vapi (Gujarat) and Saykha (Gujarat) which cater to the domestic as well as export markets. For further details, please see "- *Manufacturing Facilities*" on page 216.



All our manufacturing facilities offer fungibility across product groups which we manufacture, allowing us flexibility to move the production basis the market demand between coating materials and adhesives, subject to such production quantities being within the capacity limits set out in the respective approvals. For further details, please see "*Government and Other Approvals*" on page 351.

Our manufacturing operations are strengthened by our R&D capabilities, infrastructure, and process knowledge. Our Company has been an exporter of coating materials and adhesives since 2008. While we commenced our operations as a local supplier to paint, tape and label companies in India, we have expanded and diversified our scale and scope of operations over the years so as to become a global supplier to paint, tape and label companies across major geographies, such as Asia Pacific, Africa, Middle East. Our ability to establish long-standing relationships with our customers is a catalyst for our continued growth and success.

Our multi-location facilities and strong distribution network and our supply in tankers, flexi tanks, intermediate bulk containers, drums, caters to the demands of clients from varied geographies. Most of our manufacturing facilities are located either near ports or within close proximity, allowing for logistical efficiency.

As part of our growth plan, we have established Phase 1 of a greenfield project in Saykha, Gujarat, marking our seventh manufacturing facility. In 2023, we acquired a 63,230 sq. mt. plot at the Saykha Industrial Estate, GIDC, Bharuch, Gujarat, situated in the heart of a chemical hub. This acquisition is part of a broader capital expenditure plan, with Phase 2 currently under construction, involving a total investment of approximately ₹19,050.00 million at this stage. The expenditure is being funded through a mix of internal accruals and debt. The new adhesives project is included in the objects of the Offer, with a portion of the Net Proceeds earmarked for its implementation. For more details, see "*Objects of the Offer*" on page 92.

We have established a captive drum plant in Mundra within the SEZ has enabled us to internalize its packaging operations, leading to significant cost efficiencies. Operating within an SEZ offers various fiscal benefits, such as tax incentives and duty exemptions, which reduce operational expenses. Additionally, the strategic location of Mundra SEZ provides proximity to major ports and robust infrastructure, further enhancing logistical efficiency and reducing transportation costs. By leveraging these advantages, the company not only streamlines its packaging process but also strengthens its competitive position in the market. Two of our manufacturing units at (i) APSEZ, Mundra and (ii) Saykha, Gujarat, provides various tax benefits and consequent reduction of costs. The tax benefits and strategic location of the Mundra facility makes it suitable for manufacturing export products. For further details, please see "- *Expanding global footprints with a focus on enhancing our exports" and "Statement of Possible Special Tax Benefits"* on pages 211 and 117, respectively.

Our procurement, manufacturing, supply chain and distribution processes are based upon data analytics and are digitally managed. This includes the procurement of materials, manufacturing (on an SKU-identifiable basis), inventory management and store replenishment. As a result, we are able to forecast, plan and optimize our operations and ensure that we can meet the requirements of our customers. The adoption of SAP S4Hana and SAP Ariba has enhanced our operational efficiency by streamlining processes, improving data management, and optimizing supply chain operations. These advanced digital platforms enable us to make data-driven decisions, reduce costs, and foster greater collaboration with suppliers, ensuring smoother business operations and scalability for future growth.

We operate a quality controlled supply chain for the procurement of raw materials used for the manufacturing of our products. Our manufacturing processes are semi-automated and include polymerisation, quality checks and packing. Once our products are manufactured, they are packaged and either stored in our factories and warehouses for onward dispatch and distribution.

Our finished products are stored on-site at our production facilities and at our three warehouses. We produce a quantity of finished products based on a combination of confirmed and expected orders. Our expected orders have historically been confirmed due to the stable, long-standing relationships we have with our direct customers and distributors.

We maintain safety stock to efficiently manage expected orders under different production approaches. For make-to-stock, safety stock is strategically held to meet anticipated demand and repeat orders, ensuring quick fulfillment and minimizing lead times. On the other hand, make-to-order production is aligned strictly with confirmed purchase orders, allowing us to customize and produce goods based on specific customer requirements, reducing inventory holding costs while maintaining flexibility.

Our warehouses are located at Daman, Vapi and Bhiwandi for all our finished products. All our inventory management processes are also operated through our warehouses where we have system-driven processes to assist with our inventory management. This includes system-driven distribution and replenishment of inventory.

We have received the '*Responsible C*are' certification from the Indian Chemical Council ("**ICC**"), which indicates an environmentally conscious outlook for most of our manufacturing facilities. We are committed to maintaining high quality standards throughout our manufacturing cycles and have established quality control measures in various facets of our manufacturing process and quality control. We have also received authorised economic operator certificate for our Mundra Facility.

Diversified customer base with long term relationships with customers both domestically as well as globally

We have a diversified customer base across various industries such as paints, packaging, wood working (furniture), construction industry, tile industry, textiles, leather chemicals, carpet chemicals and paper chemicals.

We supply our coating materials products to various reputed players in the (i) domestic paint industry such as Asian Paints Limited, Berger Paints India Limited, Indigo Paints Limited, Kamdhenu Colour and Coatings Limited and Nippon Paints (India) Private Limited, Kansai Nerolac Paints Limited, and Surfa Coats (India) Private Limited and (ii) in the global paints industry such as Crown Paints Kenya PLC, Kemic Joint Stock Company, and Kansai Nerolac (Bangladesh) Limited, . Further, we also supply our adhesives products to various reputed players in the (i) domestic packaging industry such as Cosmos Twisters, Cellotape Industries Private Limited, and Sarvodaya Industries Packaging Private Limited and (ii) global packaging industry such as Lalan Printing and Packaging Private Limited. We also supply to various players in the constructions chemicals industry such as Forsoc Chemicals, SIKA India.

As of September 30, 2024, we supplied to 48 countries. Our top 10 customers contributed to 20.56%, 21.17% and 20.63% and 22.10% of our revenue from operations for financial year ended March 31, 2022, for financial year ended March 31,2023, for financial year ended March 31,2024 and the six-month period ended September 30, 2024, respectively. Accordingly, our diverse customer base enables us to de-risk customer concentration.

Our global network of sales helps in reducing our dependence on any single product or geography. We believe that our limited dependency on any single geography or customer helps in mitigating the effect of economic and region-specific cycles.

As of September 30, 2024, we had 1,500 total customers. The average age of our relationship with our top 10 customers as of March 31, 2024, spans approximately nine years. Our quality consciousness enables us to have long term relationships with our customers.

Our customer base comprises sales to direct customers and sales through distributors. Distributors are entities that purchase our products and then on-sell these products. As of September 30, 2024, we had 1,438 direct customers and 62 distributors. Our direct customers are export and local players manufacturing paints, tapes, labels, and chemicals for textiles, construction, leather, carpet and paper. We have an extensive distribution network in India and worldwide, enabling our products to be sold in 48 countries as of September 30, 2024.

Research driven and R&D led product offerings

We are a research driven company with a dedicated focus on developing specialty products, customized based on requirements and specific orders from customers. Our R&D facility houses a team of 40 are personnel as of September 30, 2024, which along with our decades of experience in the coating materials and adhesives industries, enables us to develop a robust pipeline of specialized products and solutions, which are customized to our customer requirements. Our qualified and experienced in-house R&D team focuses on the development of various specialty and performance products for our customers. We have adopted an innovation funnel model, which allows us to customize our products in line with customer expectations and end-user preferences. In an effort to develop environmentally friendly products, our R&D has developed 30 CMR free (Carcinogenic Mutagenic Reprotoxic) over the past two years.

We have invested in our R&D to create and develop our products. Details of our R&D expenditures is set forth below in respect of the periods indicated:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	(in ₹ million)	(% of total revenue)	(in ₹ million)	(% of total revenue)	(in ₹ million)	(% of total revenue)	(in ₹ million)	(% of total revenue)
R&D expense	54.15	0.74%	104.36	0.70%	67.57	0.39%	50.74	0.25%

As on the date of this Draft Red Herring Prospectus, we have 72 registered trademarks across Classes 1, 2, 8, 16, and 41, including for our brands “Bondex®”, “Rdymix®” “Coviguard®”, “Bondacrylic®” “INDTAPE®”, and “Blue Glue®”, Jesons®, JIL®, JIL touching everyone’s life®, JIPPL®, JTPL® in India and USA. We also hold a patent for a long-acting biocidal composition and its preparation process. For details, please see, “*Our Business – Intellectual Property*” on page 224.

Further, our R&D capabilities and experience enables us to offer value-added services to our customers in relation to application of products, improvement in effective utilization, increasing product efficiency, improving quality consistency, uninterrupted supply planning, and tanker supply facilities to save packing costs. Our R&D capabilities also allow us to service customers in different industries in over 48 countries. We strive to continuously monitor, analyse and adapt to changing consumer preferences across diverse geographies thereby ensuring that our products continue to remain relevant in evolving markets and help our customers enhance their brand value.

We have a dedicated R&D Center, located at Navi Mumbai, Maharashtra recognized by Department of Scientific & Industrial Research (Ministry of Science & Technology), Government of India.

Our R&D Centre, spanning 30,000 square feet, is designed to accommodate over 100 scientists dedicated to driving innovation and ensuring we remain at the forefront of advancements in our industry. Our R&D centre’s output has significantly expanded our product portfolio in key business segments, including construction chemicals, woodworking adhesives, and re-dispersible powders.

We have a robust pipeline of products, which comprises 22 products under development as of September 30, 2024, which will enable us to cater to existing and new customers and markets. We have launched 42 products in the financial year ended March 31, 2022, March 31, 2023 and March 31, 2024 and six-month period ended September 30, 2024.

Entry barriers in manufacturing and marketing of coating materials and adhesives products, include, amongst others, (a) wide range of products (b) dedicated R&D team (c) required size of operations, (d) difficulty in customer acquisition in the absence of existing customers (e) understanding, implementation and sustenance of quality systems and customer requirements, (f) customer management and logistics. We have approximately two decades of experience in the coating materials and adhesives industry, which enables us to understand the chemistry involved.

Through strategic global partnerships, we have successfully entered niche specialty product segments, enabling us to leverage cutting-edge technologies and expertise. These partnerships have strengthened our position in high-value areas, enhancing our capabilities in offering advanced solutions and expanding our presence in global markets.

Our focus on product innovation through continuous R&D has been critical to the growth of our business. With a view to customize our products in line with customer expectations and end-user preferences, we have adopted an innovation funnel model. As per the CRISIL Report, due to our R&D capabilities and our long-standing relationships with customers, we are one of the very few companies to have developed customized products in collaboration with its customers in coating materials and adhesives product groups.

Our R&D activities are focused on process design and developing new products to align with customer and market requirements. Accordingly, we have focused on (a) introducing new products for capitalizing on the increasing trends of premiumization, anti-microbial products, anti-viral products, products with better properties such as durability, ease of application, and (b) introduction of more environment friendly products. Examples of successful results of our R&D activities are commercialisation of (i) a cost-effective polymeric extender, which is an important white pigment used in the paint industry, (ii) re-dispersible polymer powder ("**RDP**") which is a powder form of liquid emulsion prepared by a spray drying or freeze-drying process, and (iii) new dispersing agents for usage in paint formulations. Our entire product portfolio, which comprises of 210 products as of September 30, 2024, has been developed by us in-house. As of September 30, 2024, we were conducting research and development for 22 new products. We have received a patent for a long-acting biocidal composition and its preparation process.

Experienced Promoters supported by a qualified management and operations team

Our Promoter, Mr. Dhiresh Gosalia, has approximately three decades of experience, in the coating materials and adhesives industry. He has developed an extensive network of suppliers & customers over this period. Coupled with our R&D and manufacturing capability, we are in a position to offer innovative solutions to our customers .

Further, we are driven by a qualified, professional and dedicated Board, comprising of professionals with experience across various sectors. Our Promoter as well as Board's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. Additionally, the experience of our Independent Directors supports our direction and growth. Our Promoters and our Board are supported by a management team some of whom have been associated with our Company since our formative years. Our management and operational team comprise members with diverse skills and expertise in manufacturing, sales and marketing, finance and supply chain management. Our senior personnel include: Chief Executive Officer - Shilip Sant Kumar, Chief Financial Officer - Deepak Kumar Jain, Whole Time Director (Manufacturing) – Sadaypillai Kameswaran; Vice President (Adhesives) – Amit Tandon; Vice President (Coating Materials) – Shaji Thomas; Vice President (Exports Marketing) – S. Senthil Kumar; Vice President (Supply Chain) - Avinash Gharge; Vice President (HR) – Sam Mathi; and Vice President (Technology (R&D)) – Ashish Chamankar.

For further details, please see "*Our Management*" on page 243.

Our strategies

Continue to develop and diversify our product offerings through our R&D initiatives

We have consistently focused on enhancing our product portfolio by developing differentiated and complementary products to cater to the evolving needs of domestic and international markets and we intend to continue to expand and diversify our portfolio. We believe that we possess the necessary skills, in-house R&D capabilities and intellectual property competence to develop products, which can be manufactured and marketed in both domestic and international markets and have demonstrated this in the past as well. As of September 30, 2024, we have a pipeline of 22 products under development, allowing us to cater to new customers and markets.

Our R&D Center is equipped with advanced technology and staffed by scientists who specialize in the development of cutting-edge products. As of September 30, 2024, we have 40 personnel in our R&D Center. In Fiscal 2024, we have developed ready-to-use construction chemicals, specifically designed for the construction industry. These chemicals provide enhanced ease of application, faster curing times, and superior durability, meeting the growing demand for efficient and high-performance materials in construction. In an effort to develop environmentally friendly products, our R&D has developed 30 CMR free (Carcinogenic Mutagenic Reprotoxic) over the past two years.

The consumption of water-based paints is rising globally, and the demand is expected to remain high as the Indian paint manufactures are switching from solvent-based to water-based paints. The overall fluctuating prices of oil are creating a major pricing issue for paint companies. The slew of recent capacity increases announced by key paint firms is also more concentrated on water-based systems. Our focus on R&D and customized solutions approach positions us well to capitalize on the increasing demand for water-based paints.

Strengthening manufacturing and supply chain capabilities

We are committed to enhancing our manufacturing and supply chain capabilities to efficiently serve customers in domestic and international markets. Our focus is on ensuring operational excellence while maintaining high standards in product safety, quality, and service delivery. We aim to protect our core business in adhesives and coating materials by investing in state-of-the-art facilities and technologies. This ensures consistent production quality and reliability, which are essential for maintaining our position in the market. We are equally committed to prioritizing product and handling safety at every stage of our operations, ensuring compliance with the highest industry standards and protecting the well-being of our customers and stakeholders.

As part of our growth plan, we have established Phase 1 of a greenfield project in Saykha, Gujarat, marking our seventh manufacturing facility. In the financial year ended March 31, 2023, we acquired a 63,230 square meters plot at the Saykha Industrial Estate, GIDC, Bharuch, Gujarat, situated in the heart of a chemical hub. In line with our continued focus on strategic growth opportunities, our Company proposed to utilise a portion of the Net Proceeds, amounting to ₹ 779.00 million, for setting up of machine lines for the new adhesives project – solvent based adhesives and flexible packaging adhesives with manufacturing capacity of 5000MT/year and 10,000MT/year respectively as a brown field expansion in our Saykha, Gujarat manufacturing plant. Through this project, we intend to sell solvent-based adhesives and flexible packaging adhesives to business to business (B2B) segment in the liquid form in metal / HDPE drums.

As on September 30, 2024, our aggregate installed capacity across our seven strategically-located manufacturing facilities was 304,353 MTPA. Currently, we have access to additional land at our existing manufacturing facilities at Mundra and Chennai manufacturing units, which provides significant headroom for future growth.

Quality assurance remains our cornerstone with efforts directed towards improving processes and maintaining high standards to meet customer needs. We also prioritize efficient supply chain operations to ensure products are delivered on time and reliably to customers in India and international markets.

Pursue strategic alliances for growth and innovation

Global partnerships have played a key role in expanding and diversifying our specialty product range. By leveraging advanced technologies and expertise from international collaborators, we have been able to develop innovative solutions and enter new high-value segments. These partnerships not only enhance our product offerings but also strengthen our position in global markets, driving sustained growth and increasing our competitive advantage.

Set out below are details of our global partnerships:

Name of partner	Products	Brand under which it will be sold in India	End use Industry
San Nopco Limited - Japan	Defoamer, Rheology Modifier / Thickener - HEUR/HASE, Dispersant, Wetting Agent and Specialty Additives	SAN NOPCO / NOPCO	Paint, Construction Chemicals, Cement, Ink, Paper
Soken	Solvent based Acrylic PSA	Solvent based Acrylic products	High Performance Tapes
DY	DY-1003/1006	DY	Tapes, Labels, Hygiene
Alberdingk Boley GmbH	Water based Polyurethane Dispersions	PUR MATT SERIES U SERIES CUR SERIES	Packaging Construction/Water Proofing Packaging Wood coating Metal Coating Inks

In addition to in-house innovation, we will actively pursue international partnerships with globally recognized organizations like San Nopco Limited and Alberdingk Boley GmbH. These alliances will enable us to integrate world-class expertise and advanced technologies into our product offerings. Such collaborations will not only enhance our capabilities but also strengthen our position in the global market by delivering high-quality, innovative solutions to customers.

We will engage with international consultants and experts to further bolster our innovation capabilities. These partnerships offer access to specialized expertise, global best practices, and innovative methodologies, ensuring we stay at the forefront of technological advancements in the industry.

We will seek strategic alliances with global and domestic leaders in various segments of the logistics industry that bring synergies to our business. We will also continue to look for high-quality acquisition and investment opportunities within and outside India that are complementary to our business or that enable us to build new, valuable capabilities for our customers, strengthen or establish our presence in our target markets in India and globally.

Expanding global footprints with a focus on enhancing our exports

Our Company has been an exporter of coating materials and adhesives, with a presence in global markets since 2008. As of September 30, 2024, we have established a footprint in over 48 countries. The contribution of exports (including export incentives) to our revenue from operations was ₹5,657.9 million, ₹4645.21 million, ₹4497.21 million, and ₹2,217.55 million, representing 27.39%, 26.97%, 30.06%, and 30.46% for financial years ended March 31, 2022, March 31, 2023, March 31,2024, and the six-month period ended September 30, 2024, respectively.

With a view to further diversify our export customer base and increase our exports, we intend to augment our sales in the foreign markets where we sell our products as well as expand into new territories. We intend to penetrate further in our existing markets of Southeast Asia and the Middle East and Africa. These regions present significant opportunities due to their growing industrial base and rising demand for high-quality specialty chemicals. We will participate in industry trade fairs and exhibitions for the purpose of such expansion, and assess potential customers leads. Further, our existing customers also provide referrals for their operations in other countries. We also approach potential customers digitally to initiate dialogue. Further, we believe our existing relationships with reputed customers and demonstrated expertise in manufacturing of coating materials and adhesives will enable us to acquire new customers.

In response to evolving customer needs, we are expanding our portfolio with new products such as ready-to-use construction chemicals, woodworking adhesives, and redispersible polymer powders ("**RDP**"). These products are designed to meet diverse industrial applications and offer superior performance and sustainability. In existing markets, we will maximize adoption by leveraging our established customer relationships and distribution channels. For new markets, we will tailor marketing efforts and demonstrate product advantages through technical workshops and trade show participation.

To further strengthen our market position, we are focused on deepening our penetration in existing regions by increasing the share of our existing products among current customers. We will accomplish this by strengthening customer engagement, implementing loyalty initiatives, and leveraging cross-selling opportunities. Offering tailored solutions and value-added services will help address specific customer needs and foster long-term relationships.

Further, as per the CRISIL Report, several global players are opting for a "*China + 1 offshore strategy*", with capacities shifting to cost efficient markets with strong technology capabilities like India. India's specialty chemical companies are gaining favour with global multinational corporations because of the geopolitical shift, as the world looks to reduce its dependence on China. Increasing tariff levels and changing environmental policies in China along with the 'Make in India' initiative and a permit for 100% FDI from India, would add more possibilities of specialty chemicals manufacturing base shifting from China to India (*Source: CRISIL Report*). We intend to harness such sourcing shift in the industry to increase our exports volumes.

We have set up our manufacturing facility in Mundra to focus on manufacturing products for the export market. The Mundra facility is situated in an SEZ, which provides various tax benefits for exports, such as exemptions from profit and gains, duty free imports inward supply of goods without levy of GST, exemption from state taxes and electricity duty. Further, it is located at the Mundra port, which allows for efficient logistics and reduction in transport costs. Going forward, we expect the location of our Mundra facility will help us increase our exports. Our Saykha (Gujarat) facility provides substantial tax benefits and a streamlined cost structure through the consolidation of multiple sites. This allows for greater operational efficiency, reduced overhead costs, and higher production capacity, positioning us to better meet growing demand and support long-term growth objectives.

Focus on professionalization of organization in alignment with company vision

We endeavor to build a collaborative team and are committed to building a robust organizational framework to drive sustainable growth and innovation in alignment with our strategic vision. Our investment in talent and organizational structure is centered on empowering our workforce and optimizing our operational capabilities to ensure seamless execution of our business objectives. We believe that strong leadership is fundamental to achieving operational excellence and fostering innovation. We will establish a professional leadership framework across all strategic business units ("**SBUs**") and key functional areas

We aim to strengthen leadership across all SBUs and functional areas by onboarding experienced professionals, providing leadership development programs, and defining clear roles, responsibilities, and performance metrics to drive accountability and results.

We are establishing a high-performance organizational structure designed for agility, collaboration, and specialization. Distinct verticals within SBUs will ensure operational focus, while cross-functional collaboration will promote synergy and resource optimization. Decentralized decision-making will empower leadership teams to align their decisions with our overall corporate strategy. Additionally, we are committed to fostering talent through comprehensive training initiatives, succession planning to build a pipeline of future leaders, and cultivating an inclusive workplace culture that reflects our values.

In addition, we emphasize effective performance management systems that focus on meritocracy and collaboration. By establishing transparent, fair, and performance-driven evaluation mechanisms, we aim to reward excellence, encourage teamwork, and create a culture of accountability and shared success. These strategic priorities not only empower our workforce but also ensure the alignment of individual and team goals with our overarching objectives, enabling us to remain agile and competitive in an evolving market landscape.

Commitment to sustainability and responsible practices

We are committed to integrating sustainability into our operations, focusing on reducing environmental impact and ensuring the well-being of employees and shareholders. Our key initiatives include reducing specific consumption of water and power, recycling waste, and minimizing greenhouse gas emissions to promote responsible resource management. Ensuring a safe working environment is a priority, with a commitment to achieving zero lost time incidents for all employees and service providers through rigorous safety measures and training. Additionally, we uphold high standards of corporate governance by emphasizing transparency, accountability, and ethical practices. These efforts reflect our dedication to environmental and social responsibility while building a resilient and responsible organization ready for future challenges and opportunities.

We have consistently prioritized sustainability and adopted green initiatives to minimize our environmental footprint. Our efforts include achieving zero liquid discharge across our manufacturing units, ensuring that no wastewater is released into the environment. We have also invested in solar installations to harness renewable energy, significantly reducing our carbon emissions. additionally, we actively implement water reuse systems, recycling process water to conserve this vital resource. These initiatives reflect our commitment to sustainable development and align with global environmental standards.

Leveraging digital initiatives for market penetration and operational efficiency

We are focused on leveraging digital tools and technologies to enhance market reach and improve operational efficiency, including product innovation and workforce management. We have implemented SAP S/4HANA, including the Ariba platform, to streamline business processes, optimize resource management, and enhance procurement practices. We have also adopted PLM OPTIVA, a product development software, to facilitate innovation and accelerate the time-to-market for new products. We use PeopleStrong, a human resource management system, to improve employee engagement and streamline HR operations. Additionally, we actively utilize social media platforms to increase brand visibility, engage with stakeholders, and explore new market opportunities. By integrating these digital initiatives into our core business functions, we are positioned to improve efficiency, drive innovation, and expand its presence in domestic and international markets.

We believe that the various strategic initiatives that we have implemented, including the continued investment in our manufacturing facilities, developing and enhancing our in-house capabilities, and our supply-chain management will continue to play a critical role in our future success. Accordingly, we intend to leverage and enhance our various strategic initiatives, such as optimizing production processes, investing in advanced technologies, expanding our product portfolio, and strengthening our supply chain efficiencies. These efforts aim to achieve operational excellence by reducing costs, improving product quality, and increasing productivity.

The adoption of SAP S4Hana and SAP Ariba has enhanced our operational efficiency by streamlining processes, improving data management, and optimizing supply chain operations. These advanced digital platforms enable us to make data-driven decisions, reduce costs, and foster greater collaboration with suppliers, ensuring smoother business operations and scalability for future growth.

Moving forward, we will continue to rely on our in-house expertise to periodically review the functioning of our in-house product development strategy, identify scope for expansion or de-bottle necking and undertake projects to increase our production capabilities. Going forth, we intend to continue to refine our supply-chain management to enhance operational efficiencies as our business grows. We believe the above factors will contribute towards improving our financial performance through focus on operational and functional efficiencies.

Business Operations

Our Product Portfolio

We categorize our products into two product categories, being coating materials and adhesives. In the aforesaid categories, we manufacture specialty as well as performance products.

Specialty products

We regard specialty products as products which (i) give a clear differentiation and value proposition, impact the performance of the end product (e.g. thickener, dispersing agent, or colorant for pigment paste for tapes etc.), (ii) are eco-friendly, (iii) are developed and customized according to customer requirements, and (iv) are developed as an import substitute to ensure supply security with in-house R&D.

Performance products

We regard performance products as products, which are in the mature phase of their life cycle, and have been in use for long durations, and have local competitors offering similar products with limited differentiation. Performance products are used in bulk for common applications, and the value addition is through operational efficiencies like purchase, supply chain management, just in time deliveries, production batch optimisation, production batch quantities.

<u>COATING MATERIALS</u>

Coating emulsions and additives

We manufacture a wide variety of emulsion binders of different chemistries, such as, Acrylic, Styrene Acrylic, VAM Acrylic, VAM Veova, PVA Homopolymers. Set out below are the details of our products:

<u>Acrylic Emulsion:</u> Acrylic emulsions are based on all acrylic monomers and produced by free radical polymerization. This category of emulsions is used in premium to luxury grade of paints. acrylic emulsion is used for exterior as well as interior decorative paint application. Some of the Acrylic emulsions are also suitable as clear coats on various application. Acrylic emulsions are also used for flexible water proofing membrane as well as additive to cement to improve its workability during application.

<u>Styrene Acrylic Emulsions:</u> Styrene acrylic emulsions are based on styrene and acrylic monomers in different percentages. These emulsions are produced by free radical polymerization. This category of emulsions is used to prepare wide variety of emulsion paint starting from primer, putty, distempers to high gloss paint. Generally, styrene acrylic emulsions are used for interior paint application, but smart paint formulation and innovative emulsion recipes can make it a suitable candidate for exterior paint application. Apart from this styrene acrylic emulsions are also used as binder for water proofing / damp proof paint membrane, cement additive to improve workability and other properties.

<u>VAM Acrylic Emulsions:</u> In these emulsion Vinyl Acetate is major monomer, accompanied by Acrylic monomer in different ratios, and produced by free radical polymerization. VAM Acrylic emulsions are generally used for interior application. The formulator can develop paint with Matt and Satin Finish, distemper, putty using these emulsions.

<u>VAM Veova Emulsions:</u> In these emulsion Vinyl Acetate is major monomer, accompanied by Veova and / or Acrylic monomer in different ratios, and produced by free radical polymerization. VAM Veova emulsions are used for interior as well as exterior paint application. These types of emulsion display better water resistance as compared to VAM Acrylic emulsions.

<u>VAM Homo Polymers:</u> Vinyl Acetate monomer is homopolymerized to prepare VAM Homopolymers. They are classified depending on the stabilization system used, viscosity, solids, and plasticizer dosages. These are used in textile and adhesives.

Dispersing agents

Dispersing agents are used to disperse and stabilize pigments and other particles within paints, coatings and ink formulations. For formulators, they represent an essential component as they provide colour strength, gloss, viscosity stability and prevent sedimentation of particles. Dispersing agents are classified based on the chemistry, solids and counter ion stabilization. We manufacture all acrylic as well as modified acrylic dispersing agents with solids ranging from 25 to 40%. The dispersing agents in our product range are of two categories, being Ammonium and Sodium salt / ion stabilized.

Rheology modifiers

Our range of Rheology Modifiers is designed to enhance the performance and versatility of various formulations across industries. These modifiers play a crucial role in controlling the flow, viscosity, and texture of products, ensuring superior application and stability. Whether improving the consistency of paints and coatings, optimizing the texture of personal care products, or enhancing the workability of construction materials, our rheology modifiers provide customized solutions that meet the precise demands of our clients. With advanced formulation expertise, we deliver products that enable seamless application, improved performance, and long-lasting results.

Opacifiers

Our opacifiers are meticulously engineered to deliver exceptional opacity, coverage, and aesthetic appeal across a variety of applications. These additives are integral in industries such as paints and coatings, personal care, and home care products, where they enhance visual appeal and ensure consistent performance. Designed to optimize light scattering and coverage efficiency, our opacifiers are formulated to provide vibrant and uniform finishes, whether in decorative coatings, shampoos, or detergents. With a focus on quality and innovation, we offer solutions that not only meet industry standards but also exceed customer expectations.

RDP (Redispersible Polymer Powder):

RDP is a versatile polymer used in dry-mix mortar formulations to enhance properties like adhesion, flexibility, and water resistance. It is widely used in coatings, adhesives, and construction materials to improve their mechanical and weathering performance.

PUD (Polyurethane Dispersion)

PUD is a waterborne coating material offering excellent durability, chemical resistance, and flexibility. It is commonly used in industrial and decorative coatings, adhesives, and sealants, providing an eco-friendly alternative to solvent-based systems.

ADHESIVES

*Oriented polypropylene ("**OPP**") tape water-based pressure sensitive adhesives*

Our water based adhesives are based on polymerization of various acrylic monomers and additions of suitable additives. They are ideal non-porous substrates such as OPP which are environmentally friendly. It is superior quality adhesive, which provides high tack and adhesion strength required for sealing of cartons to make them pilfer proof.

Pigment emulsion for OPP tape

Pigment paste is a specialized coloring agent used in the manufacturing of biaxiallyoriented polypropylene ("**BOPP**") tapes. This paste consists of pigments dispersed or suspended in a carrier medium imparting coloration and opacity to the BOPP tape, enhancing its visual appearance and brand identity.

Label WBPSA

The world of labels is embracing a sustainable revolution, and water-based pressure-sensitive adhesives ("**WBPSA**") are at the forefront. These innovative adhesives significantly reduce harmful VOC emissions during production and application, contributing to cleaner air and a healthier environment. It also prioritizes safety by eliminating the need for harsh solvents, simplifying cleanup and improving user wellbeing. The versatility allows them to adhere to a wide range of surfaces, making them suitable for diverse label applications across various industries. However, it is important to choose the right WBPSA for the specific application. Advancements in WBPSA technology are continuously pushing the boundaries of performance.

Flexible lamination

The increased popularity of flexible packaging in food, beverages, medicines, cosmetics and many other applications has also created a demand for the flexible lamination adhesives. These adhesives are used to bond several types of substrates like film, paper or aluminium foil and deliver the final packaging with desired functionalities. Varied chemistries like acrylic, acrylic hybrids or polyurethane are available depending on the end use and application equipment.

Wood working

The usage of wood as a material has increased significantly over the last two decades, both in the commercial and residential sectors, leading to a strong demand for wood adhesives. The water based vinyl and acrylic chemistry reduces the harmful effects on the work force involved in the manufacture of the product, while giving robust performance in line with the requirements of the application. The key properties that determine the selection of a wood adhesive are curing time, water resistance, bonding strength and viscosity.

Our R&D capabilities enable us to provide customized products and solutions to our customers. Set out below are key characteristics for certain customized products we have developed for our customers:

S. No.	Product*	Key Characteristics
1.	Adhesive 1	Water based laminating adhesive for flexible packaging
2.	Adhesive 2	Water based flexible laminating adhesive
3.	Adhesive 3	Mono carton side pasting adhesive by wheel application
4.	Adhesive 4	Mono carton side pasting & Lock bottom adhesive by Nozzle application
5.	Adhesive 5	WW adhesive- D2 Improved

S. No.	Product*	Key Characteristics
6.	Adhesive 6	Wood working adhesive flat lamination-D3
7.	Adhesive 7	Economical grade D2 (Plywood to lamination)
8.	Adhesive 8	Low Surface Energy adhesive for PVC to Ply application
9.	Adhesive 9	Adhesive for bamboo or rattan substrates coating
10.	Construction chemicals 1	Integral Waterproofing Compound for Plaster & Concrete
11.	Construction chemicals 2	Interior Waterproofing for light Dampness and Efflore Coating Materials
12.	Construction chemicals 3	SBR Bonding Agent for Waterproofing Repairs
13.	Construction chemicals 4	2 component acrylic cementitious waterproof coating
14.	Construction chemicals 5	Shrink Free Crack (Up to 10mm) - filler
15.	Construction chemicals 6	Crack Filling Paste (Up to 5mm)
16.	Construction chemicals 7	Heavy duty Acrylic Waterproof Coating for Roof
17.	Construction chemicals 8	Elastomeric exterior waterproof basecoat.
18.	Construction chemicals 9	High build durable exterior elastomeric waterproof coating – Topcoat
19.	Construction chemicals 10	Penetrating Primer for interior & exterior walls
20.	Construction chemicals 11	Acrylic multipurpose binder
21.	Coating materials 1	Economical Styrene acrylic Interior binders to penetrate broader market
22.	Coating materials 2	Stiffening agent emulsion with stable viscosity & better flow for Textile
23.	Coating materials 3	Acrylic emulsion for Floor coating
24.	Coating materials 4	High Solids UV crosslinking emulsion for elastomeric application
25.	Coating materials 5	New generation Acrylic Thickener for Paints
26.	Coating materials 6	Re-dispersable powder for putty and tile adhesive application

* *Masked names used.*

Set out below are the details of our product-wise sales volume as a percentage of our total sales for the periods indicated:

Product Group	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Volume (MT)	% of total sales volume	Volume (MT)	% of total sales volume	Volume (MT)	% of total sales volume	Volume (MT)	% of total sales volume
Coating materials	55,530.32	65.86%	1,28,384.00	64.01%	1,11,919.45	58.00%	1,10,344.54	56.07%
Adhesives	27,594.81	32.73%	67,260.92	33.53%	69,950.93	36.25%	73,565.01	37.38%
Trading and Others	1,188.33	1.41%	4,937.95	2.46%	11,109.60	5.76%	12,885.38	6.55%
Total Volumes	84,313.46	100.00%	2,00,582.87	100.00%	1,92,979.98	100.00%	1,96,794.93	100.00%

Set out below are the details of our product-wise revenue from operations as a percentage of our revenue from operations for the periods indicated:

Product Group	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Coating materials	4516,44	62.05%	9,285.38	62.06%	9,558.64	55.51%	10,309.58	49.90%
Adhesives	2,637.66	36.24%	5,025.72	33.59%	6,115.12	35.51%	8,540.98	41.34%
Trading and Others	124.98	1.72%	651.19	4.35%	1,547.24	8.98%	1,809.06	8.76%
Revenue from Operations	**7,279.08**	**100.0%**	**14,962.29**	**100.0%**	**17,220.99**	**100.0%**	**20,659.62**	**100.0%**

Manufacturing Facilities

We have seven strategically located manufacturing facilities, comprising two facilities at the Daman (Dadra and Nagar Haveli and Daman and Diu), and one facility each at Roorkee (Uttarakhand), Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu), Mundra (Gujarat), Vapi (Gujarat) and Saykha (Gujarat) which cater to the domestic as well as export markets. Most of our manufacturing facilities are located either near custom ports or within close proximity, allowing for logistical efficiency.

Most of our manufacturing facilities are supported by infrastructure for storage of raw materials, manufacture of coating materials and adhesives, storage of finished goods, together with a quality control equipment and team. In addition, our manufacturing facilities include effluent treatment plants, which treat our industrial wastewater and recycle it for reuse or for safe external disposal.

As of September 30, 2024, our aggregate estimated installed manufacturing capacity was 3,04,353 MTPA for coating materials and adhesives.

Set out below are details of our manufacturing facilities:

Mundra (Gujarat)

The manufacturing facility at Mundra, commenced operations in Fiscal 2020. As of September 30, 2024, this facility had an estimated installed production capacity of 96,417 (Annualised) MTPA for coating materials and adhesives.

The power requirements for this facility are met through the private power producers, and power back-ups through diesel generations to operate manufacturing and general lighting, while water is procured from the APSEZ.

Roorkee (Uttarakhand)

The manufacturing facility at Roorkee, commenced operations in Fiscal 2008. As of September 30, 2024, this facility had an estimated installed production capacity of 60,600 (Annualised) MTPA for coating materials and adhesives.

We currently manufacture coating materials and adhesives products at this facility.

The power requirements for this facility are met through the local state power grid, and power back-ups through diesel generators to operate manufacturing and general lighting, and the water requirements are met through the use of ground water.

Daman (Dadra and Nagar Haveli and Daman and Diu)

Unit 1

The manufacturing facility at Daman, commenced operations in Fiscal 2000. As of September 30, 2024, this facility had an estimated installed production capacity of 30,660 (Annualised) MTPA for coating materials and adhesives.

We currently manufacture coating materials and adhesives products at this facility

The power requirements for this facility are met through the local state power grid, and power back-ups through diesel generators to operate manufacturing and general lighting, and the water requirements are met through the use of ground water.

Unit III

The manufacturing facility at Daman, commenced operations in Fiscal 2008. As of September 30, 2024, this facility had an estimated installed production capacity of 24,000 (Annualised) MTPA for coating materials and adhesives products.

We currently manufacture coating materials and adhesives products at this facility.

The power requirements for this facility are met through the local state power grid, and power back-ups through diesel generators to operate manufacturing and general lighting, and the water requirements are met through the use of ground water.

Vapi (Gujarat)

The manufacturing facility at Vapi, commenced operations in Fiscal 2017. As of September 30, 2024, this facility had an estimated installed production capacity of 3,960 (Annualised) MTPA for Pigment emulsions.

We currently manufacture pigment emulsions at this facility.

The power requirements for this facility are met through the local state power grid, and power back-ups through diesel generators to operate manufacturing and general lighting, while water is procured from the industrial estate authority.

Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu)

The manufacturing facility at Gummidipoondi - Chennai Metropolitan Region, commenced operations in Fiscal 2016. As of September 30, 2024, this facility had an estimated installed production capacity of 86,712 (Annualised) MTPA for coating materials and adhesive products.

We currently manufacture coating materials and adhesives products at this facility.

The power requirements for this facility are met through the local state power grid, and power back-ups through diesel generators to operate manufacturing and general lighting, while water is procured from the industrial estate authority.

Saykha (Gujarat)

The manufacturing facility at Saykha, Bharuch, Gujarat, commenced operations in Fiscal 2024. As of September 30, 2024, this facility had an estimated installed production capacity of 2004 MTPA for Pigment emulsions.

We currently manufacture pigments emulsions at this facility.

The power requirements for this facility are met through the local state power grid, and power back-ups through diesel generators to operate manufacturing and general lighting, while water is procured from the industrial estate authority.

Revenue by geographies

Set out below are the details of our geographical distribution of revenue for the periods indicated:

Region	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Revenue from Operations (in ₹ million)	% contribution to Revenue from operations	Revenue from Operations (in ₹ million)	% contribution to Revenue from operations	Revenue from Operations (in ₹ million)	% contribution to Revenue from operations	Revenue from Operations (in ₹ million)	% contribution to Revenue from operations
India	5,061.53	69.54%	10,465.08	69.94%	12,575.78	73.03%	15,001.72	72.61%
Overseas								
Africa	968.22	13.30%	2,044.19	13.66%	1,807.33	10.49%	2,604.34	12.61%
Asia Pacific	616.24	8.47%	1,112.25	7.43%	1,568.74	9.11%	1,917.26	9.28%
Middle East	624.90	8.58%	1,255.83	8.39%	1,214.78	7.05%	1,029.54	4.98%
Others	8.18	0.11%	84.95	0.57%	54.36	0.32%	106.75	0.52%
Total	**7,279.08**	**100.00%**	**14,962.29**	**100.00%**	**17,220.99**	**100.00%**	**20,659.62**	**100.00%**

Capacity and Capacity Utilization

The following tables sets forth certain information relating to our capacity utilization of all our manufacturing facilities for our coating materials and adhesives products, calculated on the basis of total installed production capacity and actual production as of/ for the periods indicated below:

<u>*Roorkee (Uttarakhand)*</u>

(*in MT, except percentages*)**

Particulars	Period / Year ended			
	Six-month period ended September 30, 2024*	March 31, 2024	March 31, 2023	March 31, 2022
Installed Capacity (in MT)	60,600*	60,600	55,800	55,800
Actual Production (in MT)	15,574	41,379	39,044	39,076
Capacity Utilisation (%)	51.40*%	68.28%	69.97%	70.03%

* *Annualised*

** *As certified by Anand Kumar Jain, Chartered Engineer, by way of a certificate dated December 23, 2024.*

<u>*Mundra (Gujarat)*</u>

(*in MT, except percentages*)**

Particulars	Period / Year ended			
	Six-month period ended September 30, 2024*	March 31, 2024	March 31, 2023	March 31, 2022
Installed Capacity (in MT)	96,417*	80,955	80,955	62,216
Actual Production (in MT)	26,234	50,758	40,835	19,407
Capacity Utilisation (%)	54.42*%	62.70%	50.44%	31.19%

* *Annualised*

** *As certified by Anand Kumar Jain, Chartered Engineer, by way of a certificate dated December 23, 2024.*

<u>*Daman (Dadra and Nagar Haveli and Daman and Diu)*</u>

<u>*Daman Unit I*</u>

(*in MT, except percentages*)**

Particulars	Period / Year			
	Six-month period ended September 30, 2024*	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed Capacity (in MT)	30,660*	30,660	30,660	30,660
Actual Production (in MT)	11,288	23,459	8,219	8,138
Capacity Utilisation (%)	73.63*%	76.51%	26.81%	26.54%

* *Annualised*
** *As certified by Anand Kumar Jain, Chartered Engineer, by way of a certificate dated December 23, 2024.*

Daman Unit III

(*in MT, except percentages*)**

Particulars	Period / Year			
	Six-month period ended September 30, 2024*	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed Capacity (in MT)	24,000*	24,000	24,000	24,000
Actual Production (in MT)	7,918	19,097	18,346	19,730
Capacity Utilisation (%)	65.98*%	79.57%	76.44%	82.21%

* *Annualised*
** *As certified by Anand Kumar Jain, Chartered Engineer, by way of a certificate dated December 23, 2024.*

Vapi (Gujarat)

(*in MT, except percentages*)**

Particulars	Period / Year			
	Six-month period ended September 30, 2024*	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed Capacity (in MT)	3,960*	3,960	3,960	3,960
Actual Production (in MT)	555	1,182	1,331	1,153
Capacity Utilisation (%)	28.04*%	29.85%	33.61%	29.12%

* *Annualised*
** *As certified by Anand Kumar Jain, Chartered Engineer, by way of a certificate dated December 23, 2024.*

Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu)

(*in MT, except percentages*)**

Particulars	Period / Year			
	Six-month period ended September 30, 2024*	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed Capacity (in MT)	86,712*	86,712	86,712	71,567
Actual Production (in MT)	22,487	51,483	44,983	48,133
Capacity Utilisation (%)	51.87*%	59.37%	51.88%	67.26%

* *Annualised*
** *As certified by Anand Kumar Jain, Chartered Engineer, by way of a certificate dated December 23, 2024.*

Saykha (Gujarat)

(*in MT, except percentages*)**

Particulars	Period / Year			
	Six-month period ended September 30, 2024*	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed Capacity (in MT)	2,004	2,004	-	-
Actual Production (in MT)	15.96	0.56	-	-
Capacity Utilisation (%)	0.80%	Negligible	-	-

* *Annualised*
** *As certified by Anand Kumar Jain, Chartered Engineer, by way of a certificate dated December 23, 2024.*

Accordingly, our aggregate capacity utilisation of all our facilities is as follows:

(*in MT, except percentages*)

Particulars	Period / Year			
	Six-month period ended September 30, 2024*	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed Capacity (in MT)	3,04,353	2,88,891	2,82,087	2,48,203
Actual Production (in MT)	1,68,128	1,87,359	1,52,757	1,35,637
Capacity Utilisation (%)	55.24%	64.85%	54.15%	54.65%

* *Annualised*

Procurement of Raw Materials

The primary raw materials used in the manufacture of coating materials and adhesives are Butyl Acrylate Monomer, Styrene Monomer and Vinyl Acetate Monomer. In financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 and in the six-month period ended September 30, 2024, cost of goods sold represented 85.03%, 84.62%, 81.75% and 80.14%, respectively, of our revenue from operations.

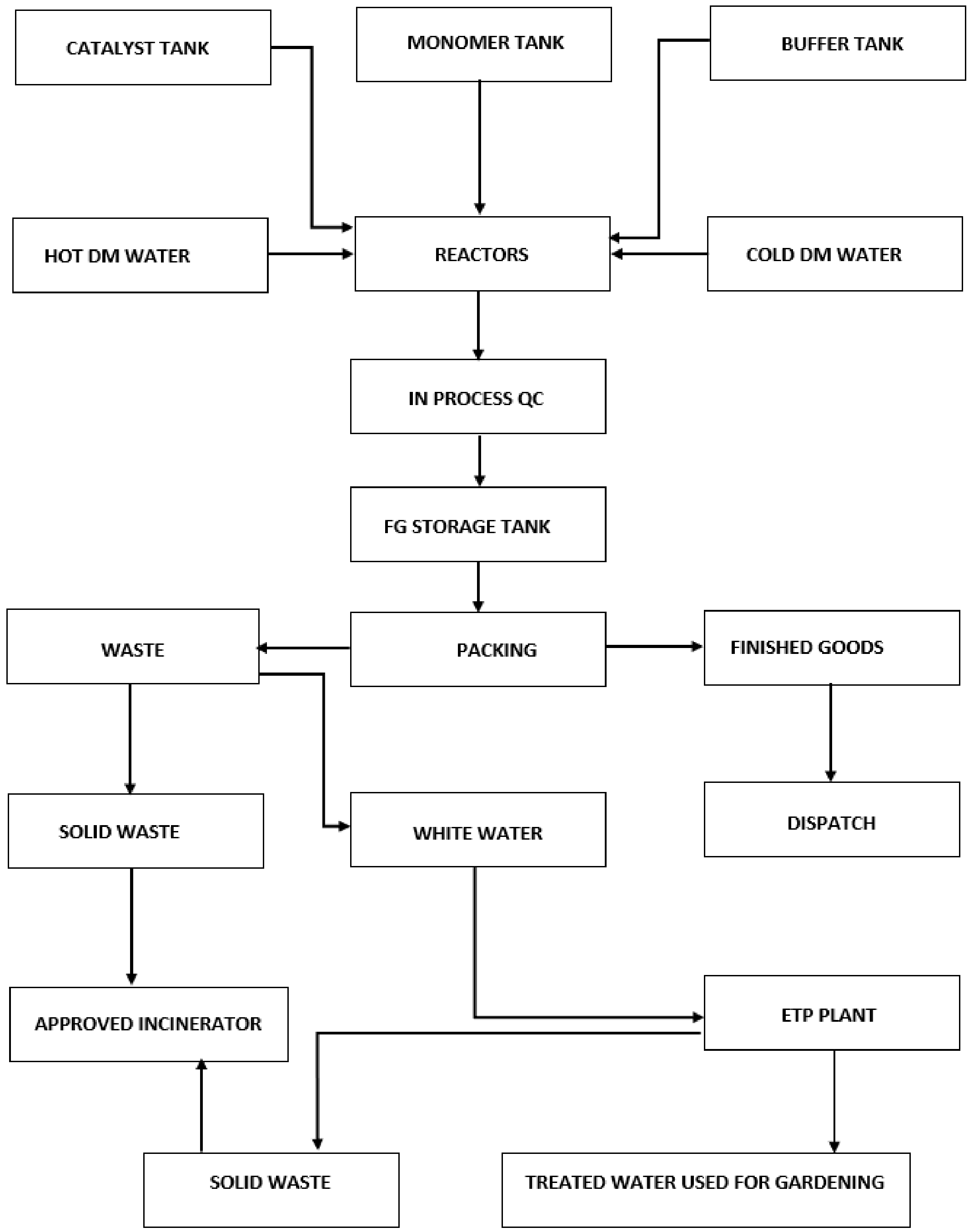
Our raw materials are generally procured in bulk consignments and stored at custom bonded warehouses at ports. We have entered into supply agreements with a few of the suppliers on an annual basis. We have made warehousing arrangement at various ports to store the imported raw materials procured in bulk quantities. The raw materials are transported from port to manufacturing locations as per requirement of production plants. We also have bulk storage tanks at factories for direct off-loading of material from transport tankers using pumps.

Raw materials are primarily transported to the manufacturing facilities by road. We typically purchase raw materials based on the historical levels of sales, actual sales orders on hand and the anticipated production requirements taking into consideration any expected fluctuation in raw material prices and delivery delay.

Raw materials sourced from the domestic market are directly purchased from manufacturers and traders and supplied to the respective manufacturing locations.

Manufacturing Process

The following illustrates the manufacturing process for coating materials and adhesives:



We operate a batch production process and have the capability to produce several different grades of products in a single reactor. We believe this also enables better and consistent quality of output for every batch. The key raw materials for the production of coating materials and adhesives products include amongst others, monomers, surfactants, acids, emulsifiers and catalysts, wherein (a) catalysts are used for activating the monomers and initiating the desired reactions, (b) acids are used for pH-adjustment, and (c) emulsifiers and surfactants are added to enhance the required properties of the final products. The time taken for each batch is typically 10 to 15 hours, and a production unit usually operates 2 batches in one reactor per day.

Inventory Management

Our finished products are stored on-site at our production facilities and at our three warehouses. We produce a quantity of finished products that is determined based on a combination of confirmed and expected orders. Our expected orders have historically been confirmed due to the stable long-standing relationships that we have with our direct customers and distributors.

Our raw material is generally procured in bulk consignments and stored at custom bonded warehouses at ports.

We have made bulk storage of monomer arrangement at various ports to store the imported raw materials. The raw materials are transported from port to manufacturing locations as per requirement of production plans. We also have bulk storage tanks at our manufacturing sites for direct off-loading of material from transport tankers using pumps.

Logistics

Inbound Logistics

We transport raw materials primarily by road and sea. Packing materials are transported primarily by road. Generally, our suppliers directly deliver our domestic raw materials and packing materials to our manufacturing facilities. Certain key additives are directly purchased at our Bhiwandi warehouse, renamed and masked and dispatched to the respective units as per the requirement.

The imported bulk raw materials stored at ports (at third-party warehouses) are dispatched to manufacturing locations as per the requirements of production plans. We outsource the delivery of our products to third-party logistics companies. We have long-term contractual relationships with our logistics service providers and freight forwarders.

Outbound Logistics

We generally sell our products on a cost, insurance, and freight ("**CIF**") basis and an ex-works basis. All the finished goods tanker loads are dispatched under CIF terms, for which we have dedicated long-term contracts with the logistics service providers. Balance quantities packed in drums are either dispatched through CIF or ex-works terms. In the case of ex-works, the customer will directly place the vehicle at our factories to pick up the consignment.

Export Logistics

In export we generally deliver our products on CIF / free on board ("**FOB**") basis. The pricing for sea freight is negotiated and agreed on consignment basis. For some destinations we book the consignment directly though carrier / liner / non-vessel operating common carriers ("**NVOCC**"). In such case, ocean freight is negotiated directly with them instead of freight forwarders. Export Logistics team co-ordinate directly with carrier / liner / NVOCC for booking confirmation and releasing of bills of lading.

Brand Building and Marketing

As part of our marketing and brand building initiatives, we participate in various exhibitions and trade fairs.

Further, we circulate newsletters and bulletins to our existing and potential customers and employees, which contains information about our products and their applications. We also post about our Company, products and new launches and regularly on social media platforms.

Information Technology

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our facilities are connected to our central IT network that facilitates monitoring of our operations and management of supply chain. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods, payments to vendors and suppliers, and receivables from customers. We use an enterprise resource planning system which covers production, finance, sales, marketing logistics, purchase and inventory, across all our depots and manufacturing facilities. The ERP system facilitates re-engineering various business processes and aligned various functions, thereby enhancing the productivity and performance of various departments. It ensures accurate results and has facilitated automating various business functions across our operations. A disaster recovery system is in place and data backup is done on a regular basis. We also use a document management system. We use a client relationship management system to enhance our reach to our customer base. It provides a full suite of automation capabilities and provides the suitable marketing automation with the benefits of complete integration.

We have implemented SAP S/4HANA, in order to ensure a fully integrated into a centralized IT network that provides real-time monitoring, management, and optimization of critical functions across the organization. The SAP S/4HANA enterprise resource planning ("**ERP**") system covers all key business areas, including production, finance, sales, marketing, logistics, procurement, and inventory management, across all our depots and manufacturing sites. This advanced ERP solution has allowed us to re-engineer business processes, align functions across departments, and increase overall operational efficiency and productivity.

By automating core business functions, SAP S/4HANA enables accurate, data-driven decision-making and seamless collaboration across teams. The system provides full visibility into the procurement of raw materials, sales of finished goods, vendor payments, and customer receivables, helping us to manage our supply chain with greater precision and control.

While our document management system supports better information handling and compliance, with SAP S/4HANA as the backbone of our IT infrastructure, we are well-positioned to continue scaling our operations and delivering consistent value to our stakeholders.

We implemented Infor Optiva Product Lifecycle Management (PLM) solution to enhance our product development capabilities. This advanced PLM system has been integral in improving the speed and efficiency of our product development processes, enabling our R&D center to deliver projects faster and more effectively.

The Optiva PLM solution provides comprehensive control over the entire product development lifecycle, from ideation to commercialization. It allows us to manage formulations, and project timelines, ensuring that each stage of development is aligned with our business goals.

By leveraging this technology, we have enhanced our ability to bring new products to market swiftly while maintaining rigorous quality and compliance standards, thereby reinforcing our competitive position in the industry.

PeopleStrong is a leading HR technology and solutions company specializing in human resource management systems (HRMS). By deploying people strong, we are benefiting with enhanced employee experience, enhanced efficiencies, cost-effective training and development, automation of routine HR tasks, reduction in administrative overhead**.**

Competition

As per the CRISIL Report, over the last two decades, the worldwide coatings industry has become highly consolidated, with the top ten suppliers currently accounting for about half of the whole market. The Indian paints market is dominated by the decorative market contributing to ~75% of the total paints market. The organized market accounts for the top 10-12 players who make up for 77% of the decorative market share while the remaining 23% is made up of many small players. Larger players have their captive capacities for meeting ~75-80% of their requirements. They source high solid emulsions from players like Visen, BASF and Dow and our Company.

As per the CRISIL Report, the global adhesives market is consolidated as the top 6-7 players account for more than 40% of the global adhesives supply. Henkel leads the acrylic adhesive market followed by, H. B. Fuller, Arkema, 3M, Sika and, Dow. For further details, please refer to "*Industry Overview*" on page 124.

Quality Control

Our manufacturing facilities are ISO certified which include (i) BS OHSAS 18001: 2007 now migrated to ISO 45001:2018; ISO 14001 : 2015; ISO 9001 : 2015 for Roorkee (Uttarakhand), (ii) ISO 9001 : 2015 for Daman (Dadra and Nagar Haveli and Daman and Diu), (iii) ISO 9001 : 2015; BS OHSAS 18001 : 2007 now migrated to ISO 45001:2018; ISO 14001 : 2015 for Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu), (iv) ISO 9001 : 2015; ISO 14001 : 2015; BS OHSAS 18001 : 2007 now migrated to ISO 45001:2018 for our R&D centre (Turbhe). Further, our manufacturing facility at Mundra (Gujarat) has received the ISO 9001:2015 certification and ISO 45001: 2018, for manufacture and supply of coating materials and adhesives. For further details, please see "- *Manufacturing Facilities*" on page 216.

We test the quality of every raw material received to ensure it meets our stringent standards. This meticulous approach allows us to maintain a consistent level of excellence in our finished products. We have implemented internal procedures in the form of SAP that ensure quality control at various stages of production. From the procurement of raw materials to the manufacturing processes and inventory storage, quality is woven into every aspect of our operations.

Each of our manufacturing facilities is equipped with competent and experience quality responsible person specifically for monitoring of quality aspect of product across manufacturing unit. We have established phase 1 of the manufacturing facility at Saykha with state of art testing facility to equip and support all testing requirement required for adhesive, speciality chemicals and construction chemicals grade.

We have started various training sessions focused on our quality control processes and its tools which will enhance competency within organization and improve overall Quality Culture within Organization. The more knowledge we share, the stronger our quality commitment will be. Some of our recent successes are in implementation of various procedures for customer complaints, new product development, change control SOP and internal plant transfer SOP.

We have also started process audits across manufacturing facilities to ensure all process manufacturing processes are being monitored for consistency. We are further working on setting up stringent internal specifications to ensure product quality meets customer requirements. We test quality of raw materials we receive and finished products that we manufacture. We have implemented internal procedures to ensure quality control at various stages of production, from procurement of raw material, production and manufacturing processes to inventory storage. Each of our manufacturing facilities has personnel responsible for monitoring the parameters of equipment, stability of materials, reporting any irregularities in the manufacturing process and making adjustments accordingly.

Management of customer complaints/claims

While we strive for excellence in our products and services, it is inevitable that we will encounter challenges and, at times, receive complaints from our customers. The manner in which we respond to these complaints define our reputation and influence customer loyalty. Each complaint we receive provides us with valuable insights into our processes and products. When handled effectively, they can lead to enhanced customer satisfaction and stronger relationships. Our detailed procedure of complaint management is helping overall business in achieving customer satisfaction.

In order to ensure we handle complaints effectively; we have established a comprehensive complaint management process. We are committed to continuous improvement and operational excellence, integrating root cause analysis ("**RCA**") to identify and address the underlying causes of operational issues systematically. We implement corrective action and preventive action ("**CAPA**") strategies to resolve existing challenges and proactively mitigate potential risks. These practices form a core part of our quality management system, reinforcing our dedication to efficiency, product quality, and customer satisfaction.

For ensuring effective complaint management few practices are adopted such as (i) empowerment of teams through various tools and techniques of problem solving; (ii) documenting each and every complaint and the steps taken to resolve it. This has helped in creating a valuable record that can help us identify trends and areas for improvement; (iii) encourage a culture of transparency.

Health and Safety

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of contaminated sites, natural resource damages, and employee health and employee safety. For further information, see "*Key Regulations and Policies*" on page 230. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business.

For further information, see "*Government and Other Approvals*" on page 351.

Insurance

We have purchased insurance in order to manage the risk of losses from potentially harmful events, including: (i) insurance policy covering fire, damage to buildings, plant and machinery, stocks (raw materials and finished goods), vehicles; (ii) directors' and officers' liability insurance policy; (iii) workmen compensation policy; (iv) personal accident and mediclaim policy of employees; (v) public liability policy; and (v) policy covering damage to stocks at various ports. These insurance policies are renewed periodically to ensure that the coverage is adequate. Our insurance covers all our manufacturing facilities, stocks at port depots, offices and our R&D center.

We also maintain a marine cargo insurance policy that insures consignments of goods by sea, air and road until delivery to the warehouse at port to inland movement of bulk cargo in road tankers to manufacturing unit / warehouse and subsequent supply of finished goods to customer's warehouse. We also maintain credit insurance policies for our exports as well as domestic receivables. We do not have product liability insurance to protect us against claims in relation to the products we supply to our customers, and any liability incurred pursuant to such claims is required to be funded by the Company. For further details, please see "*Risk Factors - Our insurance coverage may not be sufficient or adequate to protect us against all material hazards or business losses, which may adversely affect our business, results of operations and financial condition"* and *"Risk Factors - We are susceptible to potential product liability claims that may not be covered by insurance, which may require substantial expenditure and may adversely affect our reputation and if successful, could require us to pay substantial sums"* on pages 41 each.

Key milestones of our Company

The table below sets forth the key events and milestones in the history of our Company:

Calendar Year	Event /milestone
1999	Incorporation of Jesons Industries Limited
2000	Commenced manufacturing operations at Daman
2008	Commenced Export Operations
2008	License received to commence manufacturing operations at Roorkee, Uttarakhand
2008	Acquired Jesons Corporation pursuant to a Slump Sale Agreement dated March 1, 2008
2013	Set-up in-house Research and Development (R&D) in Navi Mumbai, Maharashtra
2016	Commenced manufacturing operations at Gummidipoondi, Chennai, Tamil Nadu

Calendar Year	Event /milestone
2017	Established marketing JV with Dura Chemicals INC, USA for marketing of Company's products in USA markets
2020	Commenced manufacturing operations at export- oriented facility at APSEZ, Mundra
2022	PLM OPTIVA Software for R&D
2024	Global Partnership for marketing of different chemistry product in India
2024	Commenced manufacturing operations at Saykha, Gujarat
2024	Build a new Research and Development (R&D) Jesons Innovation Centre at Navi Mumbai, Maharashtra
2024	SAP S4 HANA Implemented

Employees

As of September 30, 2024, we had an employee base of 784 full time employees. The following table sets forth a breakdown of our employees by function as of September 30, 2024:

S. No.	Particulars	Number of Employees
1.	Manufacturing	495
2.	Sales & Marketing	78
3.	R&D	40
4.	Quality Assurance & EHS	40
5.	Supply Chain & Procurement	25
6.	Others	106
7.	**Total**	**784**

In addition, we contract with third-party manpower and services firms for the supply of contract labour for certain services at our manufacturing and other facilities. We engage contractors to perform loading/unloading of goods and/or shifting of materials at our premises. In consideration of the jobs so performed/executed by the contractor, we pay the contractor at the rate agreed with the contractor in connection with the job that we assign to them. The number of contract labourers varies from time to time based on the nature and extent of work contracted to independent contractors.

For further details of attrition, please see "*Risk Factors - Our management team and human resources are critical to our continued success and the loss of such personnel could adversely affect our business.*" on page 39.

Intellectual Property

As on the date of this Draft Red Herring Prospectus, we have 72 registered trademarks across Classes 1, 2, 8, 16, and 41, including for our brands "Bondex®", "Rdymix®" "Coviguard®", "Bondacrylic®" "INDTAPE®", and "Blue Glue®", Jesons®, JIL®, JIL touching everyone's life®, JIPPL®, JTPL® in India and USA. We also hold a patent for a long-acting biocidal composition and its preparation process.

The details of such registered trademarks are set forth below:

S. No.	Name of the trademark	Issuing authority	Owner of the trademark	Date of registration	Period of validity of registration	Relevant Class
1.	Blue Glue 1713814	Trademark Registry	Jesons Industries Limited	July 23, 2018	July 23, 2028	1
2.	Blue Glue 1850079	Trademark Registry	Jesons Industries Limited	August 12, 2019	August 12, 2029	1
3.	Blue Glue 1735943	Trademark Registry	Jesons Industries Limited	September 24, 2018	September 24, 2028	8
4.	Blue Glue 1850080	Trademark Registry	Jesons Industries Limited	August 12, 2019	August 12, 2029	8
5.	Blue Glue 1713812	Trademark Registry	Jesons Industries Limited	July 23, 2018	July 23, 2028	16

S. No.	Name of the trademark	Issuing authority	Owner of the trademark	Date of registration	Period of validity of registration	Relevant Class
6.	Blue Glue 1713813	Trademark Registry	Jesons Industries Limited	July 23, 2018	July 23, 2028	41
7.	Blue Glue 1735944	Trademark Registry	Jesons Industries Limited	September 24, 2018	September 24, 2028	8
8.	Blue Glue 1692696	Trademark Registry	Jesons Industries Limited	May 29, 2018	May 29, 2028	16
9.	Blue Glue 1850078	Trademark Registry	Jesons Industries Limited	August 12, 2019	August 12, 2029	16
10.	Blue Glue 1692695	Trademark Registry	Jesons Industries Limited	May 29, 2018	May 29, 2028	41
11.	Blue Glue 1692694	Trademark Registry	Jesons Industries Limited	May 29, 2018	May 29, 2028	1
12.	JIL 5132685 LOGO	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	2
13.	Blue Glue 5132567	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	2
14.	Blue Glue 5132683	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	41
15.	Blue Glue 5132583	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	2
16.	Bondex 1232897	Trademark Registry	Jesons Industries Limited	September 05, 2023	September 05, 2033	1
17.	Bondex 1232898	Trademark Registry	Jesons Industries Limited	September 05, 2023	September 05, 2033	16
18.	Bondex 5022237	Trademark Registry	Jesons Industries Limited	June 29, 2021	June 29, 2031	16
19.	Bondex 5022257	Trademark Registry	Jesons Industries Limited	June 29, 2021	June 29, 2031	1
20.	Bondex 5132616	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	8
21.	Bondex 5132617	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	41
22.	Bondex 5288054	Trademark Registry	Jesons Industries Limited	January 17, 2022	January 17, 2032	8
23.	Bondex 5288055	Trademark Registry	Jesons Industries Limited	January 17, 2022	January 17, 2032	16
24.	Bondex 5288056	Trademark Registry	Jesons Industries Limited	January 17, 2022	January 17, 2032	41
25.	Bondex 5288053	Trademark Registry	Jesons Industries Limited	January 17, 2022	January 17, 2032	1
26.	BondAcrylic 6015448	United States Patent and Trademark Office	Jesons Industries Limited		-	Intl. Class 1
27.	Coviguard 4552009	Trademark Registry	Jesons Industries Limited	July 01, 2020	July 01, 2030	2
28.	Coviguard 5022267	Trademark Registry	Jesons Industries Limited	June 29, 2021	June 29, 2031	2
29.	Coviguard 5132644	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	8
30.	Coviguard 5132645	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	16
31.	Coviguard 5132646	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	41
32.	INDTAPE 1987831	Trademark Registry	Jesons Industries Limited	July 01, 2020	July 01, 2030	16
33.	JESONS 1673753	Trademark Registry	Jesons Industries Limited	April 08, 2018	April 08, 2028	1
34.	JESONS 1673752	Trademark Registry	Jesons Industries Limited	April 08, 2018	April 08, 2028	16
35.	JESONS 5132594	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	1
36.	JESONS 5132584	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	2
37.	JESONS 5022228	Trademark Registry	Jesons Industries Limited	June 29, 2021	June 29, 2031	2

S. No.	Name of the trademark	Issuing authority	Owner of the trademark	Date of registration	Period of validity of registration	Relevant Class
38.	JESONS 5132613	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	8
39.	JESONS 5132591	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	8
40.	JESONS 5132614	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	16
41.	JESONS 5132615	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	41
42.	JESONS 5132592	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	41
43.	JIL 5132686	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	8
44.	JIL 5132688	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	41
45.	JIL Jesons Touch 5282403	Trademark Registry	Jesons Industries Limited	January 12, 2022	January 12, 2032	1
46.	JIL Jesons Touch 5282404	Trademark Registry	Jesons Industries Limited	January 12, 2022	January 12, 2032	2
47.	JIL Jesons Touch 5282405	Trademark Registry	Jesons Industries Limited	January 12, 2022	January 12, 2032	8
48.	JIL Jesons Touch 5282406	Trademark Registry	Jesons Industries Limited	January 12, 2022	January 12, 2032	16
49.	JIL Jesons Touch 5282407	Trademark Registry	Jesons Industries Limited	January 12, 2022	January 12, 2032	41
50.	JIL Jesons Touch 55162729	Trademark Registry	Jesons Industries Limited	October 06, 2021	October 06, 2031	8
51.	JIL Jesons Touch 55162731	Trademark Registry	Jesons Industries Limited	October 06, 2021	October 06, 2031	41
52.	JIL Jesons Touch 55162757	Trademark Registry	Jesons Industries Limited	October 06, 2021	October 06, 2031	41
53.	JIL Jesons Touch 55162755	Trademark Registry	Jesons Industries Limited	October 06, 2021	October 06, 2031	8
54.	JIL 5132684 LOGO	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	1
55.	Rdymix 3157418	Trademark Registry	Jesons Industries Limited	January 12, 2016	January 12, 2026	99
56.	Rdymix 5022283	Trademark Registry	Jesons Industries Limited	June 29, 2021	June 29, 2031	1
57.	Rdymix 5022292	Trademark Registry	Jesons Industries Limited	June 29, 2021	June 29, 2031	2
58.	Rdymix 5132641	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	8
59.	Rdymix 5132642	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	16
60.	Rdymix 5132643	Trademark Registry	Jesons Industries Limited	September 15, 2021	September 15, 2031	41
61.	JTPL 5133540 LOGO	Trademark Registry	Jesons Techno Polymers LLP	September 16, 2021	September 16, 2031	1
62.	JTPL 5133541 LOGO	Trademark Registry	Jesons Techno Polymers LLP	September 16, 2021	September 16, 2031	2
63.	JTPL 5133542 LOGO	Trademark Registry	Jesons Techno Polymers LLP	September 16, 2021	September 16, 2031	8
64.	JTPL 5133543 LOGO	Trademark Registry	Jesons Techno Polymers LLP	September 16, 2021	September 16, 2031	41
65.	JIPPL 5616656	Trademark Registry	Jesons Innovative Polymers Private Limited	September 20, 2022	September 20, 2032	1
66.	JIPPL 5616657	Trademark Registry	Jesons Innovative Polymers Private Limited	September 20, 2022	September 20, 2032	2
67.	JIPPL 5616658	Trademark Registry	Jesons Innovative Polymers Private Limited	September 20, 2022	September 20, 2032	8
68.	JIPPL 5616659	Trademark Registry	Jesons Innovative Polymers Private Limited	September 20, 2022	September 20, 2032	16

S. No.	Name of the trademark	Issuing authority	Owner of the trademark	Date of registration	Period of validity of registration	Relevant Class
69.	JIPPL 5616660	Trademark Registry	Jesons Innovative Polymers Private Limited	September 20, 2022	September 20, 2032	41
70.	JIPPL 5616706	Trademark Registry	Jesons Innovative Polymers Private Limited	September 20, 2022	September 20, 2032	1
71.	JIPPL 5616707	Trademark Registry	Jesons Innovative Polymers Private Limited	September 20, 2022	September 20, 2032	2
72.	JIPPL 5616710	Trademark Registry	Jesons Innovative Polymers Private Limited	September 20, 2022	September 20, 2032	41

Further, we have applied for 11 new trademarks in India, each of which are pending as on the date of this Draft Red Herring Prospectus. We have also received a patent for a long-acting biocidal composition and its preparation process. We have applied for registration of a patent in India for Re-dispersable Powder ("**RDP**") and its preparation process. The applications are currently under review and pending grant. For further details, please see "*Risk Factors - Our intellectual property rights may not be adequately protected against third party infringement*" on page 29.

For further details please see "*Government and Other Approvals*" on page 351.

Corporate Social Responsibility

As part of our CSR initiatives and in terms of our CSR Policy, we engage in in rural transformation, healthcare, education, environment protection, and disaster response.

Set forth below are details of our few of our CSR initiatives:

Particulars	Contributed towards	Name of the institute or foundation
Promotion of Education	Government schools; Education Institutions and Education Trust	Tikaula Kalan School, Roorkee
		St. Joseph Technical School, Mumbai
		Suryoday Trust, Mumbai (to provide education to mentally challenged students)
		Honorarium payment to teachers at Government School, Chennai
		Gram Panchayat, Daman (Smart LED display board)
Promotion of Sports	Sports foundation	Helpchess Foundation, Mumbai;
		Lakshya Institute, Mumbai
Promotion of Health Care	Healthcare sector	Cancare Trust, Mumbai
		Jagannath Cancer Aid Foundation, Mumbai
		K J Somaiya Hospital, Mumbai
	Supply and installation of reverse osmosis plants	Government Schools, Daman
		Government Schools, Chennai
		Gram Panchayat, Chennai
Prime Minister National Relief Fund	PAN India	


Our CSR expenditure aggregated to ₹ 13.73 million, ₹18.00 million, ₹ 17.61 million and ₹ 3.81 million in year ended March 31, 2022, March 31, 2023, March 31, 2024, and the six-month period ended September 30, 2024, respectively.

Property

Our Registered and Corporate Office is located at 904, Peninsula Tower No.1, Ganpat Rao Kadam Marg, Lower Parel (West), Mumbai, Maharashtra 400013 India, and is owned by us.

Our R&D Center is located at Plot No. A-739, TTC Industrial Area, MIDC, Koparkhairane, Navi Mumbai- 400 710, is leased by us for a period of 60 years from November 17, 2022.

The parcels of land on which our seven manufacturing facilities are located, having a combined area of approximately 82,376 square meters, are either owned or leased by us. Out of the seven manufacturing units we own three manufacturing units and four are leased by us.

Details of the land on which our manufacturing facilities are located are set forth in the table below:

Manufacturing facility	Address	Owned / leased / leave and license	Lessor	Security deposit	Date of agreement and term of lease/ expiry (as applicable)
Daman Unit -I	Survey No. 377/1/7A-7B, Behind Stone Quarry, Zari Causeway Road, Kachigam, Daman, Dadra Nagar Haveli & Daman Diu – 396 210	Owned	N.A.	N.A.	N.A.
Daman Unit - III	Survey No. 377/1/16A, Behind Stone Quarry, Zari Causeway Road, Kachigam, Daman, Dadra Nagar Haveli & Daman Diu – 396 210	Owned	N.A.	N.A.	N.A.
Roorkee	Plot No. 29A & 29B, KIE Industrial Estate, Village- Mundiyaki, Paragana- Manglore, Tehsil- Roorkee, District- Haridwar, Uttarakhand – 247 656	Owned	N.A.	N.A.	N.A.
Chennai	Survey No. 32/2, Plot No A-4/2 Part B, SIPCOT, Industrial Park, Thervoy Kandigai, Gummidipundi, Thiruvallur, Tamil Nadu – 601 202	Leased	State Industrial Promotion Corporation of Tamil Nadu Limited	₹ 59,67,500	September 8, 2014, for a period of 99 years
Vapi	Plot No. A2, 5007/1, IV-Phase, G.I.D.C. Vapi, Valsad, Gujarat – 396 195	Leave and license	Guriben Pankaj Ramolia	₹ 2,00,000	April 1, 2023 for a period of two years
Mundra	Plot No-4A, Block-F Sect.12N, Adani Ports and SEZ Limited, East of Adani Wilmar, Taluka Mundra, Kutch, Gujarat – 370 421	Leased	Adani Ports and Special Economic Zone Ltd	N.A.	February 5, 2020, for a period of 30 years from December 11, 2019.
Saykha	Plot No. C-301, Saykha Industrial Estate, GIDC, Taluka Vagra, Bharuch - 392 012 Gujarat	Leased	Gujarat Industrial Development Corporation	N.A.	April 7, 2023, for a period of 99 years

KEY REGULATIONS AND POLICIES IN INDIA

The following is an overview of the certain sector specific Indian laws and regulations which are relevant to our business. The tax related statutes and applicable shops and establishment statutes, labour laws and other miscellaneous regulations and statutes apply to us as they do to any other Indian company.

The information detailed in this section has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information and is neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by us in compliance with these regulations, see "Government and Other Approvals" on page 351. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in the states in which such establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our offices and warehouses have to be registered under the shops and establishments legislations of the states where they are located.

The Indian Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boiler Regulations")

The Boilers Act seeks to regulate, inter alia, the manufacture, possession and use of boilers. In terms of the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by an inspector appointed by the relevant State Government. The Boiler Regulations have been framed under the Boilers Act. The Boiler Regulations deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings.

The Public Liability Insurance Act, 1991 ("PLI Act") and the Public Liability Insurance Rules, 1991

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

Legal Metrology Act, 2009 (the "Legal Metrology Act") and the Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act governs the standards/units/denominations used for weights and measures. It also states that any transaction/contract relating to goods shall be as per the weight/measurement prescribed by the Legal Metrology Act. Such weights and measures are required to be verified and re-verified periodically before usage through government approved test centres. Under the provisions of the Legal Metrology Act, pre-packaged commodities are required to bear statutory declarations and entities are required to obtain a registration before import of any weight or measure. Approval of model is required before manufacture or import of any weight or measure. Any non-compliance or violation under the Legal Metrology Act may result in *inter alia* a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

Legal Metrology (Packaged Commodities) Rules, 2011 (the "**Packaged Commodities Rules**") were framed under Section 52(2) (j) and (q) of the Legal Metrology Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A "pre –packaged commodity" means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules provide that it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed. Further, all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act and no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers. Some recent additions include increased visibility of retail price, removal of dual maximum retail price and bringing e-commerce within the ambit of these rules.

Consumer Protection Act, 2019 (the "Consumer Protection Act")

The Consumer Protection Act was enacted to provide a simpler and quicker access to redress consumer grievances, including in course of both online and offline transactions. It seeks to promote and protects the interest of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers and traders. It establishes consumer disputes redressal commissions at the district, state and national levels and a central consumer protection authority, with wide powers of enforcement, to regulate matters relating to violation of consumer rights, unfair trade practices and misleading advertisements. The consumer protection authority has the ability to inquire into violations of consumer rights, investigate and launch prosecution at the appropriate forum, pass orders to recall goods, impose penalties and issue safety notices to consumers against unsafe goods. It also introduces product liability, which can hold the product seller liable for compensation claims.

Bureau of Indian Standards Act, 2016 and Bureau of Indian Standards (Conformity Assessment) Regulations, 2018 and amendments thereto ("Conformity Regulations")

The Bureau of Indian Standards Act, 2016, has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, 1986. The BIS Act establishes Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity Further, the BIS Act also provides for repair or recall, including product liability of the products bearing a standard mark but not conforming to the relevant Indian Standard. The Conformity Regulations deal with inter alia conditions and granting of license to use or apply a standard mark, conditions and granting of certificate of conformity, validity, renewal, suspension and cancellation of license and conformity certificate.

Sale of Goods Act, 1930 (the "Sale of Goods Act")

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

Intellectual Property Laws

Certain laws relating to intellectual property rights applicable to us are as follows:

The Copyright Act, 1957 (the "**Copyright Act**") governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Trade Marks Act, 1999 (the "**Trade Marks Act**") provides for the process for making an application and obtaining registration of trade marks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label, heading, etc. and to obtain relief in case of infringement of such marks for commercial purposes. The Trade Marks Act prohibits registration of deceptively similar trade marks and provides for penalties for infringement, falsifying and falsely for applying trade marks.

The Indian Patents Act, 1970 (the "**Patent Act**") governs patents in India. A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto.

As per the provisions of the Act, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; and (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette.

FTA read with the Indian Foreign Trade Policy 2015 – 2020 (extended up to March 31, 2022) provides that no export or import can be made by a company without an importer-exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

Foreign Investment Laws

Foreign investment in India is governed by the provisions of the FEMA along with the rules, regulations and notifications made by the Reserve Bank of India, including the FEMA Rules, as amended thereunder, and the consolidated FDI Policy ("**FDI Policy**") issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("**DPIIT**", *earlier known as Department of Industrial Policy and Promotion*). The FDI Policy consolidates all the press notes, press releases, and clarifications on FDI issued by DPIIT. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route. Currently 100% FDI is allowed under the automatic route for companies engaged in the manufacturing sector.

Environmental laws

The Environment (Protection) Act, 1986 ("EPA"), Environment Protection Rules, 1986 (the "EP Rules") and the Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Further, the EP Rules specifies, inter alia, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. They also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The Central Pollution Control Board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

Noise Pollution (Regulation and Control) Rules, 2000 (the "Noise Pollution Rules")

The Noise Pollution Rules regulate and control the noise producing and generating sources including from industrial activity and sets ambient air quality standards in respect of noise for different areas/zones. The Noise Pollution Rules provide for penalties in accordance with the EP Act for use of loudspeakers, public address system, among others, in a silence zone or area.

Plastic Waste Management Rules, 2016 (the "PWM Rules")

The PWM Rules are applicable to every waste generator, local body, gram panchayat, manufacturer, importers, brand owner, plastic waste processor (recycler, co-processor, etc) and producer. PWM Rules lays down the process of managing the plastic waste by its manufacturer, importer, generator, amongst others. The PWM Rules specify the rules relating to inter alia conditions for manufacture, import, stocking, distribution, sale and use of carry bags, plastic sheets or like, or cover made of plastic sheet and plastic packaging, single-use plastic. Further, the PWM Rules provides for responsibility of local body, waste generator, producers, importers and brand owners, etc., marking or labelling of plastic packaging, registration of producers, recyclers and manufacturer. Further, the PWM Rules provides for submitting of an annual report in the prescribed form by every person engaged in recycling or processing of plastic waste. It levies environmental compensation based upon polluter pays principle for any non-compliance with the provisions of the PWM Rules.

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term "hazardous waste" has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an "occupier". Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 ("Chemical Accidents Rules")

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents, by inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 ("HCR Rules")

The HCR Rules are formulated under the EPA. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

Factories Act, 1948 (the "Factories Act")

The Factories Act defines a "factory" to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act. In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer.

Other labour law legislations

A wide variety of labour laws are also applicable to our Company and our Subsidiary, including the Contract Labour (Regulation and Abolition) Act, 1970, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employees' State Insurance Act, 1948, the Industrial Disputes Act, 1947 and the Industrial Disputes (Central) Rules, 1957, the Maternity Benefit Act, 1961, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Payment of Gratuity Act, 1972, the Payment of Wages Act, 1936, the Equal Remuneration Act, 1976 and the Workmen's Compensation Act, 1923, the Industrial

Employment (Standing Orders) Act, 1946,the Apprentices Act, 1961 and the Child Labour (Prohibition Regulation) Act, 1986 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013.

The Government of India has enacted the Code on Wages, 2019, which received the assent of the President of India on August 8, 2019. The provisions are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. Separately, the Government of India enacted the Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. Further, the Government of India has enacted the Industrial Relations Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Further, the Government of India has enacted the Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008.

Other Indian laws

In addition to the above, we are also governed by taxation and labour related laws.

As per notice dated June 28, 2017 by the Ministry of Finance, with effect from July 1, 2017, goods and services tax laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to our Company.

Further, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, Indian Contract Act, 1872, Transfer of Property Act, 1882, Indian Stamp Act, 1899, and other applicable statutes imposed by the central and state governments and other authorities for our day-to-day business and operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as a public limited company under the provisions of the Companies Act, 1956 pursuant to a certificate of incorporation dated October 12, 1999, issued by the RoC, and subsequently received a certificate for commencement of business from the RoC dated December 27, 1999.

Change in the Registered Office

Except as stated below, there has been no change in the registered office of our Company since incorporation:

Effective Date	Details of change	Reason for change
December 8, 2004	The registered office of our Company was changed from 302, Jyoti Estate, 14, Anand Nagar, Andheri (East), Mumbai 400 069 to Peninsula Corporate Park, 904, Tower No.1, Ganpat Rao Kadam Marg, Lower Parel (West), Mumbai 400 013.	To carry on business and control affairs of our Company from a bigger office space

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. *To carry on the business of manufacturers, importers, exporters, buyers, sellers, distributors, dealers in coating emulsions for paints, textiles, paper, leather, plastics, construction chemicals, synthetic dry gum sticks and synthetic fluid gum, adhesive for various applications, instant stickers, synthetic natural rubber paints and dye- wares.*

2. *To carry on the business of manufacturers of and dealers in chemicals, chemical compounds (Organic and inorganic) in all forms and chemical products of any nature and any kind whatsoever and all by products thereof.*

Amendments to our Memorandum of Association in the last 10 years

Except as stated below, there have been no amendments to our Memorandum of Association in the last 10 years preceding the date of this Draft Red Herring Prospectus:

Date of change/ shareholders' resolution	Nature of amendment
August 20, 2021	Amendment to Clause III (B) and III (C), the 'other objects' clause of our MoA to insert a new clause III (B)
August 20, 2021	Amendment to Clause (IIIA) 1, the 'main objects' clause of our MoA to replace and insert a new clause III (A) and amendment in clause III (B), Clause IV and Clause V.
August 20, 2021	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 15,00,00,000, divided into 15,00,000 equity shares of ₹ 100 each to ₹ 40,00,00,000, divided into 8,00,00,000 equity shares of ₹ 5 each.

Major events and milestones

The table below sets forth some of the major events and milestones in the history of our Company:

Calendar Year	Event /milestone
1999	Incorporation of Jesons Industries Limited
2000	Commenced manufacturing operations at Daman
2008	Commenced Export Operations
2008	License received to commence manufacturing operations at Roorkee, Uttarakhand
2008	Acquired Jesons Corporation pursuant to a Slump Sale Agreement dated March 1, 2008
2013	Set-up in-house Research and Development (R&D) in Navi Mumbai, Maharashtra
2016	Commenced manufacturing operations at Gummidipoondi, Chennai, Tamil Nadu
2017	Established marketing JV with Dura Chemicals INC, USA for marketing of Company's products in USA markets
2020	Commenced manufacturing operations at export- oriented facility at APSEZ, Mundra
2022	PLM OPTIVA Software for R&D
2024	Global Partnership for marketing of different chemistry product in India
2024	Commenced manufacturing operations at Saykha, Gujarat
2024	Build a new Research and Development (R&D) Jesons Innovation Centre at Navi Mumbai, Maharashtra
2024	SAP S4 HANA Implemented

Key awards, accreditations or recognitions

The table below sets forth some of the awards, accreditation or recognitions received by our Company:

Calendar Year	Award / Accreditation
2013	Ministry of Science and Technology- Development of Scientific and Industrial Research (DSIR) accorded recognition to in-house R&D unit(s), till March 31, 2027.
2015	Awarded with certificate of recognition as Two Star Export House by DGFT
2019	Accredited with ISO 14001: 2015 by TUV NORD CERT GmbH
2019	Accredited with ISO 9001: 2015 by TUV NORD CERT GmbH
2019	Accredited with BS OHSAS 18001: 2007/ ISO 45001: 20018 by TUV NORD CERT GmbH
2020	Accredited with Responsible Care (RC) by Indian Chemical Council
2020	Certified with Tier- 2 Authorized Economic Operator by Directorate of International Customs
2023	Awarded with certificate of recognition as Three Star Export House by DGFT
2024	Granted Patent for an invention entitled A BIOCIDAL COMPOSITION AND A PROCESS FOR ITS PREPARATION

Time and cost overrun in setting up projects by our Company

Our Company has not experienced any time or cost overruns in relation to any projects, including our manufacturing units, since incorporation.

Mergers, demergers or amalgamation

Our Company has not undertaken any merger, demerger or amalgamation in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Details regarding material acquisitions or divestments of business/undertakings, and any revaluation of assets in the last 10 years

Except for the Limited Liability Partnership agreement entered into on October 15, 2019 to form Jesons Techno Polymers LLP and subsequent increase in our stake in Jesons Techno Polymers LLP to 99% pursuant to Supplementary Agreement dated April 1, 2021 and LLC Operating Agreement entered into with Dura Chemicals Inc on December 1, 2017, to form Dura-Jesons LLC, our Company has not acquired any material business or undertaken any divestments of business or undertaking or revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Lock-out and strikes

There have been no instances of strikes or lock-outs at any time in our Company.

Launch of key products or services, entry into new geographies or exit from existing markets

For further details in relation to launch of key products by our Company, entry in new geographies or exit from existing markets, see "*Our Business*" on page 199.

For further details in relation to capacity/facility creation, location of plants, launch of key products or services, entry in new geographies or exit from existing markets, see "*Our Business*" on page 199.

Significant financial and/or strategic partners

Our Company does not have any significant financial and / or strategic partners as of the date of this Draft Red Herring Prospectus.

Details of shareholders' agreements

As on the date of this Draft Red Herring Prospectus our Company does not have any subsisting shareholders' agreements among our Shareholders *vis-a-vis* our Company.

Other agreements

Except as disclosed below, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business:

Limited Liability Company Operating Agreement dated December 1, 2017 ("LLC Operating Agreement") between our Company and Dura Chemicals, Inc. ("Dura") (Collectively referred to as "Members")

Our Company and Dura, a Delaware corporation, have formed a Limited Liability Company, Dura- Jesons, L.L.C ("**LLC**") under the California Revised Uniform Limited Liability Company Act and other relevant laws of the State of California, United States of America, pursuant to the LLC Operating Agreement. Our Company entered into the LLC in order to enter into a joint venture for sales, marketing and developing Coating Materials and Adhesives products in the United States of America and with an intent to expand our product portfolio offerings along with the products manufactured by Dura to enhance the depth of strategic relationships with existing as well as new customers based in United States of America.

Dura-Jesons is a sales, marketing and product development vehicle established to further expand interests in specified markets and execute the business objects relating to branding and customer operations.

In accordance with the terms of the LLC Operating Agreement, our Company is required to make capital contribution of $ 0.05 million (₹ 3.25 million) for 490 membership interest units of Dura-Jesons and Dura is required to make a capital contribution of $ 0.05 million (₹ 3.25 million) and for 510 membership interest units of Dura-Jesons. The profit is shared equally between our Company and Dura. Our Company has made initial capital contribution of $ 0.01 million in Dura-Jesons and subsequently, in 2020, our Company has made an investment of $ 0.04 million and an investment of $ 0.03 million in 2024 in Dura-Jesons.

Additionally, in case a member wishes to sell, assign or otherwise dispose all or any part of his interest in the LLC, he can do so by making a written offer to sell such interest to other members at a price determined by mutual agreement. The Members have then entered into a non-disclosure agreement dated January 20, 2017, which specifically prohibits the Members from using Confidential Information for any purpose other than Business Purpose, each as defined in the non-disclosure agreement.

Limited Liability Partner Agreement dated October 15, 2019 ("LLP Agreement") between our Company and Mr. Dhiresh Shashikant Gosalia (jointly referred to as "Parties") to form Jesons Techno Polymers LLP ("JTPL"), Amendment to LLP Agreement dated March 30, 2020 ("Amendment Agreement") between our Company and Mr. Dhiresh Shashikant Gosalia (jointly referred to as "Parties"), Supplementary Limited Liability Partnership Agreement dated March 30, 2021 ("Supplementary Agreement No. 1") between our Company and Mr. Dhiresh Shashikant Gosalia (jointly referred to as "Parties"), Supplementary Limited Liability Agreement dated April 1, 2021 ("Supplementary Agreement No. 2") between our Company and Mr. Dhiresh Shashikant Gosalia (collectively referred to as "Continuing Partners"), Supplementary Limited Liability Partnership Agreement dated September 30, 2021 ("Supplementary Agreement No. 3") between our Company and Mr. Dhiresh Shashikant Gosalia, Supplementary Limited Liability Partnership Agreement dated January 18, 2022 ("Supplementary Agreement No. 4") between our Company and Mr. Dhiresh Shashikant Gosalia, Supplementary Limited Liability Partnership Agreement dated April 11, 2022 ("Supplementary Agreement No. 5") between our Company and Mr. Dhiresh Shashikant Gosalia, Supplementary Limited Liability Partnership Agreement dated January 15, 2024 ("Supplementary Agreement No. 6") between our Company, Mr. Dhiresh Shashikant Gosalia, Mr. Raju Vinod Palvia and Mr. Sadayapillai Kameswaran

Our Company has entered into an LLP Agreement dated October 15, 2019, with Mr. Dhiresh Gosalia for incorporating JTPL. JTPL is engaged in the business of manufacturing, importing, exporting and supplying of synthetic adhesives, vinyl acetate, acrylic emulsions, chemicals, chemical compounds (organic and inorganic) in all forms and chemical products of any nature and any kind whatsoever and all by products thereof. In terms of this LLP Agreement the Parties have mutually agreed to carry out the business of manufacturing, importing, exporting and supplying synthetic adhesives, vinyl acetate and acrylic emulsions and to carry or any other activity in any manner as may be decided by the Parties holding majority stake in partnership contribution.

Pursuant to terms of this LLP Agreement, Mr. Raju Vinod Palvia and Mr. Dhiresh Shashikant Gosalia are initial designated partners of JTPL with Mr. Raju Vinod Palvia being the designated partner as the authorised representative on behalf of our Company. JTPL would indemnify and defend its designated partners against any and all liability in connection with any claims, actions and proceedings, regardless of the outcome except in terms of gross negligence or wilful misconduct by any of its designated partners. Further, the capital contribution of our Company and Mr. Dhiresh Shashikant Gosalia towards JTPL is ₹ 10 million in the ratio of 51% and 49% respectively and the profits and losses were to be shared in the proportion of their respective contribution.

Additionally, neither of the designated partners shall indemnify the other partner(s) or JTPL or any of its officers or directors for any loss, claim or damage. However, any indemnification under the LLP Agreement is required to be promptly notified to the other designated partner in writing for any loss, claim or damage.

Further, no part of the LLP Agreement shall be deemed to have been waived by any of the partners or any other person unless submitted in writing by the partner or any such person seeking waiver subject to unanimous consent of the remaining partners.

On March 30, 2020, our Company has entered into an Amendment Agreement with Mr. Dhiresh Shashikant Gosalia. In terms of this Amendment Agreement, our Company has been authorised of being a controller partner holding 85% of the capital of

JTPL thereby giving it the primary right to appoint, remove or change the managing partner and have the right to appoint a new partner whether nominated by the managing partner or not.

Further, the capital contribution of our Company and Mr. Dhiresh Shashikant Gosalia towards JTPL is ₹ 191.25 million and ₹ 33.75 million, respectively, making the total capital contribution as ₹ 220.50 million, in the ratio of 85% and 15% respectively. The profits and losses were shared equally wherein our Company and Mr. Dhiresh Shashikant Gosalia were entitled to 50% each. Additionally, no part of the Amendment Agreement shall be deemed to have been waived by any of the partners or any other person unless submitted in writing by the partner or any such person seeking waiver subject to unanimous consent of the remaining partners.

On March 30, 2021, our Company and Mr. Dhiresh Shashikant Gosalia entered into a Supplementary Agreement, wherein the Parties have further contributed ₹ 340 million and ₹ 60 million as capital contribution, respectively making the total capital contribution as ₹ 400 million, in the ratio of 85% and 15%, respectively.

Additionally, the Supplementary Agreement No. 1 is bound by the terms as set out in the Amendment Agreement dated March 30, 2020. The profits and losses again were shared equally wherein our Company and Mr. Dhiresh Shashikant Gosalia were entitled to 50% each.

Our Company, on April 1, 2021, entered into a Supplementary Agreement No. 2 with Mr. Dhiresh Shashikant Gosalia. In terms of this Supplementary Agreement No. 2, this Agreement shall be supplemental to the LLP Agreement dated October 15, 2019, Amendment Agreement dated March 30, 2020 and Supplementary Agreement dated March 30, 2021. The Continuing Partners have contributed ₹ 396 million and ₹ 4 million respectively, making the capital contribution as ₹ 400 million in the ratio of 99% and 1%, respectively.

Pursuant to their change in contribution, the Continuing Partners are allowed an interest free time period of six months for withdrawing or contributing any surplus or shortfall in partners' current or capital account. Further, the Continuing Partners are entitled to share the net profits or losses after providing remuneration to the working partner(s), thereby sharing profits in the ratio of 99% and 1% (or ₹0.1 million, whichever is lower), respectively. Accordingly, the profit sharing ratio has been revised from 50% each to a ratio of 99% and 1%.

Our Company, on September 30, 2021, entered into a Supplementary Agreement No. 3 with Mr. Dhiresh Shashikant Gosalia. In terms of the Supplementary Agreement No. 3, this Agreement is supplemental to the Amendment Agreement dated March 30, 2020, Supplementary Agreement No. 1 dated March 30, 2021 and Supplementary Agreement dated April 1, 2021. The Continuing Partners shall contribute ₹ 650 million wherein our Company contributes ₹ 643.5 million and Mr. Dhiresh Gosalia contributes ₹ 6.5 million in the ratio of 99% and 1% respectively. This Supplementary Agreement No. 3 shall be bound by the terms of the other Agreements.

Our Company, on January 18, 2022, entered into a Supplemental Limited Liability Partnership Agreement No. 4 with Mr. Dhiresh Shashikant Gosalia. In terms of this Supplementary Agreement No. 4, this Agreement is supplemental to the Amendment Agreement dated March 30, 2020, Supplementary Agreement No. 1 dated March 30, 2021, Supplementary Agreement No. 2 dated April 1, 2021 and Supplemental Agreement No. 3 dated September 30, 2021. The Continuing Partners shall contribute ₹ 700 million towards the capital of JTPL, wherein our Company contributes ₹ 693 million and Mr. Dhiresh Gosalia contributes ₹ 7 million in the ratio of 99% and 1% respectively. This Supplementary Agreement No. 4 shall be bound by the terms of the other Agreements.

Our Company on April 11, 2022, entered into a Supplemental Limited Liability Partnership Agreement No. 5 with Mr. Dhiresh Shashikant Gosalia. In terms of this Supplementary Agreement No. 5, this Agreement is supplemental to the Amendment Agreement dated March 30, 2020, Supplementary Agreement No. 1 dated March 30, 2021, Supplementary Agreement No. 2 dated April 1, 2021, Supplemental Agreement No. 3 dated September 30, 2021, and Supplemental Agreement No. 4 dated January 18, 2022. The Continuing Partners shall contribute ₹ 950 million towards the capital of JTPL, wherein our Company contributes ₹ 940.5 million and Mr. Dhiresh Gosalia contributes ₹ 9.5 million in the ratio of 99% and 1% respectively. This Supplementary Agreement No. 5 shall be bound by the terms of the other Agreements.

Our Company on January 15, 2024, entered into a Supplemental Limited Liability Partnership Agreement No. 6 with Mr. Dhiresh Shashikant Gosalia., Mr. Raju Vinod Palvia and Mr. Sadayapillai Kameswaran. In terms of this Supplementary Agreement No. 6, this Agreement is supplemental to the Amendment Agreement dated March 30, 2020, Supplementary Agreement No. 1 dated March 30, 2021, Supplementary Agreement No. 2 dated April 1, 2021, Supplemental Agreement No. 3 dated September 30, 2021, and Supplemental Agreement No. 4 dated January 18, 2022, and Supplementary Agreement No. 5 dated April 11, 2022. As per the Board Resolution dated December 16, 2023, passed by the Company, the board of directors of the Company have decided to change the nominee director from Mr. Raju Vinod to Mr. Sadayapillai Kameswaran as the nominee director and person authorised to do all acts on behalf of the Company. This Supplementary Agreement No. 6 shall be bound by the terms of the other Agreements.

Business Support Service Agreement entered dated March 19, 2020 ("Support Agreement") between our Company and JTPL.

Our Company has entered into a Support Agreement dated March 19, 2020, with JTPL, our subsidiary. In terms of the Support Agreement, JTPL approached our Company for providing business support service's including manpower services and other services to JTPL including license fee, intangible technologies, software, etc for a remuneration basis the conditions agreed upon.

Pursuant to the terms of the Support Agreement, JTPL would not be liable or be held responsible for any claims, charges, demands made or raised under the Labour Laws or by the personnel concerning our Company. Either JTPL or our Company shall not assign or transfer its rights or obligations without the consent of the other. Further, the terms and provisions of this Support Agreement are intended to survive.

Additionally, our Company and JTPL shall maintain confidential the proprietary, information made available. Dissemination of such proprietary information shall be restricted to officers, employees of our Company and JTPL on a need to know basis only.

Trademarks license agreement dated March 11, 2022, between our Company and JTPL

Our Company and JTPL has entered into a trademark license agreement dated March 11, 2022, pursuant to which our Company has granted a non- transferable license to JTPL to use certain trademarks, within the licensed territory, for the purpose of sale or offer for sale of the products in conformity with the standards of quality provided by the Company and as statutorily required as approved by the Company, in consideration of a licence fee of ₹ 10,000 per annum.

Trademarks license agreement dated March 29, 2024, between our Company and Jesons Innovative Polymers Private Limited ("JIPPL")

Our Company and JIPPL has entered into a trademark license agreement dated March 29, 2024, pursuant to which our Company has granted a non- transferable license to JIPPL to use certain trademarks, within the licensed territory, for the purpose of sale or offer for sale of the products in conformity with the standards of quality provided by the Company and as statutorily required as approved by the Company, in consideration of a licence fee of ₹ 5,000 per annum.

Inter-se Agreements between Shareholders

As on the date of this Draft Red Herring Prospectus, our Company, Promoter and shareholders do not have any inter-se agreements/ arrangements and clauses / covenants which are material in nature and that there are no clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders. There are no other agreements, deed of assignments, acquisition agreements, Shareholders' Agreement, inter-se agreements, agreements of like nature other than disclosed in this Draft Red Herring Prospectus.

Guarantees given by our Promoter Selling Shareholder

Except as stated below, our Promoter Selling Shareholder has not provided guarantees to any third parties as on the date of this Draft Red Herring Prospectus. For further details, see "*Financial Indebtedness*" on page 314.

S. No.	Guarantee given in favour of	Promoter Selling Shareholders who have given Guarantee	Guaranteed value (in ₹ million)	Reason for Guarantee	Obligation on our Company in connection with the Guarantee	Period of Guarantee	Financial Implication in case of default	Security available in relation to borrowings for which guarantee has been issued	Consideration
1.	Working Capital Facilities availed by Jesons Industries Limited under Multiple banking (HDFC Bank Limited, DBS Bank India Limited, Axis Bank Limited, ICICI Bank Limited, IDFC First Bank Limited, RBL Bank Limited)	Dhiresh Gosalia	5,000.00	Personal guarantee in respect of the working capital facilities availed by our company	NIL	Till all the loan obligation have been repaid in full	Personally liable in the extent of guarantee value	Hypothecation of all present and future Current and Movable Fixed Assets of the Company	NIL
2.	Working Capital Facilities availed by Jesons Techno	Dhiresh Gosalia	730.00	Personal guarantee in respect	NIL	Till all the loan obligation	Personally liable in the extent	First charge on Current Assets and Receivables and	NIL

S. No.	Guarantee given in favour of	Promoter Selling Shareholders who have given Guarantee	Guaranteed value (in ₹ million)	Reason for Guarantee	Obligation on our Company in connection with the Guarantee	Period of Guarantee	Financial Implication in case of default	Security available in relation to borrowings for which guarantee has been issued	Consideration
	Polymers LLP from Axis Bank Limited			of the working capital facilities availed by LLP		have been repaid in full	of guarantee value	Second charge on Movable Properties	
3.	Working Capital Facilities availed by Jesons Techno Polymers LLP HDFC Bank Limited	Dhiresh Gosalia	450.00	Personal guarantee in respect of the working capital facilities availed by LLP	NIL	Till all the loan obligation have been repaid in full	Personally liable in the extent of guarantee value	First pari-passu charge on Current Assets and Second pari-passu charge on Movable Fixed Assets	NIL
4.	Working Capital Facilities availed by Jesons Techno Polymers LLP HDFC Bank Limited	Dhiresh Gosalia	250.00	Personal guarantee in respect of the working capital facilities availed by LLP	NIL	Till all the loan obligation have been repaid in full	Personally liable in the extent of guarantee value	First pari-passu charge on Current Assets and Second pari-passu charge on Movable Fixed Assets	NIL
5.	Term loan availed by Jesons Techno Polymers LLP from HDFC Bank Limited	Dhiresh Gosalia	350.00	Personal guarantee in respect of the term loan facilities availed by LLP	NIL	Till all the loan obligation have been repaid in full	Personally liable in the extent of guarantee value	Second pari-passu charge on Current Assets and First pari-passu charge on Movable Fixed Assets	NIL
6.	Term loan availed by Jesons Techno Polymers LLP from HDFC Bank Limited	Dhiresh Gosalia	72.00	Personal guarantee in respect of the term loan facilities availed by LLP	NIL	Till all the loan obligation have been repaid in full	Personally liable in the extent of guarantee value	Second pari-passu charge on Current Assets and First pari-passu charge on Movable Fixed Assets	NIL
7.	Term loan availed by Jesons Innovative Polymer Private Limited ICICI Bank Limited	Dhiresh Gosalia	800.00	Personal guarantee in respect of the term loan facilities availed by JIPPL	NIL	Till all the loan obligation have been repaid in full	Personally liable in the extent of guarantee value	Exclusive Charge on All that Premises of Plot No. C-301 Saykha industrial Estate of Gujarat Industrial Development Corporation and Exclusive charge on movable fixed assets and Second Charge on Current Assets	NIL

Other confirmations

Neither our Promoter nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

We confirm that there are no inter-se agreements / arrangements and clauses / covenants which are material / grant special rights to Company / Promoters / Shareholders and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling/restructuring of the outstanding borrowings availed by our Company from financial institutions or banks.

Accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or of our Subsidiary that has been accounted for by our Company in the Restated Consolidated Financial Information.

Our holding company

Our Company does not have a holding company.

Our subsidiaries, associate companies and joint ventures

As on the date of this Draft Red Herring Prospectus, our Company has two subsidiaries, being Jesons Innovative Polymers Private Limited and Jesons Techno Polymers LLP and one associate company, Dura-Jesons LLC.

Our Subsidiaries

1. Jesons Innovative Polymers Private Limited ("JIPPL")

Corporate Information

JIPPL was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated October 24, 2019, issued by the RoC. Its corporate identification number is U24290MH2019PTC332142. Its registered office is situated at 904, Floor- 9, Peninsula Corporate Park, Ganpat Rao Kadam Marg, Lower Parel, Mumbai 400 013, Maharashtra, India

Nature of Business

JIPPL is engaged in the business of manufacturing, importing, exporting, supplying of synthetic adhesives, vinyl acetate and acrylic emulsions and to carry on the business of the manufacturer, importer, exporter, supplier of chemicals, chemical compounds (organic and inorganic) in all forms and chemical products of any nature and any kind whatsoever and all by products thereof.

Capital Structure

The details of the capital structure of JIPPL are as follows:

Particulars	Aggregate Nominal Value (₹ in million)
Authorised share capital	
3,500,000 equity shares of ₹ 100 each	350.00
Issued, subscribed and paid-up capital	
3,500,000 equity shares of ₹ 100 each	350.00

Shareholding Pattern

As of the date of this Draft Red Herring Prospectus, our Company holds 3,500,000 equity shares of JIPPL making it 100% of the shareholding in JIPPL.

2. Jesons Techno Polymers LLP ("JTPL")

Corporate Information

JTPL was incorporated under the section 12(1) of the Limited Liability Partnership Act, 2008 pursuant to a certificate of incorporation dated October 10, 2019, issued by the RoC. Its LLP identification number is AAQ-7711. Its registered office is situated at Plot No- 4A, Block- F, Sector 12N, Adani Ports, East of Adani Wilmar, above GCACPL – Credo, Mundra Kachchh, Gujarat 370 421, India.

Nature of Business

JTPL is engaged in the business of manufacturing, importing, exporting and supplying of synthetic adhesives, vinyl acetate, acrylic emulsions, chemicals, chemical compounds (organic and inorganic) in all forms and chemical products of any nature and any kind whatsoever and all by products thereof.

Capital Contribution

As of the date of this Draft Red Herring Prospectus, our Company contributed 99% of the capital of JTPL and Dhiresh Shashikant Gosalia contributed 1% of its capital.

Our Associate Company

Dura-Jesons LLC ("Dura-Jesons")

Corporate Information

Dura-Jesons was incorporated as a Limited Liability Company under the California Revised Uniform Limited Liability Company Act. The registered office of Dura-Jesons is located at 2200 Powell, St., STE 450 Emeryville, CA 94608.

Nature of Business

Dura-Jesons is authorised by its memorandum of understanding to carry out sales, marketing and product vehicle of its members and is established to further their interests in specified markets.

Capital Structure

As of the date of this Draft Red Herring Prospectus, our Company is required to contribute $ 0.05 million (₹ 3.25 million) to the capital of Dura-Jesons LLC; and Dura Chemicals Inc is required to contribute $ 0.05 million (₹ 3.25 million) to its capital. Our Company has made initial capital contribution of $0.01 million in Dura-Jesons and subsequently, in 2020, our Company has made a capital contribution of $ 0.04 million, and a capital contribution of $ 0.03 million in 2024 in Dura-Jesons.

Particulars	Percentage of capital contribution (%)
Our Company	49
Dura Chemicals Inc	51
Total	**100**

Shareholding Pattern

As of the date of this Draft Red Herring Prospectus, our Company and Dura Chemicals Inc are required to contribute a capital of 50% each, holding membership interest of 49% (490 membership units) and 51% (510 membership units) respectively.

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises six Directors, including three Executive Directors (including our Managing Director), and three Independent Directors. Two Directors (including one Independent Director) on our Board are women.

The following table sets forth details regarding our Board as of the date of this Draft Red Herring Prospectus:

Sl. No.	Name, designation, address, occupation, date of birth, period of directorship, term and DIN	Age (years)	Directorships in other companies
1.	**Dhiresh Shashikant Gosalia** ***Designation:*** Chairman and Managing Director ***Address:*** 131, 13th Floor, Spenta Tower, Gowalia Tank, 55-57, Forjett Street, Mumbai 400 034 ***Occupation:*** Business ***Date of birth:*** January 6, 1962 ***Period of directorship:*** Director since October 12, 1999 ***Term:*** For a period of five years with effect from April 1, 2024 ***DIN:*** 00217158	63	Jesons Innovative Polymers Private Limited
2.	**Madhavi Dhiresh Gosalia** ***Designation:*** Whole-Time Director ***Address:*** 131, 13th Floor, Spenta Tower, Gowalia Tank, 55-57, Forjett Street, Mumbai 400 034 ***Occupation:*** Business ***Date of birth:*** June 27, 1963 ***Period of directorship:*** Director since January 18, 2019 ***Term:*** For a period of five years with effect from March 29, 2024. ***DIN:*** 00217199	61	Nil
3.	**Sadayapillai Kameswaran** ***Designation:*** Whole-Time Director ***Address:*** Flat 1404, Nirvana Appts., Police Station Road, Near Lodha Appts., Kanjurmarg East, Mumbai, 400042 ***Occupation:*** Service ***Date of birth:*** June 2, 1968 ***Period of directorship:*** Director since September 30, 2023 ***Term:*** For a period of three years with effect from September 30, 2023, to September 29, 2026 ***DIN:*** 10295328	56	Jesons Innovative Polymers Private Limited
4.	**Shriram Sharad Dandekar** ***Designation:*** Independent Director (Non-Executive	65	• Kokuyo Camlin Limited

Sl. No.	Name, designation, address, occupation, date of birth, period of directorship, term and DIN	Age (years)	Directorships in other companies
	Address: 210, Rambaug, Lady Jamhetji Road, Next to Raja Bada Chowk, Mahim, Mumbai - 400016 ***Occupation:*** Industrialist ***Date of birth:*** December 7, 1960 ***Period of directorship:*** Director since April 01, 2024 ***Term:*** For a period of five years with effect from April 01, 2024 ***DIN:*** 01056318		• Dandekar Advisors Private LLP (Designated Partner)
5.	**Amitabh Verma** ***Designation:*** Independent Director ***Address:*** Flat No B-2106, Floor No 21, Oberoi Esquire, Mohan Gokhale Road, Goregaon East, Mumbai, 400063 ***Occupation:*** Service ***Date of birth:*** December 25, 1973 ***Period of directorship:*** Director since September 30, 2021 ***Term:*** For a period of five years with effect from September 30, 2021, up to September 29, 2026, and not liable to retire by rotation ***DIN:*** 07082285	51	• Fission Wealth Private Limited
6.	**Deeti Ojha** ***Designation:*** Independent Director ***Address:*** S, 227, Second Floor, Greater Kailash Part 2, New Delhi, Delhi – 110 048 ***Occupation:*** Advocate ***Date of birth:*** May 24, 1984 ***Period of directorship:*** Director since September 30, 2021 ***Term:*** For a period of five years with effect from September 30, 2021, up to September 29, 2026, and not liable to retire by rotation ***DIN:*** 09322280	40	Nil

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our current Directors have been appointed to our Board pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

Brief Biographies of Directors

Dhiresh Shashikant Gosalia is the Managing Director on our Board. He holds a bachelor's degree in science from Jai Hind College, University of Bombay and a diploma in business management from the K.C. College of Management Studies, Mumbai. He has attended the Owner/President Management Program at the Harvard Graduate School of Business. He has participated in the Small and Medium Enterprises Programme held at the Indian Institute of Management, Ahmedabad and in the Building the Business: Strategies for Asia Pacific Programme organised in Singapore by INSEAD. He has around three decades of experience in the coating materials and adhesive industry. He is the Promoter of our Company and has been associated with our Company as a director since October 12, 1999.

Madhavi Dhiresh Gosalia is a Whole Time Director on our Board. She holds a master's degree of arts in philosophy from Jai Hind College, University of Bombay and a Diploma in Business Management. She is the Promoter of the Company and has been associated with our Company for 28 years.

Sadayapillai Kameswaran is a Whole Time Director on our Board. He holds a bachelor's degree in mechanical engineering from Thiagarjar College of Engineering, Madurai, a master's degree in science (manufacturing management) from Birla Institute of Technology and Science, Pilani and a master's degree in business administration from Madurai Kamraj University, Madurai. He has over 29 years of industrial experience and prior to joining the Company, he was working with Garware Hi-Tech Films as their COO and earlier served as the Head of Manufacturing Operations in Pidilite Industries Limited. He has been associated with the Company since September 30, 2023.

Shriram Sharad Dandekar is an Independent Director on our Board. He has over 40 years of experience in the field of business expansion & diversification, research & development, branding, expansion in distribution channel (domestic & international), strategic alliances, innovative marketing strategies, re-structuring of business and business planning. Apart from his association with the Company he is serving as the Vice-Chairman & Executive Director of Kokuyo Camlin Limited, and in the past has handled positions as Chairman: Board of Governors of IIM (Jammu); Vice President:'Maharashtra Chamber of Commerce, Industry and Agriculture' (Mumbai Region) and Marathi Vyapari Vyavsayik & Udyojak Mandal, Mumbai; Member: Advisory Board of IES Management college and Research Centre. He has been associated with our Company since April 01, 2024.

Amitabh Verma is an Independent Director on our Board. He holds a bachelor's degree of technology in Mining Engineering from the Indian Institute of Technology, Kharagpur and a post-graduate diploma in management from the Indian Institute of Management Society, Lucknow. Prior to the association with our Company, he was associated with DBS Bank Limited, Mumbai as ED and Head – IBG 3 and 4, in the institutional banking group. He has been associated with our Company as an Independent Director since September 30, 2021.

Deeti Ojha is an Independent Director on our Board. She holds a bachelor's degree in commerce and a bachelor's degree in law from the University of Delhi. She is also a member associate of Institute of Company Secretaries of India. She has been working with Unity Legal since August 2009 and has regularly appeared before various courts and tribunals, including National Company Law Tribunals. She has been associated with our Company as an Independent Director since September 30, 2021.

Details regarding directorships of our Directors in listed companies

None of our Directors is or was, during the last five years preceding the date of this Draft Red Herring Prospectus, a director of any listed company whose shares have been or were suspended from being traded on the stock exchanges during their tenure as a director in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during their tenure as a director in such company.

Confirmations

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Directors have been identified as Wilful Defaulters or Fraudulent Borrower by any bank or financial institution or consortium, in accordance with the applicable guidelines issued by the Reserve Bank of India.

Terms of appointment of Directors

1. **Remuneration to Executive Directors:**

   Dhiresh Shashikant Gosalia

   Dhiresh Shashikant Gosalia was reappointed as our Chairman and Managing Director with effect from April 1, 2024 for a period of five years, pursuant to the resolution dated September 04, 2023 passed by the Board and the resolution dated September 30, 2023 passed by the Shareholders.

   Pursuant to the service agreement dated April 01, 2024, with our Company, our Managing Director is entitled to such remuneration as may be decided by our Board at its own discretion, from time to time. Additionally, he is entitled to perquisites and allowances as evaluated under the income tax rules, where applicable. In the absence of such rules, perquisites shall be evaluated at actual cost. The perquisites and allowances, together with the basic salary, shall be subject to a maximum ceiling as may be decided by our Board from time to time, provided that the provision for use of our

Company’s car for official duties and telephone at residence hall shall not be included in the computation of perquisites for the purpose of calculating the said ceiling. He is entitled to performance bonus as approved by our Board from time to time.

As per the resolution of our Board dated September 4, 2023 and the resolution dated September 30, 2023 passed by the Shareholders, our Managing Director is entitled to remuneration (including salary, commission, benefits, perquisites and/or other allowances) of an amount not exceeding ₹ 100 millions per annum, with effect from April 1, 2024 till March 31, 2027, with the Board of Directors having the power to alter and vary the remuneration from time to time as it may deem appropriate, provided that such variation or alteration is within the overall limits specified. In the event of no profits or inadequacy of profits in any Financial Year during the term of the Managing Director, our Company shall pay him the minimum remuneration by way of salary, perquisites, and/or allowance, performance based rewards/incentives in compliance with Schedule V to the Companies Act or such other limits, as may be prescribed by the Central Government from time to time as to minimum remuneration and in compliance with provisions stipulated therein.

During the Financial Year 2024, the total amount of compensation paid to him was ₹ 45.00 million, including perquisites.

Madhavi Dhiresh Gosalia

Madhavi Dhiresh Gosalia was re-appointed as an Executive Director with effect from March 29, 2024, for a period of five years, pursuant to the resolution dated September 04, 2023, passed by the Board and the resolution dated September 30, 2023, passed by the Shareholders. Pursuant to resolution dated March 29, 2024, passed by the Board, her designation was changed from Executive Director to Whole-Time Director.

Pursuant to the service agreement dated March 29, 2024, with our Company, our Whole-Time Director is entitled to such remuneration as may be decided by our Board at its own discretion, from time to time. Additionally, she is entitled to perquisites and allowances as evaluated under the income tax rules, where applicable. In the absence of such rules, perquisites shall be evaluated at actual cost. The perquisites and allowances, together with the basic salary, shall be subject to a maximum ceiling as may be decided by our Board from time to time, provided that the provision for use of our Company’s car for official duties and telephone at residence hall shall not be included in the computation of perquisites for the purpose of calculating the said ceiling. She is entitled to performance bonus as approved by our Board from time to time.

As per the resolution of our Board dated September 04, 2023 and the resolution dated September 30, 2023 passed by the Shareholders, our Executive Director is entitled to remuneration (including salary, commission, benefits, perquisites and/or other allowances) of an amount not exceeding ₹ 30.00 million per annum, with effect from March 29, 2024 till March 28, 2024, with the Board of Directors having the power to alter and vary the remuneration from time to time as it may deem appropriate, provided that such variation or alteration is within the overall limits specified. In the event of no profits or inadequacy of profits in any Financial Year during the term of the Executive Director, our Company shall pay her the minimum remuneration by way of salary, perquisites, and/or allowance, performance based rewards/incentives in compliance with Schedule V to the Companies Act or such other limits, as may be prescribed by the Central Government from time to time as to minimum remuneration and in compliance with provisions stipulated therein.

During the Financial Year 2024, the total amount of compensation paid to her was ₹ 8.40 million, including perquisites.

Sadayapillai Kameswaran

Sadayapillai Kameswaran was appointed as a Whole-time Director with effect from September 30, 2023, for a period of three years, pursuant to the resolution dated September 04, 2023, passed by the Board and the resolution dated September 30, 2023 passed by the Shareholders.

Pursuant to the service agreement dated September 30, 2023, with our Company, our Whole-time Director is entitled to such remuneration as may be decided by our Board at its own discretion, from time to time. Additionally, he is entitled to perquisites and allowances as evaluated under the income tax rules, where applicable. In the absence of such rules, perquisites shall be evaluated at actual cost. The perquisites and allowances, together with the basic salary, shall be subject to a maximum ceiling as may be decided by our Board from time to time. He is entitled to performance bonus as approved by our Board from time to time.

As per the resolution of our Board dated September 04, 2023 and the resolution dated September 30, 2023 passed by the Shareholders, our Whole-time Director is entitled to remuneration (including salary, commission, benefits, perquisites and/or other allowances) of an amount not exceeding ₹ 15 million per annum, with effect from September 30, 2023 till the remaining tenure of his appointment, with the Board of Directors having the power to alter and vary the remuneration from time to time as it may deem appropriate, provided that such variation or alteration is within the overall limits specified: In the event of no profits or inadequacy of profits in any Financial Year during the term of the Whole-time Director, our Company shall pay him the minimum remuneration by way of salary, perquisites, and/or allowance, performance based rewards/incentives in compliance with Schedule V to the Companies Act or such other limits, as may be prescribed by the Central Government from time to time as to minimum remuneration and in compliance with provisions stipulated therein.

During the Financial Year 2024, the total amount of compensation paid to him was ₹ 3.66 million, including perquisites.

2. **Remuneration details of Independent Directors:**

Pursuant to the Board resolution dated October 12, 2021, each Non-executive Director and Independent Director, is entitled to receive sitting fees of ₹5,000 per meeting for attending meetings of the Board or committees thereof Details of the remuneration paid to the Non- Executive Directors and Independent Directors of our Company for the Financial Year 2024 are as follows:

Meeting	Sitting fees in ₹
Board meetings	5000
Audit Committee	5000
Corporate Social Responsibility Committee	5000
Nomination and Remuneration Committee	5000
Stakeholders Relationship Committee	5000

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares. The shareholding of the Directors in our Company as of the date of this Draft Red Herring Prospectus is set forth below:

Name of Director	Number of Equity Shares held
Dhiresh Shashikant Gosalia	47,887,100
Madhavi Dhiresh Gosalia	4,206,000

Shareholding of Directors in our Subsidiaries

None of our Directors hold any shares in the Subsidiaries of our Company.

Interest of Directors

All Independent Directors may be deemed to be interested to the extent of sitting fees payable, if any, to them for attending meetings of our Board and committees thereof, and reimbursement of expenses available to them. Our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them as stated in "*Our Management – Terms of appointment of our Directors - Remuneration to Executive Directors*" on page 245.

Further, other than Dhiresh Shashikant Gosalia and Madhavi Dhiresh Gosalia (who were initial subcribers to the Memorandum of Association of our Company), none of our Directors have any interest in the promotion or formation of our Company. The Directors may also be regarded as interested in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoter, pursuant to this Offer and which may be offered by them as part of the Offer for Sale. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company or transaction for acquisition of land, construction of building and supply of machinery, etc.

No loans have been availed by our Directors from our Company or the Subsidiaries.

Bonus or profit-sharing plan of the Directors

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Changes in the Board in the last three years

Other than as stated below, there has been no change in the Board in the three preceding years:

Name	Date of Change	Reason
Sadayapillai Kameswaran	September 30, 2023	Appointment as Whole Time Director
Shreyas Mahendra Patel	March 31, 2024	Retirement as Independent Director
Shriram Sharad Dandekar	April 1, 2024	Appointment as Independent Director

Name	Date of Change	Reason
Madhavi Dhiresh Gosalia	March 29, 2024	Change of Designation from Executive Director to Whole Time Director
Raju Vinod Palvia	November 19, 2024	Step down from Directorship

Borrowing Powers of Board

In accordance with the Articles of Association and applicable provisions of the Companies Act, 2013, and pursuant to the special resolution dated September 29, 2014 passed by the Shareholders, the Board may borrow any sum or sums of money from time to time notwithstanding that the money to be borrowed, together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) including rupee equivalent of foreign currency loans may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided shall not any time exceed ten times the aggregate of the paid up capital and free reserves of our Company over and above the paid up capital and free reserves of our Company. The Board is also authorised to hypothecate/mortgage and/or charge in addition to the hypothecations/mortgages and/or charges created by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the moveable and/or immoveable properties of the Company wherever situated, both present and future, and/or create a floating charge on all or any part of the immoveable properties of the Company, with the overall ceiling prescribed by the members of the Company.

Pursuant to the resolution dated August 2, 2021, the Board delegated the powers to borrow funds on behalf of the Company, to Dhiresh Shashikant Gosalia, Managing Director of the Company provided that the amount so borrowed together with the amount already borrowed under this authority shall not at any point of time exceed ₹ 1,000 crores.

Remuneration paid or payable by our Subsidiaries or Associate to Directors

There is no remuneration paid or payable by our Subsidiaries or our Associate to our Directors during the Financial Year 2024.

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof, as applicable. The corporate governance framework is based on an effective independent Board and constitution of the Board committees, as required under law.

Committees of the Board

Audit Committee

The members of the Audit Committee are:

1. Amitabh Verma – Chairman
2. Dhiresh Shashikant Gosalia – Member
3. Deeti Ojha – Member

The Audit Committee was constituted on August 28, 2014, and was last reconstituted on March 29, 2024. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations and its terms of reference are as follows:

(a) overseeing of our Company's financial reporting process and the disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;

(b) recommending to the Board, the appointment, re-appointment, replacement, remove, remuneration and terms of appointment of auditors of our Company and the fixation of the audit fee;

(c) reviewing and monitoring the statutory auditors' independence and performance and the effectiveness of audit process

(d) approving of payment to statutory auditors for any other services rendered by the statutory auditors;

(e) review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) matters required to be included in the director’s responsibility statement to be included in the board of directors’ report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;

(ii) changes, if any, in accounting policies and practices and reasons for the same;

(iii) major accounting entries involving estimates based on the exercise of judgment by management;

(iv) significant adjustments made in the financial statements arising out of audit findings;

(v) compliance with listing and other legal requirements relating to financial statements;

(vi) disclosure of any related party transactions; and

(vii) Qualifications and modified opinion(s) in the draft audit report.

(f) review, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(g) scrutinizing inter-corporate loans and investments;

(h) undertaking or supervising valuation of undertakings or assets of the Company, wherever it is necessary;

(i) evaluation of internal financial controls and risk management systems;

(j) formulating a policy on related party transactions, which shall include materiality of related party transactions

(k) approving transactions of the Company with related parties, or any subsequent modification thereof and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(l) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given

(m) reviewing, along with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter

(n) establishing a vigil mechanism for directors and employees to report their genuine c_oncerns or grievances

(o) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(p) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(q) discussing with internal auditors of any significant findings and follow up there on;

(r) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(s) discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(t) looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(u) approving the appointment of the Chief Financial Officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) of our Company after assessing the qualifications, experience and background, etc. of the candidate;

(v) reviewing the functioning of the whistle blower mechanism;

(w) ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;

(x) formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time;

(y) reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;

(z) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on our Company and its shareholders; and

(aa) investigating any activity within its terms of reference, seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;

(bb) reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively:

(cc) reviewing:

i. Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;

ii. Any material default in financial obligations by the Company;

iii. Any significant or important matters affecting the business of the Company; and

iv. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, listing agreements, the Companies Act or other applicable law

The Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;

(b) management letters / letters of internal control weaknesses issued by the statutory auditors of our Company;

(c) internal audit reports relating to internal control weaknesses;

(d) appointment, removal and terms of remuneration of the chief internal auditor;

(e) examination of the financial statements and the auditors' report thereon; and

(f) statement of deviations including:

i. quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

The powers of the Audit Committee shall include the following:

(a) to investigate any activity within its terms of reference

(b) to seek information from any employees;

(c) to obtain outside legal or other professional advice; and

(d) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(e) such other powers as may be prescribed under the Companies Act and the Listing Regulations.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Shriram Sharad Dandekar – Chairman

2. Amitabh Verma – Member

3. Deeti Ojha - Member

4. Dhiresh Shashikant Gosalia – Member

The Nomination and Remuneration Committee was constituted on August 28, 2014, and was last reconstituted on March 29, 2024. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act and the Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

(a) identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;

(b) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration for the directors, key managerial personnel and other employees;

(c) while formulating the above policy, should ensure that –

    (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

    (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

    (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.

(d) formulate the criteria for appointment of an independent director

(e) devise a policy on diversity of the Board;

(f) evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director, for every appointment of an independent director. Ensuring that the person recommended to the Board for appointment as an independent director has the capabilities identified in such description. Further, for the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

    (i) use the services of an external agencies, if required;

    (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

    (iii) consider the time commitments of the candidates;

(g) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors for their appointment and removal and shall specify the manner for effective evaluation performance of Board, its committees and individuals directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(h) determine whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;

(i) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;

(j) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;

(k) recommend to the Board, all remuneration, in whatever form, payable to senior management;

(l) performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(m) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

(n) analyzing, monitoring and reviewing various human resource and compensation matters;

(o) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(p) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

    (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

(q) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act, or other applicable law.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

a) Amitabh Verma, Independent Director (Chairman);

b) Dhiresh Shashikant Gosalia, Managing Director (Member); and

c) Madhavi Dhiresh Gosalia, Whole time Director (Member)

The Stakeholders' Relationship Committee was constituted by our Board at their meeting held on October 12, 2021 and was last reconstituted on December 11, 2024. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act and the Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee are as follows:

(a) redressal of grievances of the shareholders, debenture holders and other security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(b) review of measures taken for effective exercise of voting rights by shareholders;

(c) investigating complaints relating to allotment of shares, approving transfer or transmission of shares, debentures or any other securities; reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent and recommending measures for overall improvement in the quality of investor services;

(d) reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(e) review of adherence to the service standards adopted by our Company in respect of various services rendered by the registrar and share transfer agent;

(f) formulating procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(g) approving, registering, refusing to register transfer or transmission of shares and other securities;

(h) giving effect to dematerialisation of shares and re-materialisation of shares, sub-dividing, consolidating and/or replacing any share or other securities certificate(s) of the Company, compliance with all the requirements related to shares, debentures and other securities from time to time;

(i) issuing duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company; and

(j) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties."

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Madhavi Dhiresh Gosalia – Chairperson

2. Sadayapillai Kameswaran– Member

3. Deeti Ojha - Member

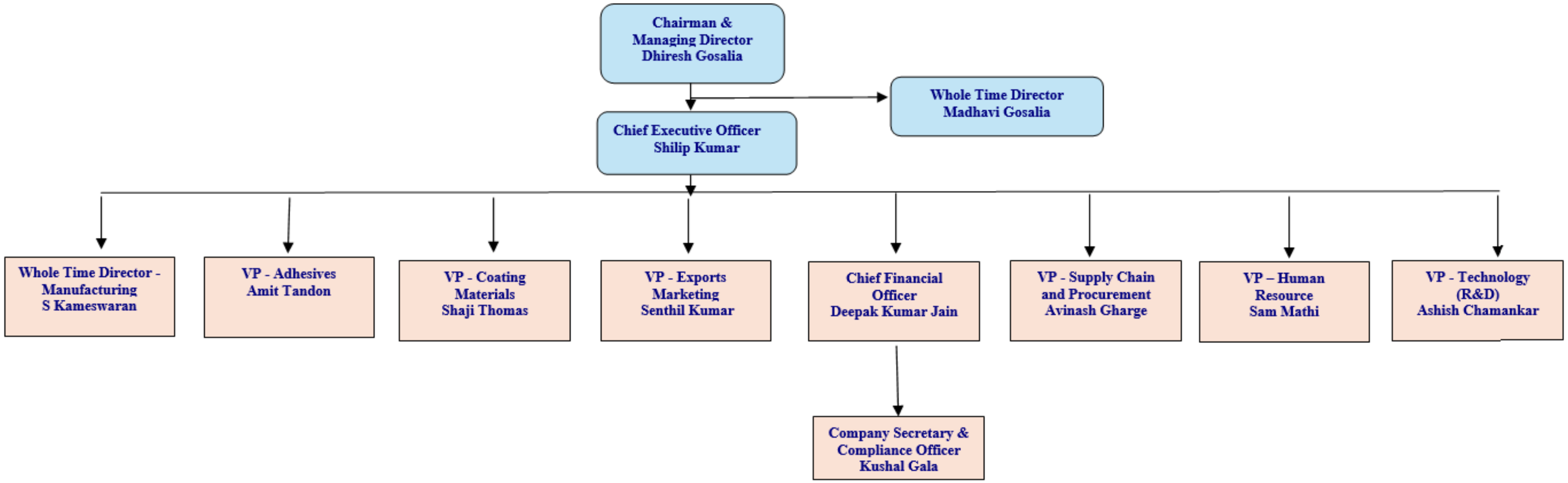
The Corporate Social Responsibility Committee was constituted by our Board at their meeting held on August 28, 2014, and was last reconstituted on November 19, 2024. The terms of reference of the Corporate Social Responsibility Committee of our Company include the following:

(a) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” indicating the activities to be undertaken as specified in Schedule VII of the Companies Act, 2013,

(b) recommend the amount of expenditure to be incurred on the activities referred to in Clause (a);

(c) monitor the “Corporate Social Responsibility Policy” of the Company from time to time

Management Organisation Chart



Key Managerial Personnel

For details in relation to our Chairman and Managing Director, and Whole-time Director, see "*Brief Biographies of Directors"* and "*Remuneration to Executive Directors*" on pages 244 and 245, respectively. In addition to our Chairman and Managing Director, Executive Director and Whole-time Director, the details of Key Managerial Personnel of our Company are as follows:

Shilip Sant Kumar is the Chief Executive Officer of our Company. He holds bachelor's degree in science in mechanical engineering from Dayalbagh Educational Institute, Agra and a master's degree in business administration from University of Poona, Pune. He has been associated with our company since January 2022. He has more than 33 years of experience primarily in the chemical and speciality materials industries. Prior to joining the Company, he has held prestigious roles such as Country Manager for Rohm and Haas (India) and Country President for Henkel Adhesive Technologies India. During the Financial Year 2024, he was paid a remuneration of ₹ 36.16 million.

Deepak Kumar Jain is the Chief Financial Officer and joined our company from June 01, 2023, of our Company. He is a qualified chartered accountant from the Institute of Chartered Accountants of India and Company Secretary from the Indian Institute of Company Secretaries of India. He holds a bachelor's degree of commerce (Hons) from the Maharshi Dayanand Saraswati University of Ajmer. He has over 16 years of varied experience across startups, manufacturing setups, and service sector; in spectrum of roles ranging from execution and strategic profiles with exposure in financial planning, strategic corporate expansion, fund raising, investor relations, corporate governance, business planning and internal control. Prior to joining the company, He was serving as the senior vice president of Kirana Kart Technologies Private Limited (Zepto). His other employments include Mrs. Bectors Food Limited, Parag Milk Foods Limited, and ICICI Prudential Life Insurance Limited. During the Financial Year 2024, he was paid a remuneration of ₹ 6.33 million

Kushal Vasantbhai Gala is the Company Secretary and Compliance Officer of our Company. He is a qualified Company Secretary from the Indian Institute of Company Secretaries of India and holds a bachelor's degree in law from Jitendra Chauhan College of Law, University of Mumbai. He also holds a bachelor's degree in commerce in financial accounting and auditing (special) from P.D. Lion's College of Commerce and Economics, University of Mumbai. He has been associated with our Company since September 1, 2015. He has more than 14 years of experience in handling compliance and legal matters, and he is responsible for ensuring compliance with corporate governance norms and various corporate actions including fund raising, of our Company. Prior to joining our Company, he was associated with MG Consulting Group as a senior executive. In Financial Year 2024, he was paid a remuneration of ₹ 2.11 million.

Senior Management Personnel

For details in relation to our Managing Director, see "*Brief Biographies of Directors"* and "*Remuneration to Executive Directors*" on pages 244 and 245, and for details of Key Managerial Personnel of our Company, see "*Key Managerial Personnel*" on page 255. In addition to our Managing Director and Key Managerial Personnel, the details of Senior Management Personnel of our Company are as follows:

Shaji Thomas is the Vice President – Marketing Coating Materials of our Company from September 02, 2002. He has been associated with our Company for the last 22 years, having initially joined as the marketing manager in 2002. He is an Executive Alumni of IIM – Indore, holding an Executive Certificate in Strategy & Leadership for Senior Professionals. He is a Bachelor of Commerce graduate from the University of Kerala and a diploma in office automation from Millennium Computer, Thane. Prior to joining the Company, he has worked as a sales administrator with Electric Controls Company and a commercial assistant with Ferns Exports. During the Financial Year 2024, he was paid a compensation of ₹ 9.28 million.

Amitbhai Kunjirbhai Tandon is the Vice President – Marketing Adhesive of our Company from April 01, 2024 and hold position of Vice President- Spec Chem and Strategic Alliances of our company from September 02, 2022 to March 31, 2024. He holds a bachelor's degree in chemical engineering from the Maharaja Sayajirao University of Baroda and a certification program in business management from XLRI, Jamshedpur. Prior to joining the company, he was working as vice president – sales and marketing with NACL Industries Limited from May 19, 2021, to August 20, 2022, and Senior Vice President in Dorizoe Lifesciences Limited from 2015 to 2021. His other employments include 'Regional Sales Director' in SI group-India Limited; General Manager in Lanxess, Deputy General Manager in Dow coating material in Rohm & Hass (India) private Limited, Sales Manager in Medtronic, Area Sales Manager in Baxter, Business Development Manager in Claris Lifesciences Limited, and Project Engineers in Core Parenterals Limited, thus having a total work experience of over 30 years in the field of marketing and engineering. During the Financial Year 2024, he was paid a compensation of ₹ 9.89 million.

Sam Suresh Mathi is the Vice President – Human Resources of our Company from October 16, 2023. He holds a bachelor's degree in technology from Andhra University, Visakhapatnam, a master's degree in arts in personnel management and industrial relations from Tata Institute of Social Sciences, Mumbai and a master's degree in science in positive organisation development and change from Case Western Reserve University, Ohio, USA. Prior to joining the Company, he was working as vice president – human resources with Heubach Colors Private Limited. His other association include – Head HR in Nurture Agtech Limited, HR leader in DCP & Pioneer, HR manager in Monsanto India Limited and HR Representative – Staff in Qualcomm India

Private Limited, thus having a total work experience of over 21 years in the field of human resources. During the Financial Year 2024, he was paid a compensation of ₹ 4.01 million.

S. Senthil Kumar is the Vice President – International Marketing of our Company from September 11, 2023. He holds a bachelor's degree in mechanical and production engineering from Annamalai University, Tamil Nadu and a post graduate diploma in marketing management from Pondicherry University, Pondicherry. He has also participated in a satellite based advanced programme in sales and marketing certified by Indian Institute of Management, Lucknow. Prior to joining the Company, he was serving as sector marketing manager with Shell India Markets Private Limited. His other employments include Reliance Communications Limited, Bharat Shell Limited, and MPL Parts and Service Limited, thus having a total work experience of almost 30 years. During the Financial Year 2024, he was paid a compensation of ₹ 3.83 million.

Ashish Vaman Chamankar is the Vice President – Technology of our Company from October 01, 2022. He holds a bachelor's degree in science from G.N. Khalsa College. University of Bombay, Mumbai, a master's degree in science in physical chemistry from University of Bombay, Mumbai and a doctorate in philosophy in physical chemistry from University of Mumbai, Mumbai. He also holds a degree of executive master's in business administration from NMIMS University, Mumbai. Prior to joining the Company, he was serving as the technology leader – Pidilite Industries Limited. His other previous associations include Indofil Chemicals Company as scientist - coatings & adhesives, Saint-Gobain Weber (India) Limited as manager-technical, Henkel Adhesives as Product Development Regional Manager, National Starch and Chemical Business of ICI India Limited, Rohm & Hass (India) Private Limited as senior manufacturing & engineer co-ordinator, thus having a total work experience of over 25 years. During the Financial Year 2024, he was paid a compensation of ₹ 11.15 million.

Avinash Hanmant Gharge is the Vice President – Supply Chain of our Company from September 29, 2023. He holds a bachelor's degree in science in Chemistry and a bachelor's degree in engineering in chemical technology of fibres and textile from Institute of Chemical Technology, University of Mumbai, Mumbai. Prior to joining the Company, he was serving as the vice president – strategic sourcing leader with Grasim Industries Limited. Accomplished leader with a proven track record of driving operational excellence across Global Supply Chains. Expertise of 20+ years in the field Global Sourcing and Purchasing management. He fosters cross-functional collaboration to align Supply Chain Operations with overarching business Goals. During the Financial Year 2024, he was paid a compensation of ₹ 3.45 million.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Relationship between our Directors, Key Managerial Personnel and Senior Managerial Personnel

Except as stated below, none of our Directors are related to each other or to our Key Managerial Personnel or Senior Managerial Personnel:

Name of the Directors or Key Managerial Personnel	Relationship
Dhiresh Shashikant Gosalia and Madhavi Dhiresh Gosalia	Spouse

Shareholding of Key Managerial Personnel and Senior Management Personnel

Except as disclosed in "*Shareholding of Directors in our Company*" on page 247, none of our Key Managerial Personnel hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Bonus or profit-sharing plans of the Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel are party to any bonus or profit-sharing plan of our Company.

Interests of Key Managerial Personnel and Senior Management Personnel

Other than as disclosed in this section and in "*Our Management - Interest of Directors*" on page 247, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Arrangements and understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or Senior Management Personnel have been selected as the Key Managerial Personnel or Senior Management Personnel of our Company.

Service Contracts with Directors, Key Managerial Personnel and Senior Management Personnel

No officer of our Company, including our Directors and the Key Managerial Personnel and Senior Management Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Contingent and deferred compensation payable to our Director, Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation accrued for Financial Year 2021 and payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

Payment or benefit to Key Managerial Personnel and Senior Management Personnel

No non – salary amount or benefit has been paid or given to any of our Key Managerial Personnel or Senior Management Personnel within the two preceding years or is intended to be paid or given.

Other Confirmations

In the ordinary course of business of our Company, there are no conflict of interests between the suppliers of raw materials and third-party service providers of our Company (crucial for operations of our Company) and the Directors and Key Managerial Personnel.

In the ordinary course of business of our Company, there are no conflict of interests between the lessors of the immovable properties of our Company (crucial for operations of our Company) and the Directors and Key Managerial Personnel.

Changes in the Key Managerial Personnel and Senior Management Personnel

Except as disclosed below and in "*Changes in the Board in the last three years*" on page 247, there has been no change in the Key Managerial Personnel and Senior Management Personnel in the last three years. Further, the attrition rate of Key Managerial Personnel and Senior Management Personnel of our Company is not high as compared to our peers.

Name	Date of Change	Reason
Deepak Ladha	September 30, 2022	Resignation as Chief Financial Officer
Alyza Nihar Sanghai	March 27, 2023	Appointment as Chief Financial Officer
Alzya Nihar Sanghai	June 13, 2023	Resignation as Chief Financial Officer
Deepak Kumar Jain	June 13, 2023	Appointment as Chief Financial Officer
Shilip Sant Kumar	April 1, 2024	Appointment as Chief Executive Officer

Employee Stock Option Scheme

For details of our employee stock option schemes, see "*Capital Structure – Employee Stock Option Scheme"* on page 87.

OUR PROMOTER AND PROMOTER GROUP

Our Promoters

Dhiresh Shashikant Gosalia and Madhavi Dhiresh Gosalia.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

S. No.	Name of the Promoter	Number of Equity Shares of face value of ₹5 each	Percentage of the pre-Offer issued, subscribed and paid-up Equity Share capital (in %)
1.	Dhiresh Shashikant Gosalia	47,887,100	89.32
2.	Madhavi Dhiresh Gosalia	4,206,000	7.85
Total		**5,20,93,100**	**97.17**

For details, see "*Capital Structure – Details of shareholding of our Promoters and members of our Promoter Group in our Company*" on page 83.

Details of our Promoters are as follows:

<u>*Individual Promoters:*</u>

Dhiresh Shashikant Gosalia

Dhiresh Shashikant Gosalia, aged 63 years, is a Promoter of our Company

Date of Birth: January 6, 1962

Address: 131, 13th floor Spenta Tower, Gowalia Tank, 55-57 Forjett Street, Mumbai – 400034, Maharashtra, India.

Permanent Account Number: AAIPG5800G

For the complete profile of Dhiresh Shashikant Gosalia, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 243.

Madhavi Dhiresh Gosalia

Madhavi Dhiresh Gosalia, aged 61 years, is a Promoter of our Company

Date of Birth: June 27, 1963

Address: 131, 13th floor Spenta Tower, Gowalia Tank, 55-57 Forjett Street, Mumbai – 400034, Maharashtra, India.

Permanent Account Number: ADOPG6619A

For the complete profile of Madhavi Dhiresh Gosalia, along with details of her educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 243.

Our Company confirms that the permanent account number, Aadhar, bank account number and passport number of our Promoters shall be submitted to the Stock Exchanges, at the time of filing of this Draft Red Herring Prospectus.

Change in Control of our Company

There has not been any change in control of our Company in the five years immediately preceding the date of this Red Herring Prospectus. However, pursuant to a resolution dated November 19, 2024 adopted by the Board of Directors, Madhavi Dhiresh Gosalia has been identified as promoter of our Company with effect from November 19, 2024.

Other ventures of our Promoters

Other than as disclosed in "- *Promoter Group – Entities who are part of our Promoter Group*" and "*Group Companies*" on pages 260 and 354, our Promoters are not involved in any other ventures. Further, our Promoters do not have any direct interest in any venture that is involved in the same line of activity or business as conducted by our Company.

Interests of Promoters

Interest in the promotion of our Company

Our Promoters are interested in our Company: To the extent that they have promoted our Company, and to the extent of their salary in capacity as Chairman & Managing Director and Whole-Time Director, respectively, and their shareholding and relative's shareholding in our Company, the dividends payable and any other distributions in respect of their shareholding in our Company. For further details, see "*Capital Structure - Details of Shareholding of our Promoter and members of the Promoter Group in our Company*", "*Our Management – Interests of Directors"* each on page 83 and 247, respectively.

Interest in property, land, construction of building and supply of machinery

Except as disclosed in '*Related Party Transactions'*, '*Restated Consolidated Financial Information*', '*Our Business – Property and Facilities*' and '*Risk Factors*', 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 this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of filing of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Interest in our Company other than as Promoter

Except as mentioned in this section and sections titled "*Our Business*", "*History and Certain Corporate Matters*", "*Our Management"* and "*Financial Information*" on pages 199, 235, 243, and 262, respectively, our Promoters do not have any other interest in our Company.

Payment or benefits to Promoter or Promoter Group

Except as stated in "*Related Party Transactions*" on page 312, there have been no amounts paid or benefits paid or given by our Company to our Promoters or Promoter Group in the preceding two years nor is there any intention to pay any amount or provide any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Conflict of interest

There is no conflict of interest between our Promoters or members of our Promoter Group and the lessors of immovable properties (which are crucial for the operations of our Company).

There are no conflicts of interest between our Promoters or members of our Promoter Group and the suppliers of raw materials and third-party service providers (which are crucial for the operations of our Company).

Disassociation by our Promoter in the last three years

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

Material Guarantees

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as on the date of this Draft Red Herring Prospectus. For details regarding other guarantees given by our Promoters please see "*History and Certain Corporate Matters- Guarantees given by our Promoter Selling Shareholder*" on page 239.

Promoter Group

In addition to our Promoters, the individuals and entities that form part of the Promoter Group of our Company in terms of the SEBI ICDR Regulations are set out below:

A. Natural persons who are a part of our Promoter Group, other than Individual Promoters –

Name of our Promoter	Name of member of Promoter Group	Relationship with our Individual Promoter
Dhiresh Shashikant Gosalia	Usha Shashikant Gosalia	Mother
	Jhelum Dhiresh Gosalia	Daughter
	Ravina Gaurav Shah	Daughter
	Parul Rajesh Mody	Sister
	Madhuri Madhusudhan Mehta	Mother-in-law
Madhavi Dhiresh Gosalia	Usha Shashikant Gosalia	Mother-in-law
	Jhelum Dhiresh Gosalia	Daughter
	Ravina Gaurav Shah	Daughter
	Madhuri Madhusudhan Mehta	Mother
	Parul Rajesh Mody	Sister-in-law

B. Entities who are a part of our Promoter Group

1. J Productions

2. Jhelums Speech Drama Education Private Limited

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board and/or approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association, the applicable law, including the Companies Act. Our Board at its meeting held on October 19, 2021, has adopted a dividend distribution policy ("**Dividend Policy**").

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividend in the foreseeable future. In terms of our Dividend Policy, our Board shall consider, inter alia, the following internal and external parameters while declaring or recommending dividends to our Shareholders: (i) profits earned during the financial year; (ii) retained earnings; (iii) earnings outlook; (iv) present and future capital expenditure plans / working capital requirements of the our Company; (v) past dividend trends; (v) any other relevant factors and material events as may be deemed fit by our Board; (vi) macro-economic environment significant changes in macro-economic environment materially affecting the businesses in which our Company is engaged in the geographies in which our Company operates; (vii) regulatory changes which significantly affect the businesses in which the Company is engaged; (viii) technological changes; (ix) capital markets changes and (x) changes in the taxation policy of the country. In terms of our Dividend Policy, the quantum of dividend, if any, and our ability to pay dividends will depend on a number of factors, including, but not limited to, profits earned during the year, present and future capital expenditure plans/working capital requirements of the Company; expansion/ modernization of existing businesses; near-term investment plans of the Company including maintenance capex and working capital need, diversification, expansion, acquisitions, etc.; or any other factor as deemed fit by our Board.

The details of dividend on Equity Shares declared and paid by our Company in the last three Financial Years, six month period ended September 30, 2024 and from October 1, 2024, until the date of this Draft Red Herring Prospectus are given below:

Particulars	**From October 1, 2024 until the date of this DRHP**	**For six-month period ended September 30, 2024**	**For the Financial Year**		
			2024	**2023**	**2022**
Number of Equity Shares	5,36,11,200	5,36,11,200	5,36,11,200	5,36,11,200	5,36,11,200
Face value per Equity Share (in ₹)	5	5	5	5	5
Amount Dividend (in ₹)	Nil	Nil	Nil	Nil	80.42
Dividend per Equity Share (in ₹)	NA	NA	NA	NA	1.5
Rate of dividend (%)	NA	NA	NA	NA	30%
Mode of payment of Dividend	NA	NA	NA	NA	Bank Transfer
Dividend Tax (%)	NA	NA	NA	NA	-

The profits earned by our Company may either be retained and used for various purposes by our Company or may be distributed to the Shareholders. Our Company may from time to time, pay interim dividends. Further, our past practices in relation to declaration of dividend and, or the amount of dividend paid is not necessarily indicative of our future dividend declaration. There can be no assurance that our Company will be in a position to pay dividends in the future. However, this is not necessarily indicative of any dividend declaration or the quantum of our Company's dividend, in the future. See, "*Risk Factors – Our ability to pay dividends in the future will depend upon our earnings, financial condition, cash flows and capital requirements.*" on page 47.

SECTION V - FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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Independent Auditor's Examination Report on the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profits and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows along with the Statement of Material Accounting Policies and other explanatory information for the six months period ended September 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022 of Jesons Industries Limited (collectively, the "Restated Consolidated Financial Information")

The Board of Directors
Jesons Industries Limited
904, Peninsula Tower No. 1,
Ganpat Rao Kadam Marg,
Lower Parel (West),
Mumbai - 400013, Maharashtra, India.

Dear Sirs/ Madams,

1. We, M S K A & Associates, ("we" or "our" or "us" or "M S K A") have examined the Restated Consolidated Financial Information of Jesons Industries Limited (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), and its associate as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares of face value of Rs. 5 each ("Offer"). The Restated Consolidated Financial Information, which have been approved by the Board of Directors of the Company (the "Board of Directors") at their meeting held on December 17, 2024, and have been prepared by the Company in accordance with the requirements of:

    a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

    b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors are responsible for the preparation of Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") in connection with the Offer to be filed with SEBI. The Restated Consolidated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 1(B) to Annexure V of the Restated Consolidated Financial Information. The Board of Directors of the Company is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors of the Company is also responsible for identifying and ensuring that the Company complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

3. We have examined the Restated Consolidated Financial Information taking into consideration:

   a) the terms of reference and our engagement agreed with you vide our engagement letter dated October 18, 2024, in connection with the Offer;

   b) the Guidance Note. The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;

   c) the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

   d) the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

4. The Restated Consolidated Financial Information have been compiled by the Management from:

   a) the audited Special Purpose Interim Consolidated Financial Statements of the Group and its associate as at and for the six months period ended September 30, 2024 prepared in accordance with the basis of preparation as described in note 1(B) to the Special Purpose Interim Consolidated Financial Statements (the "September 2024 Special Purpose Interim Consolidated Financial Statements"), which have been approved by the Board of Directors at their meeting held on December 17, 2024;

   b) the audited Consolidated Financial Statements of the Group and its associate as at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022, prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended (referred to as "Ind AS"), and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 03, 2024, June 13, 2023 and June 20, 2022 respectively.

5. For the purpose of our examination, we have relied on:

   a) Auditor's report issued by us dated December 17, 2024, on the Special Purpose Interim Consolidated Financial Statements of the Group and its associate as at and for the six months period ended September 30, 2024, as referred in Paragraph 4(a) above.

   Our audit report referred above included Emphasis of Matter and other matters paragraph which is reproduced below:

   Emphasis of Matter

   Basis of Accounting and Restriction on Distribution and Use

   We draw attention to Note 1(B) to the Special Purpose Interim Consolidated Financial Statements which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the management of the Holding Company solely for the purpose of preparation of the

Restated Consolidated Financial Information to be included in the Draft Red Herring Prospectus ("DRHP") of the Holding Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, these Special Purpose Interim Consolidated Financial Statements may not be suitable for any another purpose.

Our report is addressed to the Board of Directors of the Holding Company solely for the purposes mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other Matters:

i. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 3,891.86 million as at September 30, 2024, total revenues of Rs. 2,044.78 million and net cash flows amounting to Rs. (157.46) million for the six months period ended on that date, as considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

ii. We did not audit the financial statements of an associate, located outside India, whose Group's share of net loss of Rs. 3.88 million for the six months period ended September 30, 2024, as considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts included in respect of this associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

   Our opinion on the Special Purpose Interim Consolidated Financial Statements is not modified in respect of the above matters.

b) Auditor's report issued by us dated September 3, 2024, June 13, 2023 and June 20, 2022 on the Audited Consolidated Financial Statements of the Group and its associate as at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022 as referred in Paragraph 4(b) above. Our audit report referred above for the year ended March 31, 2024 included Other Matters paragraph which is reproduced below:

Others Matters:

i. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 3,456.02 million as at March 31, 2024, total revenues of Rs. 4,234.86 million and net cash flows amounting to Rs. 506.31 million for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate, is based solely on the reports of the other auditors.

ii. We did not audit the financial statements of an associate, located outside India, whose Group's share of net profit of Rs. 0.98 million for the year ended March 31, 2024, for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters.

Our audit report referred above for the year ended March 31, 2023 included Other Matters paragraph which is reproduced below:

Other Matters:

i. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 2,876.12 million as at March 31, 2023, total revenues of Rs. 4,038.61 million and net cash flows amounting to Rs. 151.93 million for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit (including total other comprehensive income) of Rs. 4.24 million for the year ended March 31, 2023, as considered in the Consolidated Financial Statements, in respect of one associate, whose financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate, is based solely on the reports of the other auditors.

ii. One associate is located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in its respective country and which are unaudited. The Holding Company's management has converted the financial information of an associate located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited the conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such associate located outside India is based on the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Our audit report referred above for the year ended March 31, 2022 included Other Matters paragraph which is reproduced below:

Other Matters:

i. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 2,356.88 million as at March 31, 2022, total revenues of Rs. 2,171.82 million and net cash flows amounting to Rs. 124.96 million for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

ii. The consolidated financial statements include the Company's share of net loss of Rs. 0.44 million for the year ended March 31, 2022 in respect of an associate whose financial statements have not been audited by us. The associate is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in its respective country. These financial statements of the associate are unaudited and have been furnished to us by the management. The Holding Company's management has converted the financial statements of the associate from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management to arrive at net share of loss. Our opinion in so far as it relates to the balances and affairs of the associate located outside India is based on the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion is not modified in respect of the above matters.

6. Based on the above and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:

i) have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/reclassifications retrospectively in the financial years as at and for the years March 31, 2024, March 31, 2023 and March 31, 2022, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed in the Special Purpose Interim Consolidated Financial Statements of the Group and its associate as at and for the six months period ended September 30, 2024 as more fully described in Annexure V to the Restated Consolidated Financial Information;

ii) there are no qualifications in the auditor's reports on the Special Purpose Interim Consolidated Financial Statements of the Group and its associate as at and for the six months period ended September 30, 2024 and Consolidated Financial Statements of the Group and its associates as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 which require any adjustments to the Restated Consolidated Financial Information. There is an Emphasis of Matter (refer paragraph 5(a) above), which do not require any adjustment to the Restated Consolidated Financial Information; and

iii) have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

7. We have not audited any financial statements of the Group and its associate as at any date or for any period subsequent to September 30, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group and its associate as at any date or for any period subsequent to September 30, 2024.

8. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

11. Our report is intended solely for use of the Board of Directors and for inclusion in the DRHP to be filed with the SEBI, BSE and NSE, as applicable in connection with the proposed issue. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care towards any other person relying on the statement.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Ankush Agrawal
Partner
Membership No. 159694
UDIN: 24159694BKFHZK2625
Place: Mumbai
Date: December 17, 2024

JESONS INDUSTRIES LIMITED

Annexure I - Restated Consolidated Statement of Assets and Liabilities

(All Amounts in ₹ Million, unless otherwise stated)

Particulars	Notes	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
I. ASSETS					
(1) Non-current assets					
(a) Property, plant and equipment	2	1,777.35	1,279.24	1,284.40	1,313.60
(b) Right of use assets	2.1	554.47	572.96	311.44	340.80
(c) Capital work in progress	2.2	573.16	660.58	218.21	78.82
(d) Other intangible assets	3	70.51	3.17	2.01	2.39
(e) Intangible assets under development	3.2	2.74	58.05	-	-
(f) Financial assets					
(i) Investments	4	4.54	6.33	5.35	1.11
(ii) Loans	5	-	0.03	0.33	0.27
(iii) Other financial assets	6	22.68	25.01	26.45	25.10
(g) Non-current tax assets (net)	12	30.87	35.84	37.72	14.24
(h) Other non-current assets	7	200.19	97.64	336.98	28.49
Total Non-current assets		**3,236.51**	**2,738.85**	**2,222.89**	**1,804.82**
(2) Current assets					
(a) Inventories	8	2,516.23	1,907.29	1,762.99	1,859.88
(b) Financial assets					
(i) Trade receivables	9	2,557.78	2,633.07	2,382.23	3,840.35
(ii) Cash and cash equivalents	10	166.44	36.44	267.99	947.72
(iii) Bank balances other than cash and cash equivalents	11	3.30	2.77	0.05	1.35
(iv) Loans	5	0.53	0.92	0.96	0.65
(v) Other financial assets	6	38.19	79.85	15.17	140.19
(c) Other current assets	7	282.58	268.91	303.60	254.79
Total Current assets		**5,565.05**	**4,929.25**	**4,732.99**	**7,044.93**
Asset Held for Sale	3.3	-	70.12	-	-
Total Assets		**8,801.56**	**7,738.22**	**6,955.88**	**8,849.75**
II. EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	13	268.06	268.06	268.06	268.06
(b) Other equity	14	4,462.83	4,151.76	3,595.09	3,114.26
Equity attributable to owners of the parent		**4,730.89**	**4,419.82**	**3,863.15**	**3,382.32**
(c) Non-controlling interest		10.53	10.43	7.51	6.51
Total Equity		**4,741.42**	**4,430.25**	**3,870.66**	**3,388.83**
Liabilities					
(1) Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	15	772.59	491.24	199.89	290.10
(ii) Lease liabilities	33	126.16	133.74	109.87	133.16
(b) Provisions	19	25.47	13.50	9.66	10.06
(c) Deferred tax liabilities (net)	30	52.75	39.80	34.44	18.26
Total Non-current liabilities		**976.97**	**678.28**	**353.86**	**451.58**
(2) Current liabilities					
(a) Financial liabilities					
(i) Borrowings	15	916.81	161.76	518.07	1,733.10
(ii) Lease liabilities	33	17.26	23.92	23.58	19.97
(iii) Trade payables	16				
(A) Total outstanding dues of micro enterprises and small enterprises		85.81	153.76	55.17	14.65
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,907.85	2,060.44	1,874.93	3,084.10
(iv) Other financial liabilities	17	66.16	99.83	107.29	101.77
(b) Other current liabilities	18	57.28	87.50	127.30	43.87
(c) Provisions	19	18.62	27.36	23.19	11.88
(d) Current tax liabilities (net)	20	13.38	15.12	1.83	-
Total current liabilities		**3,083.17**	**2,629.69**	**2,731.36**	**5,009.34**
Total liabilities		**4,060.14**	**3,307.97**	**3,085.22**	**5,460.92**
Total Equity and Liabilities		**8,801.56**	**7,738.22**	**6,955.88**	**8,849.75**

The above Statement should be read with the Annexure V - Material Accounting Policies and other explanatory Notes to Restated Consolidated Financial Information, Annexure VI - Statements of Adjustments to Restated Consolidated Financial Information and Annexure VII - Notes to the Restated Consolidated Financial Information.

In terms of our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For and on behalf of the Board
JESONS INDUSTRIES LIMITED
CIN : U24295MH1999PLC122193

Ankush Agrawal
Partner
Membership No: 159694

Dhiresh Gosalia
Managing Director
DIN No. 00217158

S Kameswaran
Whole Time Director
DIN No. 10295328

Shilip Sant Kumar
Chief Executive Officer

Place: Mumbai
Date: December 17, 2024

Deepak Kumar Jain
Chief Financial Officer

Kushal Gala
Company Secretary
ACS No: 30833

Date: Mumbai
Place: December 17, 2024

JESONS INDUSTRIES LIMITED

Annexure II - Restated Consolidated Statement of Profit and Loss

(All Amounts in ₹ Million, unless otherwise stated)

Particulars	Notes	For the six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Income					
Revenue from operations	21	7,279.08	14,962.29	17,220.99	20,659.62
Other income	22	20.50	15.86	37.96	187.83
Total income		**7,299.58**	**14,978.15**	**17,258.95**	**20,847.45**
Expenses					
Cost of material consumed	23	5,858.11	10,933.80	12,819.14	15,823.68
Purchases of stock-in-trade	24	212.19	1,180.84	1,624.19	1,872.38
Changes in inventories of finished goods,work-in-progress and stock in trade	25	(237.06)	117.19	129.91	(128.31)
Employee benefits expense	26	366.42	668.57	541.98	409.60
Finance costs	27	43.46	89.73	141.31	158.91
Depreciation and amortisation expense	28	113.62	195.75	189.61	144.53
Other expenses	29	526.66	1,044.12	1,190.86	1,386.57
Total expenses		**6,883.40**	**14,230.00**	**16,637.00**	**19,667.36**
Profit before tax		**416.18**	**748.15**	**621.95**	**1,180.09**
Tax expense					
Current tax	30	87.74	177.19	117.83	300.99
Deferred tax charge	30	12.73	4.56	14.14	12.78
Tax adjustment related to previous year	30	-	1.47	3.82	6.96
Total tax expense		**100.47**	**183.22**	**135.79**	**320.73**
Profit before share of profit of equity accounted investee		**315.71**	**564.93**	**486.16**	**859.36**
Share of net (loss)/ profit of associate accounted using equity method	4	(3.88)	0.98	4.24	(0.44)
Profit for the period/year		**311.83**	**565.91**	**490.40**	**858.92**
Other comprehensive (loss)/income("OCI")					
Items that will not be reclassified to Profit or Loss					
(a) Re-measurement losses on defined benefit plans	32.2	(0.88)	(5.03)	(10.61)	0.57
(b) Tax on above		0.22	0.80	2.04	(0.14)
Total other comprehensive (loss)/income for the period/year (net of tax)		**(0.66)**	**(4.23)**	**(8.57)**	**0.43**
Total comprehensive income for the period/year		**311.17**	**561.68**	**481.83**	**859.35**
Profit for the period/year attributable to:					
Owners of the parent		311.73	562.99	489.40	859.42
Non-controlling interest	43	0.10	2.92	1.00	(0.50)
Profit for the period/ year		**311.83**	**565.91**	**490.40**	**858.92**
Other comprehensive (loss)/ income for the period/year attributable to:					
Owners of the parent	14.1	(0.66)	(4.23)	(8.57)	0.43
Non-controlling interest		-	-	-	-
Other Comprehensive (loss)/income (net of tax) ("OCI")		**(0.66)**	**(4.23)**	**(8.57)**	**0.43**
Total comprehensive income for the period/year attributable to:					
Owners of the parent		311.07	558.76	480.83	859.85
Non-controlling interest	43	0.10	2.92	1.00	(0.50)
Total comprehensive income for the period/ year		**311.17**	**561.68**	**481.83**	**859.35**
Earnings per share (in ₹ - Basic and diluted) (Face value ₹ 5 each)	31	5.81	10.50	9.13	16.03

The above Statement should be read with the Annexure V - Material Accounting Policies and other explanatory Notes to Restated Consolidated Financial Information, Annexure VI - Statements of Adjustments to Restated Consolidated Financial Information and Annexure VII - Notes to the Restated Consolidated Financial Information.

In terms of our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: December 17, 2024

For and on behalf of the Board
JESONS INDUSTRIES LIMITED
CIN : U24295MH1999PLC122193

Dhiresh Gosalia
Managing Director
DIN No. 00217158

S Kameswaran
Whole Time Director
DIN No. 10295328

Shilip Sant Kumar
Chief Executive Officer

Deepak Kumar Jain
Chief Financial Officer

Kushal Gala
Company Secretary
ACS No: 30833

Date: Mumbai
Place: December 17, 2024

JESONS INDUSTRIES LIMITED

Annexure III - Restated Consolidated Statement of Cash Flows

(All Amounts in ₹ Million, unless otherwise stated)

Particulars	For the six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
A. Cash flow from operating activities				
Profit before tax	416.18	748.15	621.95	1,180.09
Adjustments for:				
Depreciation and amortisation expense	113.62	195.75	189.61	144.53
Bad Debts written back	-	(0.38)	-	-
Interest income on financial assets	(3.56)	(4.46)	(15.67)	(11.62)
Interest on lease liability	6.75	15.50	13.50	11.52
Other Finance costs	36.71	74.23	127.81	147.39
Unrealised exchange (gain)/loss	(3.19)	(1.53)	-	(7.85)
Provision for doubtful debts & advances/(written back)	(8.04)	1.07	(14.82)	1.81
Amortisation of Prepaid portion of security deposit (Ind AS 109)	0.55	1.15	1.18	0.63
Amortisation of financial guarantee liability	-	(6.96)	-	-
(Profit)/Loss on sale/disposal of property, plant and equipment (Net)	(5.63)	-	1.39	1.33
Operating profit before working capital changes	**553.39**	**1,022.52**	**924.95**	**1,467.83**
Changes in working capital				
(Decrease)/Increase in trade payables	(303.77)	362.80	(1,184.70)	(111.50)
Increase/(Decrease) in other current financial liabilities	51.81	25.00	(48.16)	78.98
Increase/(Decrease) in provisions and other current liabilities	12.13	(35.19)	84.02	12.67
(Increase)/Decrease in inventories	(608.95)	(144.27)	96.90	294.09
Decrease/(Increase) in trade receivables	86.52	(340.99)	1,489.80	(994.22)
Decrease/(Increase) in financial assets	43.88	(16.58)	24.89	(82.04)
(Increase)/Decrease in other assets	(13.71)	61.16	(51.36)	(8.44)
Cash (used in) / generated from operations	**(178.70)**	**934.45**	**1,336.34**	**657.37**
Income tax paid (net)	(84.28)	(165.19)	(144.09)	(389.57)
Net cash (used in)/ generated from operating activities (A)	**(262.98)**	**769.26**	**1,192.25**	**267.80**
B. Cash flow from Investing activities				
Acquisition of property plant and equipment (net of capital advances)	(623.15)	(997.91)	(582.51)	(435.17)
Proceeds from sale/ disposal of property, plant and equipment	36.00	0.97	4.28	0.49
Investment in Associate	(2.09)	-	-	-
Net proceeds of fixed deposits	-	(2.61)	1.34	14.32
Net proceeds / (application) from other non-current assets	-	225.37	(1.23)	(7.22)
Interest received	3.57	4.09	14.76	11.62
Net cash used in investing activities (B)	**(585.67)**	**(770.09)**	**(563.36)**	**(415.96)**
C. Cash flow from Financing activities				
Repayment of long term borrowings	(46.16)	-	(90.20)	(77.26)
Proceeds from long term borrowings	327.46	291.44	-	-
Proceeds from Partners' Capital and Repayment	-	-	56.09	(94.06)
Proceeds of short-term borrowings (Net)	755.05	(406.31)	(1,110.85)	1,299.04
Payment of dividend	-	-	-	(80.42)
Non - current other Financial Liability	-	(0.01)	(7.63)	-
Payment of lease liabilities	(20.99)	(40.67)	(28.80)	(22.57)
Finance Costs	(36.71)	(75.17)	(127.23)	(144.81)
Net cash generated from/ (used in) financing activities (C)	**978.65**	**(230.72)**	**(1,308.62)**	**879.92**
Net Increase/ (decrease) in cash and cash equivalents (A+B+C)	130.00	(231.55)	(679.73)	731.76
Cash and cash equivalents at the beginning of the period/year	36.44	267.99	947.72	215.96
Cash and cash equivalents at the end of the year period/year	**166.44**	**36.44**	**267.99**	**947.72**
Cash and cash equivalents comprise (Refer Note 10)				
Balances with banks				
On current accounts	55.07	35.64	125.62	28.22
Fixed Deposits with original maturity less than 3 months	110.41	-	142.00	919.16
Cash on hand	0.96	0.80	0.37	0.34
Total cash and Cash equivalent at end of the period/ year	**166.44**	**36.44**	**267.99**	**947.72**

JESONS INDUSTRIES LIMITED

Annexure III - Restated Consolidated Statement of Cash Flows

(All Amounts in ₹ Million, unless otherwise stated)

Notes:

(i) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Ind AS 7, "Cash Flow Statements".

(ii)Disclosure as required by Ind AS 7 - "Cash Flow Statements" - change in liabilities arising from financing activities:-

Particulars	For the six months period ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Balance	**653.00**	**717.96**	**2,023.20**	**782.35**
Non Cash movement				
Accrual of Interest	36.76	75.17	127.80	147.38
Exchange Gain	-	-	-	16.50
Cash movement				
Further Borrowing	327.46	291.44	-	1,299.04
Principal Repayment	(46.16)	-	(90.20)	(77.26)
Net Short term Borrowing	755.05	(356.39)	(1,215.61)	-
Interest Payment	(36.71)	(75.18)	(127.23)	(144.81)
Closing Balance	**1,689.40**	**653.00**	**717.96**	**2,023.20**

The above Statement should be read with the Annexure V - Material Accounting Policies and other explanatory Notes to Restated Consolidated Financial Information, Annexure VI - Statements of Adjustments to Restated Consolidated Financial Information and Annexure VII - Notes to the Restated Consolidated Financial Information.

In terms of our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: December 17, 2024

For and on behalf of the Board
JESONS INDUSTRIES LIMITED
CIN : U24295MH1999PLC122193

Dhiresh Gosalia
Managing Director
DIN No. 00217158

S Kameswaran
Whole Time Director
DIN No. 10295328

Shilip Sant Kumar
Chief Executive Officer

Deepak Kumar Jain
Chief Financial Officer

Kushal Gala
Company Secretary
ACS No: 30833

Date: Mumbai
Place: December 17, 2024

JESONS INDUSTRIES LIMITED

Annexure IV - Restated Consolidated Statement of Changes in Equity

(All Amounts in ₹ Million, unless otherwise stated)

(A) Equity Share Capital (issued and subscribed) (Refer Note: 13)

Particulars	Amount
Balance as at 31st March 2021	**89.35**
Changes in equity share capital during the year	178.71
Balance as at 31st March 2022	**268.06**
Changes in equity share capital during the year	-
Balance as at 31st March 2023	**268.06**
Changes in equity share capital during the year	-
Balance as at 31st March 2024	**268.06**
Changes in equity share capital during the period	-
Balance as at 30th September 2024	**268.06**

(B) Other equity & Non-controlling interest

Particulars	General Reserve	Retained earnings	Capital Contribution	Total Other Equity	Non-controling interest	Total
Balance as at 31st March 2021	**5.43**	**2,529.10**	**4.49**	**2,539.02**	**48.91**	**2,587.93**
Profit for the year	-	859.42	-	859.42	(0.50)	**858.92**
Other comprehensive income	-	0.43	-	0.43	-	**0.43**
Total comprehensive income for the year	**-**	**859.85**	**-**	**859.85**	**(0.50)**	**859.35**
Contribution by minority holder	-	-	-	-	3.00	**3.00**
Dividend Paid	-	(80.42)	-	(80.42)	-	**(80.42)**
Bonus equity shares issued during the year	-	(178.71)	-	(178.71)	-	**(178.71)**
Transfer of Reserve on account of Ind AS adjustment from Non Controling to Controling Interest	-	0.89	-	0.89	(0.89)	**-**
Payment on account of reduction in Partnership interest (Refer note 35)	-	-	-	-	(44.01)	**(44.01)**
Retrospective application of change in acocunting policy for inventory (Refer Annexure VI - Part A)	-	(26.37)	-	(26.37)	-	**(26.37)**
Balance as at 31st March 2022	**5.43**	**3,104.34**	**4.49**	**3,114.26**	**6.51**	**3,120.77**
Profit for the year	-	489.40	-	489.40	1.00	490.40
Other comprehensive loss	-	(8.57)	-	(8.57)	-	(8.57)
Total comprehensive income for the year	**-**	**480.83**	**-**	**480.83**	**1.00**	**481.83**
Balance as at 31st March 2023	**5.43**	**3,585.17**	**4.49**	**3,595.09**	**7.51**	**3,602.60**
Profit for the year	-	562.99	-	562.99	2.92	565.91
Other comprehensive loss	-	(4.23)	-	(4.23)	-	(4.23)
Total comprehensive income for the year	**-**	**558.76**	**-**	**558.76**	**2.92**	**561.68**
Transfer of Reserve on account of Ind AS adjustment from Non Controling to Controling Interest	-	(2.09)	-	(2.09)	-	(2.09)
Balance as at 31st March 2024	**5.43**	**4,141.84**	**4.49**	**4,151.76**	**10.43**	**4,162.19**
Profit for the period	-	311.73	-	311.73	0.10	**311.83**
Other comprehensive loss	-	(0.66)	-	(0.66)	-	**(0.66)**
Total comprehensive income for the period	**-**	**311.07**	**-**	**311.07**	**0.10**	**311.17**
Balance as at 30th September 2024	**5.43**	**4,452.91**	**4.49**	**4,462.83**	**10.53**	**4,473.36**

The above Statement should be read with the Annexure V - Material Accounting Policies and other explanatory Notes to Restated Consolidated Financial Information, Annexure VI - Statements of Adjustments to Restated Consolidated Financial Information and Annexure VII - Notes to the Restated Consolidated Financial Information.

In terms of our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For and on behalf of the Board
JESONS INDUSTRIES LIMITED
CIN : U24295MH1999PLC122193

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: December 17, 2024

Dhiresh Gosalia
Managing Director
DIN No. 00217158

S Kameswaran
Whole Time Director
DIN No. 10295328

Shilip Sant Kumar
Chief Executive Officer

Deepak Kumar Jain
Chief Financial Officer

Kushal Gala
Company Secretary
ACS No: 30833

Date: Mumbai
Place: December 17, 2024

1 (A) Corporate Information

Jesons Industries Limited ("the Company") is an Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The address of its registered office is located at 904, Peninsula Tower No. 1, Lower Parel (West), Mumbai - 400013, Maharashtra. The Company along with its subsidiaries is hereinafter referred to as "the Group".

The Group is principally engaged in manufacturing and selling of industrial adhesives and emulsions.

(B) Basis of preparation & Material accounting policies

(i) Statement of compliance and basis of preparation:

The Restated Consolidated Financial Information comprise the Restated Consolidated Statement of Asset and Liabilities as at 30th September 2024, 31st March 2024, 31st March 2023, and 31st March 2022, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the six months period ended 30th September 2024 and years ended 31st March 2024, 31st March 2023 and 31st March 2022, and Material Accounting Policies and Other Explanatory Notes to Restated Consolidated Financial Information (hereinafter referred to as 'Restated Consolidated Financial Information').

These Restated Consolidated Financial Information have been prepared by the Management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus (the "DRHP") to be filed with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited and BSE Limited in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
b. Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the SecuriƟes and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by SEBI; and
c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended from time to time (the "Guidance Note")

The Restated Consolidated Financial Information has been compiled by the Group from:

a) the audited Special Purpose Consolidated Interim Financial Statements of the Group and its associate as at and for the six months period ended 30th September 2024, prepared in accordance with the recognition and measurement principles of the Indian Accounting Standard – 34 "Interim Financial Reporting as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013 ("Special Purpose Consolidated Interim Financial Statements"), which have been approved by the Board of Directors at their meeting held on 17th December 2024.

b) the audited Consolidated Financial Statements of the Group and its associate as at and for the years ended 31st March 2024, 31st March 2023 and 31st March 2022 prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended (referred to as "Ind AS"), and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 3rd September 2024, 13th June 2023, and 20th June 2022 respectively.

The Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments in respect of changes in the accounting policies, material errors, and regrouping/ reclassifications retrospectively in the years ended 31st March 2024, 31st March 2023, and 31st March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed as at and for the six months period ended 30th September 2024; and

b) do not require any adjustment for qualifications as there are no qualifications in the underlying auditors' reports which require any adjustments.

Accounting policies have been applied consistently to all periods presented in these Restated Consolidated Financial Information. These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited Special Purpose Interim Consolidated Financial Statements and the audited Consolidated Financial Statements mentioned above.

The Restated Consolidated Financial Information comply, in all material aspects, with Ind AS notified undersection 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, ('Ind AS') and otherrelevant provisions of the Act and rules made thereunder. The Restated Consolidated Financial Information have been prepared as a going concern on the basis of relevant Ind AS that are effective at the Group's and its associate reporting date, 30th September 2024.

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest millions, unless otherwise indicated.

The Restated Consolidated Financial Information are approved for issue by the Company's Board of Directors on 17th December 2024.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:
(a) Certain financial instruments (including derivative instruments) that are measured at fair value
(b) assets held for sale measured at lower of cost or fair value less cost to sell; and
(c) Defined benefit plan assets / liabilities measured at fair value

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

Classification into current and non-current:

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

(iii) Basis of consolidation

Subsidiaries:

Subsidiaries are all entities over which the group has control. The controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability. Subsidiaries are fully consolidated from the date on which control is transferred to the group. The acquisition method of accounting is used to account for business combination of the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

Subsidiaries considered in the Restated Consolidated Summary Statements:

Name of the entity	Date of incorporation	Ownership interest (in %)			
		As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Jesons Innovative Polymers Private Limited, India	24th October 2019	100%	100%	100%	100%
Jesons Techno Polymers LLP, India	10th October 2019	99%	99%	99%	99%

Associates:
Associates are entities over which the group exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. Investments in associates are consolidated using equity method of accounting, after initially being recognised at cost.

Name of the entity	Date of incorporation	Ownership interest (in %)			
		As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Dura Jesons LLC, USA	5th December 2017	49%	49%	49%	49%

Equity Method:
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-aquisition profits or losses of the investee in the consolidated profits and loss, and the Group's share of other comprehensive income of the investee in consolidated other comprehensive income.

Dividends received or receivable from associate are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other equity.

(iv) Recent accounting pronouncement which are not yet effective:
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On September 30, 2024, MCA has not notified any new Standard or amended any existing standard which are applicable from October 1, 2024.

(v) Critical accounting estimates, assumptions and judgements:
The preparation of consolidated financial statements requires the Management to make estimate, assumptions and judgements that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the result of operations during the reporting period end. Although these estimates and assumptions are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates, if any, are recognized in the period in which the estimates are revised, if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(a) Useful lives of property, plant and equipment (PPE) and intangible assets:
As described in the significant accounting policies, the Management reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.

(b) Fair value measurements and valuation processes:
Some of the Group's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the consolidated financial statements.

(c) Employee benefit obligations
The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(d) Measurement of Lease liabilities and Right of Use Asset:
The Group considers all the extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right-of-use asset and the corresponding lease-liability. Refer note 1.4, 2.1 and 33.

(e) Impairment of assets - Refer Note 1.7 and 1.12.

(f) Recognition of deferred tax assets – Refer Note 30.

(vi) Material accounting policies:

1.1 Property, plant and equipment
Property, plant and equipment, other than Freehold Land, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Freehold land is carried at cost and is not depreciated. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to acquisition of qualifying asset up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

Machinery spares that meet the definition of property, plant and equipment are capitalised and depreciated over the useful life of the principal item of an asset. All other repairs and maintenance are charged to Consolidated Statement of Profit and Loss during the year in which they are incurred.

Projects under commissioning and other CWIP/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Group and the cost of the item can be measured reliably.
Advances given to acquire property, plant and equipment is classified as capital advances under other non-current assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation on these assets commences when assets are ready for their intended use which is generally on commissioning. Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets after commissioning less its residual value, over their useful lives as specified in Schedule II of the Act on a written down value basis. Depreciation on additions/deletions during the year is provided on pro-rata basis from/up to the date of such addition/deletion.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Depreciation methods, estimated useful lives
The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The Group uses written down value ('WDV') method and has used following useful lives to provide depreciation of different class of its property, plant and equipment.

Property, plant and equipment	Useful lives
Leasehold land	Lease period
Factory Building	30 years
Office Building	60 years
Plant & Machinery	25 years
Furniture and Fixtures	10 years
Computers	3 years
Office Equipment	5 years
Motor Vehicle	12 years

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

1.2 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a written down value ('WDV') basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and amortisation expense in Consolidated statement of Profit & Loss account.

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Group uses written down value ('WDV') method and has used following useful lives to provide amortisation of different class of intangible assets.

Intangible assets	Useful life
Computer software	5 years

Intangible assets under development

The Group expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset.

1.3 Research and Development Cost

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical and economic feasibility and marketability has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

1.4 Leases

As a Lessee

As a Lessee, the Group generally recognises for all leases a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

As a general rule, the Group separates non-lease components, such as services from lease payments. Lease liabilities are measured at the present value of the remaining lease payments, taking into account the incremental borrowing rate.

Lease payments are discounted using the interest rate implicit in the lease contracts if that rate can be determined from the lease contracts. If the discount rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses a risk free rate of interest which is adjusted for lease term, country risk and currency risk.

A right-of-use asset is generally recognized at the same amount as the lease liability. After capitalization at commencement date, whereby the right-of-use asset is measured at cost, the right-of-use asset is generally depreciated over the lease term using the straight-line method. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of liability for each period.

A number of leases include extension and termination options. Extension and termination options are taken into account on recognition of the lease liability only if the Group is reasonably certain that these options will be exercised in the future. Estimates and expectations which are asserted at the commencement date of the lease liability and the right-of-use asset and pertain to future payments not yet determined on the date of provision are assessed continuously during the lease term. If subsequently improved or changed knowledge influences the expected payment profile over time, the lease liability is remeasured.

Initial direct costs are excluded for the measurement of right-of-use assets at the date of initial application The Group exercises the exemption for lease arrangements with a maximum term of 12 months (short term leases) and low-value assets. Payments associated with such short-term leases and low-value assets are recognised as an expense in Statement of Profit and Loss. Variable lease payments that depend on usage and/ or other variable conditions are recognised in the Statement of Profit and Loss in the period in which the conditions that trigger those payments occur.

1.5 Inventories

Inventories which comprises raw materials, work in progress, finished goods, stock in trade and stores and spares are carried at the lower of cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of actual operations. Cost of inventories also comprises of other costs incurred in bringing the inventories to their present location and condition. In determining cost, weighted average method is used (refer Annexure VI : part A for change in the accounting policy).

The net realizable value of work in progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed the net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

1.6 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprises cash at banks, cash on hand and short-term deposits, if any, with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown in current liabilities in the balance sheet.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft.

1.7 Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, except in case of revalued assets.

1.8 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

1.9 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities respectively. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

Classification and subsequent measurement

1.10 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On subsequent measurement financial assets are measured at:
a) Amortized cost; or
b) Fair value through Other Comprehensive Income (FVTOCI); or
c) Fair value through Profit or Loss
Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Amortized cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, dividend income, foreign exchange gains and losses and impairment losses are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

<u>Fair value through other comprehensive income (FVTOCI)</u>: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

<u>Fair value through profit or loss:</u> Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Net gains and losses, including interest income from these financial assets is included in other income.

<u>Investment in Equity Instruments</u>

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI or FVTPL. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Dividend income received on such equity investments are recognised in profit or loss.

1.11 Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

<u>Equity Instruments</u>

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

<u>Financial liabilities</u>

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

<u>Compound instruments</u>

An issued financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and the residual value is recognised as equity component of financial instrument. The liability component is subsequently measured at amortised cost, whereas the equity component is not remeasured after initial recognition. The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognised directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortised using effective interest rate method.

1.12 Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets.

With respect to trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

1.13 Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when Group:

(a) has transferred the rights to receive cash flows from the financial assets; or
(b) retains the contractual rights to receive the cash flows from financial assets, but assumes a contractual obligation to pay the cashflows to one or more recipients.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

1.14 Derecognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

1.15 Derivative contracts

The Group uses derivative financial instruments such as foreign exchange forward contracts to hedge its foreign currency risks which are not designated as hedges. All derivative contracts are marked-to-market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1.16 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when, and only when, the Group currently has a legally enforceable right to offset the recognized amounts and it intends either to settle them on a net basis or realize the asset and settle the liability simultaneously.

1.17 Fair value measurement

The Group measures certain financial instruments at fair value at each reporting date.
Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3 — Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

1.18 Revenue Recognition

Sale of goods

The Group recognises revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

At contract inception, since for most of the contracts it is expected that the period between the transfer of the promised goods or services to a customer and payment for these goods or services by the customer will be one year or less, practical expedient in Ind AS 115 have been applied and accordingly:
- The Group does not adjust the promised amount of consideration for the effects of a significant financing component
- The Group recognises the incremental costs of obtaining a contract as an expense when incurred
- No information on remaining performance obligations as of period/year end that have an expected original term of one year or less was reported.

Export benefits

Export benefits are recognised where there is reasonable assurance that such benefits will be received and all attached conditions will be complied with. Export benefits are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which such benefits are intended to compensate.

Trade receivables and Contract Balances

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Invoicing in excess of earnings are classified as unearned revenue. Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

1.19 Other Income

a) Interest

Interest Income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable, which the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's on net carrying amount on initial recognition.
For all debt instruments measured either at amortised cost or at FVTOCI.

1.20 Employee Benefits

Short-term obligations

A liability is recognised for benefits accruing to employees in respect of wages and salaries, leaves in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plan

The Group's contribution to Employee Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and charged as an expense in the Statement of Profit and Loss on an accrual basis.

The Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans

The Group provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the Group with respect to gratuity is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ("OCI") in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in retained earnings and is not reclassified to profit or loss in subsequent periods.

Long term compensated absences

The employees of the Group are entitled to compensated absences for which the Group records the liability based on actuarial valuation computed using Projected Unit Credit method. These benefits are unfunded. Leaves under defined benefit plan can be encashed only on discontinuation of service by employee.

1.21 Borrowing Cost

Borrowing costs consist of interest and other ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.

b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

1.22 Taxes on income

Taxes on income comprises current tax and deferred tax

(a) Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off.

Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

1.23 Functional currency and Foreign Currency Transactions

(a) Functional and presentation currency

The Consolidated Financial Statements are presented in Indian rupee (INR/₹), which is the Group's functional and presentation currency. Foreign currency transactions are recorded and presented in the functional currency by applying the exchange rate between the functional currency and the foreign currency prevailing at the dates of the transactions.

(b) Translations

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

All monetary items in foreign currencies are restated at the end of each reporting period at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign exchange differences arising between the transaction date and the settlement/reporting date are recognised in the Statement of Profit and Loss.

1.24 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.25 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

JESONS INDUSTRIES LIMITED

Annexure VI - Statements of Adjustments to Restated Consolidated Financial Information

(All Amounts in ₹ Million, unless otherwise stated)

PART A: Statement of adjustments to Restated Consolidated Financial Information

Reconciliation between equity as per Audited Consolidated Financial Statements and equity as per Restated Consolidated Financial Information

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Total equity as per audited consolidated financial statements	**4,741.42**	**4,419.70**	**3,864.63**	**3,396.61**
(a) Adjustments due to change in accounting policy/ material errors/ other adjustments		8.64	2.65	(14.99)
Change in cost formula of inventory from FIFO to weighted average (Refer Note 52)	-			
(b) Current tax impact on adjustments in (a), as applicable	-	1.91	3.38	7.21
Total Adjustments (a-b)	-	10.55	6.03	(7.78)
Total Equity as per Restated Consolidated Statement of Assets and Liabilities	**4,741.42**	**4,430.25**	**3,870.66**	**3,388.83**

Reconciliation between audited profit and restated profit

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Profit after tax as per audited consolidated financial statements	**311.83**	**561.38**	**476.59**	**840.33**
(a) Adjustments due to change in accounting policy/ material errors/ other adjustments	-	6.00	17.63	25.54
Change in cost formula of inventory from FIFO to weighted average (Refer Note 52)				
(b) Current tax impact on adjustments in (a), as applicable	-	(1.47)	(3.82)	(6.96)
Total Adjustments (a-b)	-	4.53	13.81	18.58
Profit after tax as per Restated Consolidated Statement of Profit and Loss	**311.83**	**565.91**	**490.40**	**858.92**

Material regroupings/reclassifications:

Appropriate regrouping/reclassification have been made in the Restated Consolidated Statement of Assets and Liabilities, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Special Purpose Interim Consolidated Financial Statements for the six months period ended 30th September 2024 prepared in accordance with Schedule III (Division II) of the Act, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

Part B :- Non adjusting items

Audit qualifications for the respective period/years, which do not require any adjustments in the Restated Consolidated Financial Information:

There are no qualifications in the auditor's reports on the Special Purpose Consolidated Financial Statements of the Group and its associate as at and for the years ended 31st March 2024, 31st March 2023 and 31st March 2022, and Special Purpose Interim Consolidated Financial Statements of the Group and its associate as at and for the six months period ended 30th September 2024 which require any adjustments to the Restated Consolidated Financial Information. There are Emphasis of Matter and Other Matters (as explained below), which does not require any adjustment to the Restated Consolidated Financial Information.

Emphasis of matters and Other matters not requiring adjustments to Restated Consolidated Financial Information:

Period ended 30th September 2024:

Emphasis of Matter:

Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1(B) to the Special Purpose Interim Consolidated Ind AS Financial Statements which describes the purpose and basis of preparation of the Special Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements have been prepared by the management of the Holding Company solely for the purpose of preparation of the Restated Consolidated Financial Information to be included in the Draft Red Herring Prospectus ("DRHP") of the Holding Company to be filed in connection with its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act and as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and to comply with the SEBI Communication and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, these Special Purpose Interim Consolidated Ind AS Financial Statements may not be suitable for any another purpose.

Our report is addressed to the Board of Directors of the Holding Company solely for the purposes mentioned above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume 'any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of the above matter.

Other Matters:

i. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 3,891.86 million as at September 30, 2024, total revenues of Rs. 2,044.78 million and net cash flows amounting to Rs. (157.46) millions for the six months period ended on that date, as considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

ii. We did not audit the financial statements of an associate, located outside India, whose Group's share of net loss of Rs. 3.88 millions for the six months period ended September 30, 2024, a considered in the Special Purpose Interim Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Special Purpose Interim Consolidated Financial Statements, in so far as it relates to the amounts included in respect of this associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Special Purpose Interim Consolidated Financial Statements is not modified in respect of the above matters.

Year ended 31st March 2024:
Other Matters:
i. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 3,456.02 millions as at March 31, 2024, total revenues of Rs. 4,234.86 millions and net cash flows amounting to Rs. 506.31 millions for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate, is based solely on the reports of the other auditors.

ii. We did not audit the financial statements of an associate, located outside India, whose Group's share of net profit of Rs. 0.98 millions for the year ended March 31, 2024, for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters.

Year ended 31st March 2023:
Other Matters:
i. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs.2,876.12 millions as at March 31, 2023, total revenues of Rs.4,038.61 millions and net cash flows amounting to Rs. 151.93 millions for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit (including total other comprehensive income) of Rs. 4.24 millions for the year ended March 31, 2023, as considered in the Consolidated Financial Statements, in respect of one associate, whose financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and an associate, is based solely on the reports of the other auditors.

ii. One associate is located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in its respective country and which are unaudited. The Holding Company's management has converted the financial information of an associate located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited the conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such associate located outside India is based on the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Year ended 31st March 2022:
Other Matters:
i. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 2,356.88 millions as at March 31, 2022, total revenues of Rs.2,171.82 millions and net cash flows amounting to Rs. 124.96 millions for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

ii. The consolidated financial statements include the Company's share of net loss of Rs. 0.44 million for the year ended March 31, 2022 in respect of an associate whose financial statements have not been audited by us. The associate is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in its respective country. These financial statements of the associate are unaudited and have been furnished to us by the management. The Holding Company's management has converted the financial statements of the associate from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management to arrive at net share of loss. Our opinion in so far as it relates to the balances and affairs of the associate located outside India is based on the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion is not modified in respect of the above matters.
Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended):
Year ended 31st March 2024:
Based on our examination, the Company has used an accounting software for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility. However, the audit trail feature was enabled at the application level only with effect from August 2, 2023 in respect of the said software. Further, no audit trail feature was enabled at the database level throughout the year ended March 31, 2024 in respect of the software to log any direct data changes.

The audit trail feature, to the extent it was enabled, as stated above, has operated throughout the period from August 2, 2023 to March 31, 2024 for all relevant transactions recorded in the accounting software at the application level during the said period.

Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, post enablement of the audit trail facility at the application level.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

JESONS INDUSTRIES LIMITED
Annexure VI - Statements of Adjustments to Restated Consolidated Financial Information
(All Amounts in ₹ Million, unless otherwise stated)

Audit Comments in Annexure to Auditors' Report on the Standalone financial statements of the Company, which do not require any corrective adjustments in the Restated Consolidated Financial Information:

Year ended 31st March 2024:
Clause VII(a) of CARO 2020 Order
'According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues in arrears, which were outstanding, as at March 31, 2024, for a period of more than six months from the date they became payable.
Clause VII(b) of CARO 2020 Order
'According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub- clause (a) above which have not been deposited as on March 31, 2024 on account of any dispute, are as follows:

Name of the statute	Nature of dues
Department of customs	Customs
Department of customs	Customs
Department of customs	Customs

Year ended 31st March 2023:
Clause VII(b) of CARO 2020 Order
'According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

Name of the statute	Nature of dues
Department of customs	Customs
Department of customs	Customs
Department of customs	Customs

Year ended 31st March 2022:
Clause VII(a) of CARO 2020 Order
According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

2 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Building	Plant & Machinery	Office Equipment	Motor Vehicles	Furniture & Fixtures	Total
Gross block							
As at 1st April 2021	**10.91**	**214.48**	**488.38**	**17.79**	**38.39**	**19.10**	**789.05**
Additions/ Adjustments during 2021-22	4.94	303.84	614.24	13.36	12.32	8.15	956.85
Deduction/ Adjustments during 2021-22	-	-	(2.97)	(0.30)	(0.23)	(1.34)	(4.84)
As at 31st March 2022	**15.85**	**518.32**	**1,099.65**	**30.85**	**50.48**	**25.91**	**1,741.06**
Additions/ Adjustments during 2022-23	-	26.81	93.41	9.89	0.54	5.65	136.30
Deduction/ Adjustments during 2022-23	-	-	(7.56)	(0.47)	(1.31)	-	(9.34)
As at 31st March 2023	**15.85**	**545.13**	**1,185.50**	**40.27**	**49.71**	**31.56**	**1,868.02**
Additions/ Adjustments during 2023-24	-	18.86	105.83	8.88	17.93	1.36	152.86
Deduction/ Adjustments during 2023-24	-	-	(2.21)	(0.11)	-	-	(2.32)
As at 31st March 2024	**15.85**	**563.99**	**1,289.12**	**49.04**	**67.64**	**32.92**	**2,018.56**
Additions/ Adjustments during the period	-	236.97	265.66	2.55	-	71.22	576.40
Deduction/ Adjustments during the period	-	-	-	-	-	-	-
As at 30th September 2024	**15.85**	**800.96**	**1,554.78**	**51.59**	**67.64**	**104.14**	**2,594.96**
Depreciation							
Accumulated depreciation as at 1st April 2021	**-**	**75.57**	**188.25**	**11.43**	**22.79**	**10.29**	**308.33**
For the year 2021-22	-	31.36	74.30	6.22	6.92	3.34	122.14
Deductions during 2021-22	-	-	(1.58)	(0.24)	(0.14)	(1.05)	(3.01)
Accumulated depreciation as at 31st March 2022	**-**	**106.93**	**260.97**	**17.41**	**29.57**	**12.58**	**427.46**
For the year 2022-23	-	39.69	101.19	8.13	6.52	4.25	159.78
Deductions during 2022-23	-	-	(2.08)	(0.41)	(1.13)	-	(3.62)
Accumulated depreciation as at 31st March 2023	**-**	**146.62**	**360.08**	**25.13**	**34.96**	**16.83**	**583.62**
For the year 2023-24	-	37.33	101.02	8.24	6.12	3.90	156.61
Deductions during 2023-24	-	-	(0.90)	(0.01)	-	-	(0.91)
Accumulated depreciation as at 31st March 2024	**-**	**183.95**	**460.20**	**33.36**	**41.08**	**20.73**	**739.32**
For the year period	-	18.71	50.44	3.42	4.16	1.56	78.29
Deductions during the period	-	-	-	-	-	-	-
Accumulated depreciation as at 30th September 2024	**-**	**202.66**	**510.64**	**36.78**	**45.24**	**22.29**	**817.61**
Net block							
As at 31st March 2022	**15.85**	**411.39**	**838.68**	**13.44**	**20.91**	**13.33**	**1,313.60**
As at 31st March 2023	**15.85**	**398.51**	**825.42**	**15.14**	**14.75**	**14.73**	**1,284.40**
As at 31st March 2024	**15.85**	**380.04**	**828.92**	**15.68**	**26.56**	**12.19**	**1,279.24**
As at 30th September 2024	**15.85**	**598.30**	**1,044.14**	**14.81**	**22.40**	**81.85**	**1,777.35**

Note 1: None of the property, plant and equipment are revalued for the period ended 30th September 2024 and the year ended 31st March 2024, 31st March 2023 and 31st March 2022 .

Note 2: Title deeds for all the immovable property held by the Group as at 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022 are held in the name of the Group.

Note 3: There are no proceedings initiated nor there are any pending proceedings against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as at 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022.

Note 4:Working capital facilities are secured by creation of Second ranking pari passu charge by way of Hypothecation of Movable Porperty Plant and Equipments and Mortgage of Immovable Properties of the Group.

2.1 RIGHT OF USE ASSETS

Particulars	Leasehold Land	Buildings	Plant & machinery	Total
<u>Gross block</u>				
As at 1st April 2021	**188.76**	**19.53**	**70.19**	**278.48**
Additions/ Adjustments during 2021-22	71.97	38.67	-	110.64
Deduction/ Adjustments during 2021-22	-	-	-	-
As at 31st March 2022	**260.73**	**58.20**	**70.19**	**389.12**
Additions/ Adjustments during 2022-23	-	-	-	-
Deduction/ Adjustments during 2022-23	-	-	-	-
As at 31st March 2023	**260.73**	**58.20**	**70.19**	**389.12**
Additions/ Adjustments during 2023-24	369.32	-	-	369.32
Deduction/ Adjustments during 2023-24	-	-	-	-
Assets Held for Sale	(71.97)	-	-	(71.97)
As at 31st March 2024	**558.08**	**58.20**	**70.19**	**686.47**
Additions/ Adjustments during the period	-	-	-	-
Deduction/ Adjustments during the period	-	-	-	-
As at 30th September 2024	**558.08**	**58.20**	**70.19**	**686.47**
<u>Accumulated depreciation</u>				
Accumulated depreciation as at 1st April 2021	**8.54**	**3.58**	**14.40**	**26.52**
For the year 2021-22	5.76	8.84	7.20	21.80
Deductions during 2021-22	-	-	-	-
Accumulated depreciation as at 31st March 2022	**14.30**	**12.42**	**21.60**	**48.32**
For the year 2022-23	6.01	16.15	7.20	29.36
Deductions during 2022-23	-	-	-	-
Accumulated depreciation as at 31st March 2023	**20.31**	**28.57**	**28.80**	**77.68**
For the year 2023-24	14.33	16.15	7.20	37.68
Deductions during 2023-24	-	-	-	-
Assets Held for Sale	(1.85)	-	-	(1.85)
Accumulated depreciation as at 31st March 2024	**32.79**	**44.72**	**36.00**	**113.51**
For the period	6.81	8.08	3.60	18.49
Deductions during the period	-	-	-	-
Accumulated depreciation as at 30th September 2024	**39.60**	**52.80**	**39.60**	**132.00**
<u>Net block</u>				
As at 31st March 2022	246.43	45.78	48.59	340.80
As at 31st March 2023	240.42	29.63	41.39	311.44
As at 31st March 2024	525.29	13.48	34.19	572.96
As at 30th September 2024	518.48	5.40	30.59	554.47

2.2 CAPITAL WORK IN PROGRESS ('CWIP')

Particulars	Capital work-in-progress
As at 1st April 2021	**663.30**
Additions/ Adjustments during 2021-22	294.85
Deduction/ Adjustments during 2021-22	(879.33)
As at 31st March 2022	**78.82**
Additions/ Adjustments during 2022-23	196.46
Deduction/ Adjustments during 2022-23	(57.07)
As at 31st March 2023	**218.21**
Additions/ Adjustments during 2023-24	537.33
Deduction/ Adjustments during 2023-24	(94.96)
As at 31st March 2024	**660.58**
Additions/ Adjustments during the period	488.66
Deduction/ Adjustments during the period	(576.08)
As at 30th September 2024	**573.16**

Note 1: CWIP Ageing Schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 30th September 2024	510.26	62.81	0.09	-	573.16
As at 31st March 2024	513.50	129.38	17.70	-	660.58
As at 31st March 2023	197.28	20.93	-	-	218.21
As at 31st March 2022	66.98	11.84	-	-	78.82

Note 2: CWIP whose completion is overdue as at 30th September 2024 is Nil (31st March 2024 : Nil; 31st March 2023 : Nil; 31st March 2022 : Nil).
Note 3: In view of management, completion of the project is not overdue and it has not exceeded its cost compared to its original plan.
Note 4: There are no projects which are temporary suspended as at 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022.

3 OTHER INTANGIBLE ASSETS

Particulars	Computer Software
<u>**Gross block**</u>	
As at 1st April 2021	**5.83**
Additions/ Adjustments during 2021-22	1.08
Deduction/ Adjustments during 2021-22	-
As at 31st March 2022	**6.91**
Additions/ Adjustments during 2022-23	0.09
Deduction/ Adjustments during 2022-23	-
As at 31st March 2023	**7.00**
Additions/ Adjustments during 2023-24	2.62
Deduction/ Adjustments during 2023-24	-
As at 31st March 2024	**9.62**
Additions/ Adjustments during the period	84.18
Deduction/ Adjustments during the period	-
As at 30th September 2024	**93.80**
<u>**Amortization**</u>	
Accumulated depreciation as at 1st April 2021	**3.93**
For the year 2021-22	0.59
Deductions during 2021-22	-
Accumulated depreciation as at 31st March 2022	**4.52**
For the year 2022-23	0.47
Deductions during 2022-23	-
Accumulated depreciation as at 31st March 2023	**4.99**
For the year 2023-24	1.46
Deductions during 2023-24	-
Accumulated depreciation as at 31st March 2024	**6.45**
For the period	16.84
Deductions during the period	-
Accumulated depreciation as at 30th September 2024	**23.29**
<u>**Net block**</u>	
As at 31st March 2022	**2.39**
As at 31st March 2023	**2.01**
As at 31st March 2024	**3.17**
As at 30th September 2024	**70.51**

3.1 The amortisation expense of intangible assets have been included under 'Depreciation and amortisation expense' in the Restated Consolidated Statement of Profit and Loss

3.2 Intangible Asset under Development ('IAUD')

Particulars	Intangible Asset under Development
As at 1st April 2021	**-**
Additions/ Adjustments during the year 2021-22	-
Deductions/ Adjustments during the year 2021-22	-
As at 31st March 2022	**-**
Additions/ Adjustments during the year 2022-23	-
Deductions/ Adjustments during the year 2022-23	-
As at 31st March 2023	-
Additions/ Adjustments during the year 2023-24	**58.05**
Deductions/ Adjustments during the year 2023-24	-
As at 31st March 2024	**58.05**
Additions/ Adjustments during the period	28.34
Deductions/ Adjustments during the period	(83.65)
As at 30th September 2024	**2.74**

Note 1: IAUD Ageing Schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 30th September 2024	2.74	-	-	-	**2.74**
As at 31st March 2024	58.05	-	-	-	**58.05**
As at 31st March 2023	-	-	-	-	**-**
As at 31st March 2022	-	-	-	-	**-**

Note 2: IAUD whose completion is overdue as at 30th September 2024 is Nil (31st March 2024 : Nil; 31st March 2023 : Nil; 31st March 2022 : Nil).
Note 3: In view of management, completion of the project is not overdue and it has not exceeded its cost compared to its original plan.
Note 4: There are no projects which are temporary suspended as at 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022.

3.3 Asset Held for Sale

The asset classified as held for sale is Leasehold land situated at Plot bearing number D-2/17/14 in Dahej Industrial Estate - Phase II - District Bharuch promoted by Gujarat Industrial Development Corporation (GIDC). The Company had finalised agreement on 1st February 2024 to assignment of Lease in the leasehold land to Aquaeva Chemtech Private Limited. Accordingly the Asset was classified as held for sale as at 31st March 2024. On 17th April 2024 the Company has completed the compliances and handed over the possession of the said land. Accordingly the gain on the transaction is classified as profit on sale of property plant & equipment of INR 5.63 Million for six months period ended 30th September 2024.

Detail of Asset Held for Sale

Description of Asset	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Leasehold Land situated at Dahej	-	70.12	-	-
Total	**-**	**70.12**	**-**	**-**

4 INVESTMENTS (NON - CURRENT)

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
At cost:				
Unquoted equity shares (Non-trade)				
Investment in Associate	5.34	3.25	3.25	3.25
[Membership interest units aggregating to 49% of Dura Jesons LLC]				
Add: Group's Share of (loss)/profit in Associate	(0.80)	3.08	2.10	(2.14)
Total Investments	**4.54**	**6.33**	**5.35**	**1.11**
Current	-	-	-	-
Non- Current	4.54	6.33	5.35	1.11
	4.54	6.33	5.35	1.11
Aggregate book value of:				
Quoted investments	-	-	-	-
Unquoted investments	4.54	6.33	5.35	1.11
Aggregate market value of:				
Quoted investments	-	-	-	-
Unquoted investments	4.54	6.33	5.35	1.11
Aggregate amount of impairment in value of Investments	-	-	-	-
The share of (loss)/ profit for the period/year from Associate Company	**(3.88)**	**0.98**	**4.24**	**(0.44)**

5 LOANS

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Financial assets at amortised cost :								
Unsecured considered good								
Loan to employees	-	0.53	0.03	0.92	0.33	0.96	0.27	0.65
Total	**-**	**0.53**	**0.03**	**0.92**	**0.33**	**0.96**	**0.27**	**0.65**

6 OTHER FINANCIAL ASSETS

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Financial assets at amortised cost :								
Unsecured considered good								
Security deposits	22.62	22.12	24.42	19.84	25.86	9.46	24.51	5.32
Recoverable from vendors	-	-	-	-	-	-	-	129.21
Other receivables*	-	16.07	-	60.01	-	5.71	-	-
Fixed deposits with maturity more than 12 months	0.06	-	0.59	-	0.59	-	0.59	-
Derivative financial asset carried at fair value through Profit & Loss	-	-	-	-	-	-	-	5.66
Total	**22.68**	**38.19**	**25.01**	**79.85**	**26.45**	**15.17**	**25.10**	**140.19**

* Other receivables includes accrued discounts, receivable from gratuity fund.

7 OTHERS ASSETS (NON FINANCIAL)

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Unsecured considered good								
Capital advances	198.58	-	95.53	-	336.98	-	28.49	-
Balance with Government authorities	-	175.43	-	148.12	-	170.90	-	225.61
Export incentives receivable	-	4.97	-	3.55	-	0.32	-	2.47
Prepaid Expenses	1.61	16.47	2.11	40.39	-	17.56	-	18.44
Advance to vendors	-	85.71	-	76.85	-	114.82	-	8.27
Total	**200.19**	**282.58**	**97.64**	**268.91**	**336.98**	**303.60**	**28.49**	**254.79**

8 INVENTORIES (Valued at lower of cost and net realizable value)

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Raw materials	1,989.37	1,641.55	1,382.91	1,346.22
Packing materials	34.87	29.58	27.78	34.21
Finished goods	330.77	176.56	234.67	336.00
Work-in-progress	110.56	52.66	111.74	140.32
Stock-in-trade	24.95	-	-	-
Stores and spares	19.78	1.94	1.99	0.81
Others	5.93	5.00	3.90	2.32
Total	**2,516.23**	**1,907.29**	**1,762.99**	**1,859.88**
Break up of 'Goods in transit' (included above)				
Raw materials and Packing material	223.75	462.80	501.16	507.99
Finished goods	-	-	49.39	134.87

8.1 The Group availed bank facilities which are secured by hypothecation of inventories, trade receivables and other current assets.

8.2 The mode of valuation of inventories is stated in Sub-note 1.5 of Note 1 (vi).

8.3 Refer Note 52 for the change in method of inventory valuation.

9 TRADE RECEIVABLES

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	31st March 2022
Secured, considered good	178.78	217.82	249.59	571.80
Unsecured				
-considered good	2,392.89	2,437.18	2,152.88	3,303.60
-which have significant increase in Credit Risk	-	-	-	-
-credit impaired	-	-	-	-
	2,571.67	**2,655.00**	**2,402.47**	**3,875.40**
-Loss allowance	(13.89)	(21.93)	(20.24)	(35.05)
Total	**2,557.78**	**2,633.07**	**2,382.23**	**3,840.35**

9.1 The Group has appropriate level of control procedures for new customers, which ensures the potential customers' credit quality. Credit limits attributed to customers are reviewed periodically by the Group management.

9.2 No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member (Refer note 35.3).

9.3 Outstanding for following periods from due date of payment as on 30th September 2024

Particulars	Unbilled receivables	Not due	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 Years	Loss Allowance	Total Trade receivables
Undisputed Trade receivables - considered good	-	-	2,567.77	2.07	1.75	-	0.08	(13.89)	**2,557.78**
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	-
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**2,567.77**	**2.07**	**1.75**	**-**	**0.08**	**(13.89)**	**2,557.78**

Outstanding for following periods from due date of payment as on 31st March 2024

Particulars	Unbilled receivables	Not due	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 Years	Loss Allowance	Total Trade receivables
Undisputed Trade receivables - considered good	-	-	2,651.74	2.99	0.19	-	0.08	(21.93)	**2,633.07**
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	**-**
Total	**-**	**-**	**2,651.74**	**2.99**	**0.19**	**-**	**0.08**	**(21.93)**	**2,633.07**

Outstanding for following periods from due date of payment as on 31st March 2023

Particulars	Unbilled receivables	Not due	Less than 6 Months	6 Months- 1 Year	1-2 years	2-3 years	More than 3 Years	Loss Allowance	Total Trade receivables
Undisputed Trade receivables - considered good	-	-	2,392.48	0.20	9.71	0.08	-	(20.24)	**2,382.23**
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	**-**
Total	**-**	**-**	**2,392.48**	**0.20**	**9.71**	**0.08**	**-**	**(20.24)**	**2,382.23**

Outstanding for following periods from due date of payment as on 31st March, 2022

Particulars	Unbilled receivables	Not due	Less than 6 Months	6 Months- 1 Year	1-2 years	2-3 years	More than 3 Years	Loss Allowance	Total Trade receivables
Undisputed Trade receivables - considered good	-	-	3,874.43	0.85	0.09	0.03	-	(35.05)	**3,840.35**
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	**-**
Total	**-**	**-**	**3,874.43**	**0.85**	**0.09**	**0.03**	**-**	**(35.05)**	**3,840.35**

10 CASH AND CASH EQUIVALENTS

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Balances with banks				
On current accounts	55.07	35.64	125.62	28.22
Fixed deposits with original maturity less than 3 months	110.41	-	142.00	919.16
Cash on hand	0.96	0.80	0.37	0.34
Total	**166.44**	**36.44**	**267.99**	**947.72**

11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Fixed deposit with maturity more than 3 months but less than 12 months	-	3.30	-	2.77	-	0.05	-	1.35
Total	**-**	**3.30**	**-**	**2.77**	**-**	**0.05**	**-**	**1.35**

11.1 The current fixed deposit includes interest accrued but not due upto reporting date.

12 NON CURRENT TAX ASSETS(NET)

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Non-current tax assets (net of provision)	30.87	35.84	37.72	14.24
Total	**30.87**	**35.84**	**37.72**	**14.24**

13 EQUITY SHARE CAPITAL

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Authorized : 8,00,00,000 (31st March 2024 : 8,00,00,000 of ₹5/- each ; 31st March 2023 : 8,00,00,000 of ₹5/- each; 31st March 2022 : 8,00,00,000 of ₹5/- each) equity shares of ₹5/- each	400.00	400.00	400.00	400.00
	400.00	400.00	400.00	400.00
Issued, Subscribed and Paid-up : 53,611,200 (31st March 2024 : 53,611,200 of ₹5/- each ; 31st March 2023 : 53,611,200 of ₹5/- each; 31st March 2022 : 53,611,200 of ₹5/- each) equity shares of ₹5/- each fully paid up	268.06	268.06	268.06	268.06
Total	**268.06**	**268.06**	**268.06**	**268.06**

13.1 Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Issued and subscribed :								
Outstanding at the beginning of the year	5,36,11,200	268.06	5,36,11,200	268.06	5,36,11,200	268.06	8,93,520	89.35
Add: Increase in numbers of shares due to share split- (Refer Note 13.5, 13.6 and 13.7)	-	-	-	-	-	-	1,69,76,880	-
Add: Bonus shares issued during the period/year	-	-	-	-	-	-	3,57,40,800	178.71
Outstanding at the end of the period/year	**5,36,11,200**	**268.06**	**5,36,11,200**	**268.06**	**5,36,11,200**	**268.06**	**5,36,11,200**	**268.06**

13.2 Rights, Preferences and Restrictions attached to Equity Shares :

The Company has only one class of equity shares having par value of ₹ 5 per share. The Equity shares of the Company rank pari-passu in all respects including voting rights and entitlement to dividend. Dividend, if any, declared is payable in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of the interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.3 Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the Group:

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
Name of the shareholder	Number of shares	% of share holding	Number of shares	% of share holding	Number of shares	% of share holding	Number of shares	% of share holding
Dhiresh Gosalia	4,78,87,100	89.32%	4,78,87,100	89.32%	4,63,87,200	86.53%	4,63,87,200	86.53%
Madhavi Gosalia	42,06,000	7.85%	42,06,000	7.85%	42,06,000	7.85%	42,06,000	7.85%

13.4 Details of Promoters holding :

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
Name of the shareholder	Number of shares	% of share holding	Number of shares	% of share holding	Number of shares	% of share holding	Number of shares	% of share holding
Dhiresh Gosalia	4,78,87,100	89.32%	4,78,87,100	89.32%	4,63,87,200	86.53%	4,63,87,200	86.53%

13.5 The members in its meeting dated 28th August, 2021 has approved for increase in the authorized share capital of the Company from existing Rs. 150.00 million divided into 3,00,00,000 equity shares of Rs. 5 each to Rs. 400.00 million divided into 8,00,00,000 equity shares of Rs. 5 each.

13.6 The Board of Directors at their meeting held on 2nd August, 2021 has approved the sub-division of each equity share of face value of Rs. 100/- fully paid into 20 equity shares of Rs. 5/- each fully paid up. The same has been approved by the members on 20th August, 2021 through Extra Ordinary General Meeting.The Board of Directors has also approved the issue of bonus equity shares in the meeting held on 23rd September, 2021 in the ratio of 2:1 out of the eligible reserves of the Company.

13.7 Jhelum Gosalia has transferred 14,99,900 equity shares of face value of Rs. 5 each during the year ended 31st March 2024 to Dhiresh Gosalia.

13.8 As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13.9 No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period/year of five years immediately preceding the current period/ year end, except disclosed above.

13.10 No class of shares have been bought back by the Company during the period/year of five years immediately preceding the current period end.

13.11 The Company does not have any Holding Company or Ultimate Holding Company.

14 OTHER EQUITY

14.1 Surplus in the Statement of Profit and Loss - Controlling interest (CI)

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening balance	4,141.84	3,585.17	3,104.34	2,529.10
Add: Net profit for the current period/ year	311.83	565.91	490.40	858.92
Less: Bonus equity shares issued	-	-	-	(178.71)
Add: Re-measurement of post employment benefit obligation (net of tax)	(0.66)	(4.23)	(8.57)	0.43
Add/(Less): Share of (loss)/profit of Non-Controlling interest	(0.10)	(2.92)	(1.00)	0.50
Add: Transfer of Reserve on account of Ind AS adjustment from Non Controling to Controling Interest	-	(2.09)	-	0.89
Less: Dividend Paid	-	-	-	(80.42)
Less: Retrospective application of change in accounting policy for inventories (Refer annexure VI - Part A)	-	-	-	(26.37)
Closing balance	**4,452.91**	**4,141.84**	**3,585.17**	**3,104.34**

14.2 General Reserve

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening balance	5.43	5.43	5.43	5.43
Closing balance	**5.43**	**5.43**	**5.43**	**5.43**

14.3 Capital Contribution

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening balance	4.49	4.49	4.49	4.49
Less: Adjusted during the period/year	-	-	-	-
Closing balance	**4.49**	**4.49**	**4.49**	**4.49**
Total other equity	**4,462.83**	**4,151.76**	**3,595.09**	**3,114.26**

Description of the nature and purpose of other equity:

General Reserve: This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the group in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the group and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Capital Contribution: Under Ind AS, all financial liabilities are required to be initially recognized at fair value. Accordingly the parent has fair valued these interest free loans under Ind AS initially. Difference between the fair value and transaction value of the loan amount has been recognized as capital contribution given that the amount is borrowed from the shareholder.

15 BORROWINGS

Particulars	Notes	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
		Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Carried at amortised cost :									
<u>Secured borrowings from banks :</u>									
Term loan	15.1, 15.5 & 15.6	766.33	-	483.24	-	199.89	-	288.74	-
Vehicle loan	15.3, 15.5 & 15.6	6.26	-	8.00	-	-	-	1.36	-
Working capital loan	15.2, 15.4, 15.5 & 15.6	-	-	-	-	-	250.00	-	100.00
Working capital cash credit facilities	15.2, 15.4, 15.5 & 15.6	-	784.56	-	69.65	-	177.86	-	587.83
Other current borrowings	15.2, 15.4, 15.5 & 15.6	-	-	-	-	-	-	-	954.21
Current Maturity of long term loans	15.1, 15.5 & 15.6	-	132.25	-	92.11	-	90.21	-	91.06
Total		**772.59**	**916.81**	**491.24**	**161.76**	**199.89**	**518.07**	**290.10**	**1,733.10**

15.1 <u>**Term Loan from HDFC Bank:**</u>
Secured term loan is taken from HDFC Bank, movable and immovable fixed assets of the Subsidiary, exclusive charge on plant and machinery and factory land and building located at Mundra SEZ both present and future, Corporate guarantee of Jesons Industries Limited, Personal Guarantee of Mr. Dhiresh Gosalia and exclusive charge on current assets of the Subsidiary, both present and future. The loan is repayable by way of quarterly instalments until May 2026. The rate of Interest is about 8%.

<u>**Term Loan from ICICI Bank:**</u>
The term loan from ICICI bank is due for repayment in 20 quarterly installments starting from June 2026, along with interest of 9.25% per annum. The loan is secured by charge over immovable and movable fixed assets of the Company along with second pari-pasu charge over the current assets of the Company.

15.2 <u>**Working loan from Axis Bank :**</u>
The working capital loan from Axis Bank Ltd are secured pari passu by way of hypothecation on current assets of the firm, both present and future, second charge on movable and Immovable fixed assets located at SEZ in Gujarat, both present and future, Corporate guarantee of Jesons Industries Limited, Personal Guarantee of Mr. Dhiresh Gosalia. The Interest is about 8%.
Other current borrowing represents availament of buyers credit facilities which are denominated in foreign currency and has the interest bearing between 0.90% to 1.50% per annum.

<u>**Working Capital Loan from HDFC Bank:**</u>
Working Capital loan from HDFC Bank Ltd are secured pari passu by way of hypothecation on current assets of the firm, bith present and future, second charge on movable & immovable fixed assets located at Mundra SEZ, both present and future, Corporate guarantee of Jesons Industries Limited, Personal Guarantee of Mr. Dhiresh Gosalia. The Interest is about 8%.
Other current borrowing represents availament of buyers credit facilities which are denominated in foreign currencies and has the interest bearing between 0.90% to 1.50% per annum.

15.3 <u>**Vehicle Loan From Banks:**</u>
The Vehicle loan obtained during the year is secured against Hypothecation of motor vehicles of the Company. The vehicle loan outstanding in the current year is repayable until FY 2027. The interest rate ranges from 8.50%-9% p.a.

15.4 The current borrowings are secured by first ranking pari passu charge created by hypothecation of current assets and second ranking pari passu charge by hypothecation of movable fixed assets and mortgage of immovable properties of the Company and personal guarantees of Managing director and Executive Director. The rate of interest ranges from 8%-9% p.a. on these borrowings.

15.5 The Group has filed its quarterly return with bank and the same is in agreement with books of accounts. The said disclosure requirement is applicable for the period beginning on or after 1st April 2021 and accordingly, details for previous filings were not maintained.

15.6 The Group has created satisfactory charges for all the borrowing with Registrar of Companies within the statutory period.

16 TRADE PAYABLES

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(A) Total outstanding dues of micro enterprises and small enterprises (Refer Note 16.1)	85.81	153.76	55.17	14.65
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,907.85	2,060.44	1,874.93	3,084.10
Total trade payables	**1,993.66**	**2,214.20**	**1,930.10**	**3,098.75**

Refer note 35.3 for payable to related parties

16.1 According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows :

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
1. (a) Principal amount remaining unpaid to any supplier registered under the MSMED Act, as at the end of the year	85.81	153.76	55.17	14.65
(b) Interest on 1(a) above	-	-	-	-
2. (a) The amount of principal paid beyond the appointed date	-	-	-	-
(b) The amount of interest paid beyond the appointed date	-	-	-	-
3. Interest due and payable on delayed payments	-	-	-	-
4. Interest accrued and remaining unpaid as at year end	-	-	-	-
5. Interest due and payable even in the succeeding year	-	-	-	-

Trade payables outstanding for following periods from due date of payment as on 30th September 2024

Particulars	Unbilled Dues	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total Trade payables
Non Disputed Dues - MSME	-	63.87	21.94	-	-	-	85.81
Non Disputed Dues - Others	233.14	1,618.42	52.28	3.80	0.21	-	1,907.85
Disputed Dues- MSME	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-
Total	**233.14**	**1,682.29**	**74.22**	**3.80**	**0.21**	**-**	**1,993.66**

Trade payables outstanding for following periods from due date of payment as on 31st March 2024

Particulars	Unbilled Dues	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total Trade payables
Non Disputed Dues - MSME	-	150.12	3.64	-	-	-	153.76
Non Disputed Dues - Others	198.54	1,807.13	52.75	1.36	0.49	0.17	2,060.44
Disputed Dues- MSME	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-
Total	**198.54**	**1,957.25**	**56.39**	**1.36**	**0.49**	**0.17**	**2,214.20**

Trade payables outstanding for following periods from due date of payment as on 31st March 2023

Particulars	Unbilled Dues	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total Trade payables
Non Disputed Dues - MSME	-	55.17	-	-	-	-	55.17
Non Disputed Dues - Others	19.31	1,097.91	756.08	1.14	0.38	0.11	1,874.93
Disputed Dues- MSME	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-
Total	**19.31**	**1,153.08**	**756.08**	**1.14**	**0.38**	**0.11**	**1,930.10**

Trade payables outstanding for following periods from due date of payment as on 31st March 2022

Particulars	Unbilled Dues	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total Trade payables
Non Disputed Dues - MSME	-	-	14.65	-	-		14.65
Non Disputed Dues - Others	-	-	3,083.57	0.38	0.11	0.04	3,084.10
Disputed Dues- MSME	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-
Total	**-**	**-**	**3,098.22**	**0.38**	**0.11**	**0.04**	**3,098.75**

17 OTHER FINANCIAL LIABILITIES

-

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Carried at amortised cost:								
Salary and wages	-	48.22	-	83.19	-	69.01	-	46.15
Payable for capital goods	-	12.32	-	14.61	-	10.48	-	12.72
Retention money	-	-	-	-	-	-	-	6.06
Other payables	-	5.53	-	1.75	-	27.44	-	36.84
Derivative financial Liability carried at fair value through Profit & Loss	-	0.09	-	0.28	-	0.36	-	-
Total other financial liabilities	**-**	**66.16**	**-**	**99.83**	**-**	**107.29**	**-**	**101.77**

18 **OTHER CURRENT LIABILITIES**

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Statutory dues payable	15.22	15.49	24.97	14.18
Contract liability (advance from customers)	42.06	32.66	102.33	29.69
Advance received from customer against asset held for sale	-	39.35	-	-
Total other current liabilities	**57.28**	**87.50**	**127.30**	**43.87**

19 **PROVISIONS**

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Provision for employee benefits (Refer note 32)								
Provision for compensated absences	25.37	13.12	13.50	15.25	9.66	14.84	10.06	9.08
Gratuity (funded)	0.10	5.50	-	12.11	-	8.35	-	2.80
Total Provisions	**25.47**	**18.62**	**13.50**	**27.36**	**9.66**	**23.19**	**10.06**	**11.88**

20 **CURRENT TAX LIABILITIES (NET)**

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current tax provision (net of advance tax and tax deducted at source)	13.38	15.12	1.83	-
Total current tax liabilities	**13.38**	**15.12**	**1.83**	**-**

21 **Revenue from operations**

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Sale of Goods - Domestic	5,057.04	10,449.87	12,554.46	14,980.88
Sale of Goods - Export	2,215.23	4,490.94	4,643.19	5,653.88
	7,272.27	**14,940.81**	**17,197.65**	**20,634.76**
Other operating revenue				
Export incentives	2.31	6.27	2.02	4.02
Income from Job Work	-	3.98	10.05	16.10
Scrap sales	4.50	11.23	11.27	4.74
Total revenue from operations	**7,279.08**	**14,962.29**	**17,220.99**	**20,659.62**

21.1 **Revenue from contracts with customers disaggregated based on Geography**

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Domestic	5,057.04	10,449.87	12,554.46	14,980.88
Export	2,215.23	4,490.94	4,643.19	5,653.88
Total Revenue as per IND AS 115	**7,272.27**	**14,940.81**	**17,197.65**	**20,634.76**

21.2 **Reconciliation of gross revenue with the revenue from contracts with customers**

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Gross Revenue	7,332.78	15,050.34	17,313.42	20,749.91
Less: Discounts	(22.60)	(88.41)	(80.90)	(80.94)
Less: Sales returns	(37.91)	(21.12)	(34.87)	(34.21)
Total revenue from contract with customers	**7,272.27**	**14,940.81**	**17,197.65**	**20,634.76**

21.3 **Timing of revenue recognition**

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
At a point in time	7,272.27	14,940.81	17,197.65	20,634.76
Transferred over time	-	-	-	-
Total revenue from contract with customers	**7,272.27**	**14,940.81**	**17,197.65**	**20,634.76**

21.4 **Contract Balances**

Particulars		For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Contract liabilities-					
Advance from customers	(Refer Note 18)	42.06	32.66	102.33	29.69
Total		**42.06**	**32.66**	**102.33**	**29.69**
Receivables-					
Trade receivables	(Refer Note 9)	2,571.67	2,655.00	2,402.47	3,875.40
Less: loss allowance		(13.89)	(21.93)	(20.24)	(35.05)
Net receivables		**2,557.78**	**2,633.07**	**2,382.23**	**3,840.35**

22 OTHER INCOME

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Interest income on financial assets at amortised cost	3.56	4.46	15.67	11.62
Foreign exchange gain/(loss) - (Net)	-	-	-	170.99
Profit on sale of Property, Plant and Equipment (Net)	5.63	-	-	0.30
Bad Debts written back	-	0.38	-	-
Provision no longer required written back	8.04	-	14.82	-
Other miscellaneous income	3.27	11.02	7.47	4.92
Total other income	**20.50**	**15.86**	**37.96**	**187.83**

23 COST OF MATERIAL CONSUMED

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Raw materials, packing materials & spares				
At the beginning	1,673.07	1,412.68	1,381.24	1,803.65
Add: Purchase and expenses	6,229.06	11,194.19	12,850.58	15,401.27
Less: At the end (Refer Note 8)	(2,044.02)	(1,673.07)	(1,412.68)	(1,381.24)
Cost of raw materials and packing materials consumed	**5,858.11**	**10,933.80**	**12,819.14**	**15,823.68**

24 PURCHASE OF STOCK-IN-TRADE

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Purchase of Stock-in-trade	212.19	1,180.84	1,624.19	1,872.38
Total Purchase of Stock-in-trade	**212.19**	**1,180.84**	**1,624.19**	**1,872.38**

25 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Stock at the beginning of the year				
-Finished goods	176.56	234.67	336.00	248.12
-Work-in-progress	52.66	111.74	140.32	60.34
-Stock in trade	-	-	-	39.55
	229.22	**346.41**	**476.32**	**348.01**
Less: Stock at the end of the year				
-Finished goods (Refer Note 8)	330.77	176.56	234.67	336.00
-Work-in-progress (Refer Note 8)	110.56	52.66	111.74	140.32
-Stock in trade (Refer Note 8)	24.95	-	-	-
	466.28	**229.22**	**346.41**	**476.32**
Net (Increase)/ decrease in inventory	**(237.06)**	**117.19**	**129.91**	**(128.31)**

26 EMPLOYEE BENEFITS EXPENSE

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Salaries,Wages & Bonus	302.42	557.70	445.20	324.83
Director Remuneration (Refer Note 35)	36.06	62.54	61.97	61.53
Contribution to Provident and other Funds (Refer Note 32.1)	14.99	25.19	18.86	13.25
Gratuity (Refer Note 32.2)	4.55	7.10	4.00	3.37
Workmen and staff welfare expenses	8.40	16.04	11.95	6.62
Total employee benefits expense	**366.42**	**668.57**	**541.98**	**409.60**

27 FINANCE COSTS

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Interest expense for financial liabilities at amortised cost	28.95	50.95	67.67	51.49
Interest on lease liabilities	6.75	15.50	13.50	11.52
Interest on customs duty	-	0.18	0.23	0.22
Forward premium charges	0.18	3.78	36.12	42.38
Other borrowing costs	7.58	19.32	23.79	53.30
Total finance costs	**43.46**	**89.73**	**141.31**	**158.91**

28 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation on Property, Plant and Equipment	78.29	156.61	159.78	122.14
Depreciation on Right of use of assets	18.49	37.68	29.36	21.80
Amortisation of other intangible assets	16.84	1.46	0.47	0.59
Total depreciation and amortisation expense	**113.62**	**195.75**	**189.61**	**144.53**

29 OTHER EXPENSES

Particulars		For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Outward freight and handling charges		315.10	512.64	626.45	835.87
Power & Fuel		45.88	102.98	98.78	77.19
Job Work Charges		6.19	35.26	65.87	90.95
Legal and Professional Fees		25.11	62.38	73.68	87.04
Bad debts written off		0.02	-	1.62	2.79
Commission on Sales		11.45	47.51	48.69	39.05
Repairs and maintenance		18.77	45.70	49.60	47.75
Travelling and Conveyance expenses		27.08	53.36	37.19	23.28
Rates and taxes		2.55	3.81	8.99	20.25
Insurance Charges		14.93	19.64	20.93	31.06
Rent		6.82	22.13	20.24	16.75
Exhibition, Sponsorship and other sales promotion expenses		1.16	7.77	10.39	3.72
Water Charges		6.07	18.23	14.00	13.30
CSR Contribution	(Refer Note 29.1)	5.88	17.61	18.00	13.73
Communication expenses		5.03	10.93	11.63	10.00
Consumption of stores, spares & consumables		3.38	9.35	9.50	13.17
Security Charges		4.13	6.45	5.53	3.87
Provision for Doubtful Debts		-	1.07	-	1.81
Printing and stationery		2.16	4.49	4.27	3.69
Auditor's Remuneration	(Refer Note 29.2)	1.81	2.85	2.32	3.52
Directors Sitting Fees	(Refer Note 35)	0.09	0.20	0.16	0.16
Foreign exchange gain/(loss) - (Net)		3.22	4.03	1.90	-
Donations		0.02	0.23	0.57	0.16
Loss on sale of Property, Plant and Equipment (Net)		-	0.02	1.33	-
Miscellaneous expenses		19.81	55.48	59.22	47.46
Total other expenses		**526.66**	**1,044.12**	**1,190.86**	**1,386.57**

29.1 **Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a Group, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Group has spent amounts towards various activities of Corporate Social Responsibility ('CSR') as prescribed under Section 135 of the Companies Act, 2013. A CSR committee has been formed by the Group as per the Act. The funds are utilized during the period/year on the following activities which are specified in Schedule VII of the Companies Act, 2013:

A.

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
a) Gross amount required to be spent by the Group during the period/year*	5.88	17.61	18.50	13.24
Add: Amount Unspent from previous years	-	-	-	-
Less: Excess amount of previous year adjusted	-	-	0.49	-
Total Gross amount required to be spent during the period/year	**5.88**	**17.61**	**18.01**	**13.24**
b) Amounts spent during the period/year on :				
(i) Construction/acquisition of an asset	-	-	-	-
(ii) On purposes other than (i) above	**3.81**	**17.61**	**18.00**	**13.73**

*Gross amount to be spent by the Group for the six months period ended 30th September 2024 is calculated as per Section 135 of Companies Act is for the full Financial Year 2024-25 and prorated for six months period.

B.

(Shortfall)/Excess in amount spent	**(2.07)**	**-**	**(0.01)**	**0.49**

C. **Details related to amount spent / unspent**

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Promotion of Education	2.28	12.71	6.93	3.43
Prime Minister National Relief Fund	-	0.07	7.20	6.20
Promotion of Health Care	1.01	3.27	2.44	2.88
Promotion of Sports	0.52	1.56	1.43	0.47
Others	-	-	-	0.75
Total amount spent	**3.81**	**17.61**	**18.00**	**13.73**

29.2 **The following is the break-up of Auditors remuneration (exclusive of goods and service tax)**

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
As auditor:				
Audit Fees	1.81	2.48	2.00	1.86
In other capacity:				
Certificates	-	0.15	0.24	0.24
Others	-	0.22	0.08	1.42
Total	**1.81**	**2.85**	**2.32**	**3.52**

30 INCOME TAX

30.1 INCOME TAX RECOGNISED IN PROFIT OR LOSS

Particulars	For Six months period ended 30th Septemeber 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Current tax				
In respect of current period/year	87.74	174.37	117.83	300.99
In respect of prior year	-	2.82	-	-
Deferred Tax	12.73	4.56	14.14	12.78
Tax adjustment related to previous year	-	1.47	3.82	6.96
Total income tax expense	**100.47**	**183.22**	**135.79**	**320.73**

30.2 INCOME TAX (CREDITED)/ RECOGNISED IN OTHER COMPREHENSIVE (LOSS)/INCOME

Particulars	For Six months period ended 30th Septemeber 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
In respect of current period/year	(0.22)	(0.80)	(2.04)	0.14
Total	**(0.22)**	**(0.80)**	**(2.04)**	**0.14**

30.3 THE RECONCILIATION OF ESTIMATED INCOME TAX EXPENSE AT TAX RATE TO INCOME TAX EXPENSE REPORTED IN RESTATED CONSOLIDATED STATEMENT OF PROFIT OR LOSS IS AS FOLLOWS:

Particulars	For Six months period ended 30th Septemeber 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax	416.18	748.15	621.95	1,180.09
Applicable Income tax rate	25.17%	25.17%	25.17%	25.17%
Income tax expense at tax rate applicable	104.74	188.29	156.55	297.00
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:				
Effect of expenses/provision not deductible in determining taxable profit	1.49	4.61	(75.03)	20.29
Impact on account of Prior Years Taxation	-	2.82	9.00	-
Interest expense u/s 234C	-	0.06	-	-
On account of difference in tax rates of the companies and limited liability partnership firm	(15.13)	(21.91)	(1.33)	(2.33)
On account of section 10AA deduction	-	-	-	12.13
Deferred tax expenses recognised to profit and loss account on the timining differences originating during tax holiday period and reversing thereafter	-	-	-	11.33
Adjustments due to change in accounting policy/ material errors/ other adjustments	-	1.47	3.82	6.96
Other	9.37	7.88	42.78	(24.65)
Income tax expense	**100.47**	**183.22**	**135.79**	**320.73**
Effective tax rate	**24.14%**	**24.49%**	**21.83%**	**27.18%**

Note - JTP LLP (an entity under consolidation) has income tax rate of 31.20%. JTP LLP is eligible to claim deduction u/s 10AA of Income tax act,1961 accordingly is paying tax under Alternate minimum tax @ 18.5%.

30.4 DEFERRED TAX LIABILITIES (NET)

Particulars	Expenses allowed on payment basis (Net)	On fair value of financial instruments	On property, plant and equipment	Provision for Employee Benefits	Deferred tax (asset) / liability, Net
As at 31st March 2021	**(1.17)**	**(9.12)**	**20.35**	**(4.44)**	**5.62**
Charge/(Credit) to profit and loss	1.89	0.22	10.34	0.33	12.78
Charge/(Credit) to other comprehensive ncome	-	-	-	(0.14)	(0.14)
As at 31st March 2022	**0.72**	**(8.90)**	**30.69**	**(4.25)**	**18.26**
Charge/(Credit) to profit and loss	**(0.55)**	**14.38**	**1.99**	**(1.68)**	**14.14**
Charge/(Credit) to other comprehensive ncome	-	-	-	2.04	2.04
As at 31st March 2023	**0.17**	**5.48**	**32.68**	**(3.89)**	**34.44**
Charge/(Credit) to profit and loss	**(0.05)**	**(7.76)**	**15.20**	**(2.83)**	**4.56**
Charge/(Credit) to other comprehensive ncome	-	-	-	0.80	0.80
As at 31st March 2024	**0.12**	**(2.28)**	**47.88**	**(5.92)**	**39.80**
Charge/(Credit) to profit and loss	**(0.12)**	**(27.29)**	**42.17**	**(2.03)**	**12.73**
Charge/(Credit) to other comprehensive ncome	-	-	-	0.22	0.22
As at 30th September 2024	**-**	**(29.57)**	**90.05**	**(7.73)**	**52.75**

31 EARNING PER SHARE (EPS)

Particulars	For Six months period ended 30th Septemeber 2024 *	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Profits attributable to equity holders	311.73	562.99	489.40	859.42
Weighted average number of Ordinary (Equity) Shares for basic / diluted EPS (Nos.)	5,36,11,200	5,36,11,200	5,36,11,200	5,36,11,200
Basic and Diluted earnings per share of face value ₹ 5 (in ₹)	5.81	10.50	9.13	16.03

* Basic and Diluted earnings per share have not been annualized for six months period ended 30th September 2024.

32 EMPLOYEE BENEFITS

32.1 Defined Contribution Plans

The Group makes contributions towards Provident Fund and Employee's State Insurance Corporation (ESIC) for qualifying employees. During the year, the Group has recognised the following amounts included in Employee benefit expenses in the Restated Consolidated Statement of Profit and Loss:

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Contribution to Provident and other Funds	14.99	25.19	18.86	13.25

32.2 Defined benefit plans

a) Gratuity plan

Gratuity is payable to all eligible employees of the Group on separation from the service, in terms of the provisions of the "Gratuity Act, 1972" and employment contracts entered into by the Group. Under the gratuity plan, every employee who has completed at least 5 years of service gets a gratuity at 15 days of last drawn salary for each completed year of service. Change in liability (if any) due to this scheme change is recognised as past service cost.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962. The Group makes an annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

i) Actuarial assumptions

Particulars	Gratuity and Leave encashment			
	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Discount rate	6.95%	7.21%	7.49%	7.31%
Attrition rate	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.			
Average salary escalation rate	8.00% p.a.		8.00% p.a.	5.50%
Expected Return on Plan Assets	6.95%	7.21%	7.49%	7.31%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)			
Expected average future service (years)	16	16	17	17

The estimate of future salary escalation, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

ii) Changes in the present value of defined benefit obligation

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Present value of defined benefit obligation at the beginning of the period/ year	**58.84**	**49.18**	**35.51**	**32.26**
Interest cost	2.12	3.68	2.60	2.24
Past service cost	-	-	-	-
Current service cost	4.12	6.48	3.79	3.01
Benefits paid	(1.89)	(5.21)	(3.10)	(1.33)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-	-	(0.04)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	1.80	1.78	9.20	(1.36)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(1.29)	2.93	1.18	0.73
Present value of defined benefit obligation at the end of the period/ year*	**63.70**	**58.84**	**49.18**	**35.51**

iii) Changes in the fair value of plan assets

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Fair Value of plan assets at the beginning of the period/year	**46.73**	**40.83**	**32.71**	**27.19**
Interest income	1.69	3.06	2.39	1.88
Contributions by the employer	11.94	8.38	9.03	5.02
Benefits paid	(1.89)	(5.21)	(3.10)	(1.33)
Return on plan assets (excluding interest income)	(0.37)	(0.33)	(0.20)	(0.05)
Fair value of plan assets at the end of the period/year	**58.10**	**46.73**	**40.83**	**32.71**

iv) Expense recognized in the Statement of Profit and Loss

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Current service cost	4.12	6.48	3.79	3.01
Past service cost	-	-	-	-
Interest cost	0.43	0.62	0.21	0.36
Total expenses recognised in the Restated Consolidated Statement of Profit and Loss	**4.55**	**7.10**	**4.00**	**3.37**

v) Expense recognized in the Other comprehensive (loss)/ income (OCI)

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Actuarial losses/(gains) on obligation	0.51	4.70	10.37	(0.63)
Return on plan assets (excluding interest income)	0.37	0.33	0.24	0.06
Net (income)/expense recognised in OCI	**0.88**	**5.03**	**10.61**	**(0.57)**

The current service cost and net interest cost for the period/ year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" in the Restated Consolidated Statement of Profit and Loss. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

vi) Net liabilities recognised in the Restated Consolidated Statement of Assets and Liabilities

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Present value of benefit obligation as at the end of the year	(63.70)	(58.84)	(49.18)	(35.51)
Fair Value of Plan Assets at the end of the period	58.10	46.73	40.83	32.71
Net liability recognised in the Restated Consolidated Statement of Assets and Liabilities*	**(5.60)**	**(12.11)**	**(8.35)**	**(2.80)**
Non-current	**0.10**	**-**	**-**	**-**
Current	**5.50**	**12.11**	**8.35**	**2.80**

*Included in provision for employee benefits (Refer Note 19)

vii) Expected contribution to the fund in the next year

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Gratuity	14.65	23.32	14.86	5.85

viii) Major Category of Plan Assets as a % of the Total Plan Assets

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Insurer managed funds*	100%	100%	100%	100%

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

ix) A quantitative sensitivity analysis for significant assumption is as shown below:

The Sensitivity Analysis below have been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period/year, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. Futhermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the project benefit obligation as recognised in theRestated Consolidated Statement of Assets and Liabilities. There was no changes in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Impact on defined benefit obligation				
Rate of discounting				
1% increase	(6.52)	(5.90)	(5.03)	(3.17)
1% decrease	7.92	7.17	6.09	3.78
Rate of increase in salary				
1% increase	6.98	6.27	5.22	3.26
1% decrease	(5.88)	(5.31)	(4.40)	(2.83)
Rate of Attrition				
1% increase	(0.51)	(0.30)	0.00	0.79
1% decrease	0.59	0.33	(0.01)	(0.92)

x) Maturity profile of defined benefit obligation

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
1st followng year	10.86	9.94	6.31	6.22
2nd followng year	1.16	1.60	2.91	0.93
3rd followng year	1.52	1.44	1.42	2.62
4th followng year	2.17	2.50	1.53	1.23
5th year onwards	165.11	157.59	125.72	78.74

xi) Qualitative disclosures

Characteristics of defined benefit plan

The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contribution to be made to a separately administered fund. The fund is managed by a trust which is governed by the board of trustees. The board of trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and Group is exposed to the following risks:-

i) Interest rate risk

A fall in the discount rate which is linked to the G.Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

ii) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

iii) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period/year on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

iv) Asset Liability Matching (ALM) risk

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

v) Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

vi) Concentration risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

vii) Para 139 (c) Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements

viii) Para 147 (a)

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

32.3 Compensated Absence

Employee benefit expense for the period include Rs.13.94 millions (March 31, 2024 : 8.55 millions, March 31, 2023 : 9.29 millions, March 31, 2022 : 3.77 millions) towards compensated absences.

Provision for compensated absence as on September 30, 2024 is Rs. 38.49 millions (March 31, 2024 : 28.75 millions,March 31, 2023 : 24.50 millions, March 31, 2022 : 19.14 million)

33 Leases

Maturity analysis of lease liabilities

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the leasee's incremental borrowing rate. The weighted average incremental borrowing rate used by the Group to discount the gross lease liabilities was 10%.

Lease commitments (minimum lease payments in respect of non-cancellable leases) as at the end of the period/ year, were as follows:

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Within one year	28.99	36.52	30.06	28.78
After one year but not more than five years	84.80	95.79	71.74	84.66
More than five years	130.71	134.74	130.46	152.00
Total undiscounted lease liabilities	**244.50**	**267.05**	**232.26**	**265.44**

Based on the lease commitments, as disclosed above, the reconciliation to the lease liabilities, is as follows:

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Existing lease commitments	244.50	197.59	232.26	225.12
Add: Addition in the lease obligation during the year (net of payments, if any, at the time of inception of lease)	-	69.46	-	40.32
Gross lease liabilities	**244.50**	**267.05**	**232.26**	**265.44**
Less: Discounting using incremental borrowing rate of leasee at date of initial application	(101.08)	(109.39)	(98.81)	(112.31)
Present value of lease liabilities	**143.42**	**157.66**	**133.45**	**153.13**

Amounts recognised in the Restated Consolidated Statement of Profit and Loss:

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
(i) Depreciation charge on Right-of-use assets (Refer Notes 2.1 and 28)	18.49	37.68	29.36	21.80
(ii) Interest expense for lease liabilities (Refer Note 27)	6.75	15.50	13.50	11.52
(iii) Rent expense (Refer Note 29):				
- Expenses for short-term leases	6.82	22.13	20.24	16.75

Amounts recognised in the Restated Statement of Cash Flows :

Particulars	For Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Payment of lease liabilities	20.99	40.67	28.80	22.57

Other disclosures:

(i) Lease liabilities:

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current lease liabilities	17.26	23.92	23.58	19.97
Non-Current lease liabilities	126.16	133.74	109.87	133.16
	143.42	**157.66**	**133.45**	**153.13**

For maturity profile of Lease liabilities, refer Note 40

34 CONTINGENT LIABILITY AND COMMITMENTS

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(i) Contingent Liabilities not provided for in respect of -				
Claims against the Group not acknowledged as debts comprise of claims disputed by the Group relating to issues of applicability, classification, deductibility, etc:				
a. Custom Duty	4.72	4.72	14.81	16.66
b Bank Guarantee	56.94	56.94	9.87	9.87
c. Income tax	0.15	-	-	-
d.Others	0.82	0.82	0.82	0.82
(ii) Capital Commitments -				
Estimated value of contracts for property, plant and equipment remaining to be executed and not provided for (net of capital advances)	947.49	39.34	90.34	42.36
Uncalled amount on account of member's interest in Dura Jesons LLC	-	0.36	0.41	0.38
Total	**1,010.12**	**102.18**	**116.25**	**70.09**

In respect of (i) above, it is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any.

The management has considered above as contingent liabilities as these matters are sub-judice before competent authorities.

35 Related Party Disclosures

35.1 Names of related parties and description of relationship as identified and certified by the Group:

Name of Related Party	Nature of Relationship
Directors and Key Management Personnel (KMP)	
Dhiresh Shashikant Gosalia	Chairman and Managing Director
Madhavi Dhiresh Gosalia	Whole time Director
Raju Vinod Palvia	Whole time Director (upto 19th November 2024)
Sadayapillai Kameshwaran	Whole time director (w.e.f. 30th September 2023)
Shilip Sant Kumar	CEO (w.e.f. 11th December 2024)
Deepak Kumar Jain	CFO (w.e.f. 13th June 2023)
Kushal Vasantbhai Gala	Company Secretary
Other Independent Directors	
Shreyas Mahendra Patel	Independent Director (upto 31st March 2024)
Amitabh Verma	Independent Director (w.e.f 30th September 2021)
Alyza Nihar Sanghai	Independent Director (upto 23rd September 2021)
Jyoti Himanshu Doshi	Independent Director (upto 23rd September 2021)
Shriram Sharad Dandekar	Independent Director (w.e.f 1st April 2024)
Deeti Ojha	Independent Director (w.e.f 30th September 2021)
Relatives of Key Management Personnel (KMP)	
Usha Shashikant Gosalia	Mother of Managing Director
Jhelum Dhiresh Gosalia	Daughter of Managing Director
Ravina Gaurav Shah	Daughter of Managing Director
Parul Rajesh Mody	Sister of Managing Director
Entities where control exists	
Jesons Innovative Polymers Private Limited	Wholly Owned Subsidiary
Jesons Techno Polymers LLP	Subsidiary
Entities over which significant influence is exercised	
Dura Jesons LLC	Associate
Enterprise over which KMP exercises significant influence	
Jesons Industries Limited Employees Group Gratuity Assurance Scheme	Gratuity Trust

35.2 Details of transactions with related party in the ordinary course of business for the period/ year ended:

Sr. No.	Nature of Transactions	Directors, Key Management Personnel and their relatives				Entities over which control exists				Entities over which significant influence is exercised				Enterprise over which KMP exercises significant influence			
		For the six months period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022	For the six months period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022	For the six months period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022	For the six months period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
1	**Revenue from Operations**																
	Dura Jesons LLC	-	-	-	-	-	-	-	-	-	2.82	19.37	25.44	-	-	-	-
2	**Director Remuneration**																
	Dhiresh Shashikant Gosalia	22.50	45.00	45.00	45.00	-	-	-	-	-	-	-	-	-	-	-	-
	Madhavi Dhiresh Gosalia	4.20	8.40	8.40	8.40	-	-	-	-	-	-	-	-	-	-	-	-
	Raju Vinod Palvia	5.78	9.14	8.57	8.13	-	-	-	-	-	-	-	-	-	-	-	-
	Sadayapillai Kameshwaran	3.58	3.66	-	-	-											
3	**Salary Expense**																
	Jhelum Dhiresh Gosalia	3.61	5.40	3.60	3.60	-	-	-	-	-	-	-	-	-	-	-	-
	Ravina Gaurav Shah	3.60	5.40	3.60	3.60	-	-	-	-	-	-	-	-	-	-	-	-
	Parul Rajesh Mody	-	-	1.42	1.36	-	-	-	-	-	-	-	-	-	-	-	-
4	**Capital Contribution in Jesons Techno Polymers LLP**																
	Dhiresh Shashikant Gosalia	-	-	3.04	3.00	-	-	-	-	-	-	-	-	-	-	-	-
5	**Withdrawal of Capital in Jesons Techno Polymers LLP**																
	Dhiresh Shashikant Gosalia	-	-	0.54	56.00												
6	**Contributions for Gratuity**																
	Jesons Industries Limited Employees Group Gratuity Assurance Scheme	-	-	-	-	-	-	-	-	-	-	-	-	11.94	8.38	9.03	5.02
7	**Recovery of expenses incurred for Initial Public Offer**																
	Dhiresh Shashikant Gosalia	-	-	1.66	37.43	-	-	-	-	-	-	-	-	-	-	-	-
8	**Purchase of share from Dhiresh Gosalia**	-	-	-	44.01	-	-	-	-	-	-	-	-	-	-	-	-
9	**Investments in equity shares**																
	Dura Jesons LLC	-	-	-	-	-	-	-	-	2.09	-	-	-	-	-	-	-
10	**Dividend paid**																
	Dhiresh Shashikant Gosalia	-	-	-	69.58	-	-	-	-	-	-	-	-	-	-	-	-
	Madhavi Dhiresh Gosalia	-	-	-	6.31	-	-	-	-	-	-	-	-	-	-	-	-
	Jhelum Dhiresh Gosalia	-	-	-	2.25	-	-	-	-	-	-	-	-	-	-	-	-
	Ravina Gaurav Shah	-	-	-	2.25	-	-	-	-	-	-	-	-	-	-	-	-
	Parul Rajesh Mody	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-
	Usha Shashikant Gosalia	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-
11	**Director Sitting Fees**																
	Shreyas Mahendra Patel	-	0.07	0.07	0.07	-	-	-	-	-	-	-	-	-	-	-	-
	Alyza Nihar Sanghai	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-
	Jyoti Himanshu Doshi	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-
	Amitabh Verma	0.03	0.08	0.05	0.04	-	-	-	-	-	-	-	-	-	-	-	-
	Deeti Ojha	0.04	0.05	0.04	0.03	-	-	-	-	-	-	-	-	-	-	-	-
	Shriram Sharad Dandekar	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Legal and Professional**																
	Shreyas Mahendra Patel	-	0.39	0.19	0.18	-	-	-	-	-	-	-	-	-	-	-	-

35.3 Amount due to/from related party:

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Investments				
Dura Jesons LLC	4.54	6.33	5.35	1.11
Non Controlling Interest				
Dhiresh Shashikant Gosalia	10.53	10.43	7.51	6.51
Trade Receivables				
Dura Jesons LLC	0.04	0.04	8.34	20.30
Director Remuneration Payable				
Dhiresh Shashikant Gosalia	-	-	2.19	1.18
Madhavi Dhiresh Gosalia	-	-	0.46	0.45
Raju Vinod Palvia	-	-	0.47	0.49
Salary Payable				
Jhelum Dhiresh Gosalia	-	-	0.22	0.21
Ravina Gaurav Shah	-	-	0.22	0.21
Parul Rajesh Mody	-	-	0.10	0.10
Commitment				
Dura Jesons LLC	-	0.36	0.36	0.36
Contributions for Gratuity				
Jesons Industries Limited Employees Group Gratuity Assurance Scheme	5.60	8.77	7.35	2.33

35.4 All Related Party Transactions entered during the period/ year were in ordinary course of the business.

35.5 The non-interest bearing term loan was from the Managing Director of the Group in pursuance of bank stipulation and it is repaid in line with term loan.

35.6 The Holding Company has provided a corporate guarantee for the borrowings obtained by its subsidiary company and Limted liability partnership (refer to note 15). The amount of the corporate guarantee as of 30th September 2024 is Rs. 2,672 million (31st March 2024: Rs. 1,872 million; 31st March 2023: Rs. 1,872 million; 31st March 2022: Rs. 1,372 million).

35.7 Details of transactions with related party in the ordinary course of business for the period/ year ended eliminated on consolidation:

Nature of Transactions	Name of the Party	For the six months period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue from Operations	Jesons Techno Polymers LLP	359.79	393.98	201.58	257.62
	Jesons Innovative Polymers Private Limited	0.28	0.09	-	-
Services rendered	Jesons Techno Polymers LLP	4.65	-	-	0.80
	Jesons Innovative Polymers Private Limited	0.29	6.67	-	-
Purchase of Goods	Jesons Techno Polymers LLP	15.95	216.03	3.83	276.10
Unsecured Loan Given	Jesons Innovative Polymers Private Limited	30.00	-	50.00	-
Unsecured Loan Given Repaid	Jesons Innovative Polymers Private Limited	-	50.00	-	-
Investment made/(withdrawn) from membership interest	Jesons Techno Polymers LLP	-	(457.11)	53.05	68.00
Contribution to partners' share of profit/(Loss) in LLP	Jesons Techno Polymers LLP	160.75	291.86	314.66	(65.05)
Corporate Guarantee Commission received	Jesons Innovative Polymers Private Limited	4.00	-	-	-
Deferred Corporate Guarantee Commission Income	Jesons Techno Polymers LLP	1.08	3.36	4.59	0.65
Advances Received against goods	Jesons Techno Polymers LLP	75.00	-	-	-
Investment in Subsidiaries	Jesons Innovative Polymers Private Limited	-	-	275.00	35.00
	Jesons Techno Polymers LLP	-	-	247.50	353.00
Interest on Unsecured Loan	Jesons Innovative Polymers Private Limited	0.33	0.93	0.48	-

35.8 Balances due to/from related party in the ordinary course of business for the period/ year ended eliminated on consolidation:

Nature of Transactions	Name of the Party	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Unsecured Loan	Jesons Innovative Polymers Private Limited	30.00	-	50.00	-
Trade Receivables	Jesons Techno Polymers LLP	183.10	4.61	-	15.91
	Jesons Innovative Polymers Private Limited	4.33	-	-	
Advance to Vendor	Jesons Techno Polymers LLP	81.14	-	-	-
Accrued Interest	Jesons Innovative Polymers Private Limited	0.33	-	-	-
Advance from Customer	Jesons Innovative Polymers Private Limited	0.13	-	-	-
Other Financial Liabilites	Jesons Techno Polymers LLP	-	-	-	53.05
Trade Payables	Jesons Techno Polymers LLP	-	83.90	-	0.95

36 Segment information

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the type of goods delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Board of directors, who are the Chief Operating Decision Makers. They are responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. industrial adhesives and emulsions.

Revenue from Type of Product and Services - There is only one operating segment of the Group which is based on nature of product. Hence the revenue from external customers shown under geographical information is representative of revenue based on product and services.

Information about Reportable segment for the period/ year

Particular	India			
	For Six months period ended 30th September 2024	Year ended 31st March		
		2024	2023	2022
Revenue from external customers	5,057.04	10,453.85	12,564.51	14,996.98
Non-current assets	2,623.95	2,040.63	1,841.63	1,423.31

Information about major customers:
During the period ended 30th September 2024 and year ended March 31, 2024, March 31, 2023 and March 31, 2022, revenue from transaction with a single external customer did not amount to 10% or more of the Group's revenue from external customer.

Particular	Overseas			
	For Six months period ended 30th September 2024	Year ended 31st March		
		2024	2023	2022
Revenue from external customers	2,215.23	4,490.94	4,643.19	5,653.88
Non-current assets	-	-	-	-

Particular	Total			
	For Six months period ended 30th September 2024	Year ended 31st March		
		2024	2023	2022
Revenue from external customers	7,272.27	14,944.79	17,207.70	20,650.86
Non-current assets*	2,623.95	2,040.63	1,841.63	1,423.31

* Includes property plant & equipments, intangible assets, capital work in progress, intangibles under development and other non financial non current assets.

37 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
A) Financial assets				
a) Measured at amortised cost				
Non-Current				
i) Loans to employee	-	0.03	0.33	0.27
ii) Security Deposits	22.62	24.42	25.86	24.51
iii) Fixed Deposits with maturity more than 12 months	0.06	0.59	0.59	0.59
Sub-Total	**22.68**	**25.04**	**26.78**	**25.37**
Current				
i) Trade receivables	2,557.78	2,633.07	2,382.23	3,840.35
ii) Cash and Cash equivalents	166.44	36.44	267.99	947.72
iii) Bank balances other than Cash and cash equivalent	3.30	2.77	0.05	1.35
iv) Loans to employee	0.53	0.92	0.96	0.65
v) Other current advances	16.07	60.01	5.71	129.21
vi) Security deposits	22.12	19.84	9.46	5.32
Sub-Total	**2,766.24**	**2,753.05**	**2,666.40**	**4,924.60**
b) Derivatives measured at fair value through Profit & Loss				
Current				
i) Derivatives financial asset	-	-	-	5.66
Sub-Total	**-**	**-**	**-**	**5.66**
c) At cost				
Non-Current				
i) Investment in Associate	4.54	6.33	5.35	1.11
Sub-Total	**4.54**	**6.33**	**5.35**	**1.11**
Total Financial Assets	**2,793.46**	**2,784.42**	**2,698.53**	**4,956.74**

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
B) Financial liabilities				
a) Measured at amortised cost				
Non-Current				
i) Borrowings	772.59	491.24	199.89	290.10
ii) Lease liabilities	126.16	133.74	109.87	133.16
Sub-Total	**898.75**	**624.98**	**309.76**	**423.26**
Current				
i) Borrowings	916.81	161.76	518.07	1,733.10
ii) Trade Payables	1,993.66	2,214.20	1,930.10	3,098.75
iii) Lease liabilities	17.26	23.92	23.58	19.97
iv) Other current financial liabilities	66.07	99.55	106.93	101.77
Sub-Total	**2,993.80**	**2,499.43**	**2,578.68**	**4,953.59**
b) Derivatives measured at fair value through Profit & Loss				
Current				
i) Derivatives financial liabilities	0.09	0.28	0.36	-
Sub-Total	**0.09**	**0.28**	**0.36**	**-**
Total Financial Liabilities	**3,892.64**	**3,124.69**	**2,888.80**	**5,376.85**

38 FAIR VALUE DISCLOSURES

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

There were no transfers between the levels during the period/ year.

The following tables provides the fair value measurement hierarchy of the Group's financial assets and liabilities that are measured at fair value or where fair value disclosure is required.

Financial Instruments regularly measured using Fair Value - recurring Items:

Particulars	Fair Value						Valuation technique(s)
	Financial assets/financial liabilities	Category	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	
Derivatives - foreign exchange forward contracts	Financial assets	Financial instruments measured at FVTPL	-	-	-	5.66	**Fair value hierarchy - Level 2.** The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs.
	Financial liabilities		0.09	0.28	0.36	-	

39 FINANCIAL INSTRUMENTS MEASURED USING AMORTIZED COST

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets held at amortised cost								
Non-Current								
i) Loans to employee	-	-	0.03	0.03	0.33	0.33	0.60	0.60
ii) Security deposits	22.62	22.62	24.42	24.42	25.86	25.86	24.51	24.51
iii) Fixed Deposits with maturity more than 12 months	0.06	0.06	0.59	0.59	0.59	0.59	0.59	0.59
Sub-Total	**22.68**	**22.68**	**25.04**	**25.04**	**26.78**	**26.78**	**25.70**	**25.70**
Current								
i) Trade receivables	2,557.78	2,557.78	2,633.07	2,633.07	2,382.23	2,382.23	3,840.35	3,840.35
ii) Cash and Cash equivalents	166.44	166.44	36.44	36.44	267.99	267.99	947.72	947.72
iii) Bank balances other than Cash and cash equivalent	3.30	3.30	2.77	2.77	0.05	0.05	1.35	1.35
iv) Loans to employee	0.53	0.53	0.92	0.92	0.96	0.96	0.65	0.65
v) Other current advances	16.07	16.07	60.01	60.01	5.71	5.71	129.21	129.21
vi) Security deposits	22.12	22.12	19.84	19.84	9.46	9.46	5.32	5.32
Sub-Total	**2,766.24**	**2,766.24**	**2,753.05**	**2,753.05**	**2,666.40**	**2,666.40**	**4,924.60**	**4,924.60**
Total	**2,788.92**	**2,788.92**	**2,778.09**	**2,778.09**	**2,693.18**	**2,693.18**	**4,950.30**	**4,950.30**
Financial liabilities held at amortised cost								
Non-Current								
i) Borrowings	772.59	772.59	491.24	491.24	199.89	199.89	290.10	290.10
ii) Lease liabilities	126.16	126.16	133.74	133.74	109.87	109.87	133.16	133.16
Sub-Total	**898.75**	**898.75**	**624.98**	**624.98**	**309.76**	**309.76**	**423.26**	**423.26**
Current								
i) Borrowings	916.81	916.81	161.76	161.76	518.07	518.07	1,733.10	1,733.10
ii) Trade Payables	1,993.66	1,993.66	2,214.20	2,214.20	1,930.10	1,930.10	3,098.75	3,098.75
iii) Lease liabilities	17.26	17.26	23.92	23.92	23.58	23.58	19.97	19.97
iv) Other current financial liabilities	66.07	66.07	99.55	99.55	106.93	106.93	101.77	101.77
Sub-Total	**2,993.80**	**2,993.80**	**2,499.43**	**2,499.43**	**2,578.68**	**2,578.68**	**4,953.59**	**4,953.59**
Total	**3,892.55**	**3,892.55**	**3,124.41**	**3,124.41**	**2,888.44**	**2,888.44**	**5,376.85**	**5,376.85**

39.1 Carrying value of Other financial assets/liabilities represent reasonable estimate of fair value.

39.2 Non-current borrowing comprises term loans from banks and loans from related party. The impact of fair value on such portion was not material.

39.3 The non-interest bearing term loan from related party, was in pursuance of bank stipulation and it is repaid in line with term loan.

40 FINANCIAL RISK MANAGEMENT FRAMEWORK

The Group's activities expose it to a variety of financial risks: Credit risk, Liquidity risk, Currency risk, Interest risks and Commodity price risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Market risk

The Group's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks and Commodity price risk. These risks may affect the Group's income and expenses, or the value of its financial instruments. The Group's exposure to and management of these risks are explained below.

(i) Interest rate risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carries interest at fixed rates. The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive cost of funding.

Interest rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rate for Working Capital Loans. The following table demonstrates the sensitivity interest rate on that portion of borrowings which are not hedged, with all other variable held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at			
	30th September 2024	31st March 2024	31st March 2023	31st March 2022
Increase in basis points	+50 bps	+50 bps	+50 bps	+50 bps
Impact on profit before tax	8.45	3.27	3.60	10.09

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the exchange rate risks as a significant portion of our revenue and expenditures are denominated in foreign currencies. We import certain of our raw materials, the price of which we are required to pay in foreign currency, which is in US dollar. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of rupee against US dollar would decrease/increase the rupee value of debtors/creditors, respectively. To a certain extent the Group uses foreign exchange forward contracts to minimise the risk.

Foreign currency exposure

The carrying amount of the companies foreign currency exposure at the end of the reporting period/year are as follows:

Particulars	USD	Converted ₹	Euro	Converted ₹	Total Converted ₹
As at 30th September 2024					
Borrowings	(8.97)	(751.79)	-	-	(751.79)
Trade Payables & Other financial liabilities	(14.62)	(1,224.54)	-	-	(1,224.54)
Other current liabilities	(0.51)	(43.19)	-	-	(43.19)
Trade Receivables & Other financial assets	9.15	767.43	-	-	767.43
Total	**(14.95)**	**(1,252.09)**	**-**	**-**	**(1,252.09)**
As at 31st March 2024					
Borrowings	-	-	-	-	-
Trade Payables & Other financial liabilities	(17.96)	(1,497.63)	-	-	(1,497.63)
Other current liabilities	(1.14)	(95.20)	-	-	(95.20)
Trade Receivables & Other financial assets	8.75	729.59	-	-	729.59
Total	**(10.35)**	**(863.24)**	**-**	**-**	**(863.24)**
As at 31st March 2023					
Borrowings	-	-	-	-	-
Trade Payables & Other financial liabilities	(14.63)	(1,202.46)	-	-	(1,202.46)
Other current liabilities	(1.74)	(142.77)	-	-	(142.77)
Trade Receivables & Other financial assets	8.55	703.08	-	-	703.08
Total	**(7.82)**	**(642.15)**	**-**	**-**	**(642.15)**
As at 31st March 2022					
Borrowings	(12.56)	(951.04)	-	-	(951.04)
Trade Payables & Other financial liabilities	(24.89)	(1,885.22)	-	-	(1,885.22)
Other current liabilities	(0.43)	(32.36)	-	-	(32.36)
Trade Receivables & Other financial assets	15.22	1,152.90	-	-	1,152.90
Total	**(22.66)**	**(1,715.72)**	**-**	**-**	**(1,715.72)**

Of the above foreign currency exposures, the unhedged exposure as at the end of the reporting date are as follows:

Particulars	USD	Converted ₹	Euro	Converted ₹	Total Converted ₹
As at 30th September 2024					
Borrowings	(8.97)	(751.79)	-	-	(751.79)
Trade Payables & Other financial liabilities	(12.65)	(1,059.58)	-	-	(1,059.58)
Other current liabilities	(0.51)	(43.19)	-	-	(43.19)
Trade Receivables & Other financial assets	9.15	767.43	-	-	767.43
Total	**(12.98)**	**(1,087.13)**	**-**	**-**	**(1,087.13)**
As at 31st March 2024					
Borrowings	-	-	-	-	-
Trade Payables & Other financial liabilities	(16.76)	(1,397.26)	-	-	(1,397.26)
Other current liabilities	(1.14)	(95.20)	-	-	(95.20)
Trade Receivables & Other financial assets	8.75	729.59	-	-	729.59
Total	**(9.15)**	**(762.87)**	**-**	**-**	**(762.87)**
As at 31st March 2023					
Borrowings	(0.01)	(0.55)	-	-	(0.55)
Trade Payables & Other financial liabilities	(11.27)	(926.53)	-	-	(926.53)
Other current liabilities	(0.15)	(12.14)	-	-	(12.14)
Trade Receivables & Other financial assets	10.68	878.37	-	-	878.37
Total	**(0.75)**	**(60.85)**	**-**	**-**	**(60.85)**
As at 31st March 2022					
Borrowings	(5.78)	(437.72)	-	-	(437.72)
Trade Payables & Other financial liabilities	(11.21)	(849.03)	-	-	(849.03)
Other current liabilities	(0.43)	(32.36)	-	-	(32.36)
Trade Receivables & Other financial assets	15.00	1,136.05	-	-	1,136.05
Total	**(2.42)**	**(183.06)**	**-**	**-**	**(183.06)**

Foreign Currency Sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

Particulars	Currency	Change in rate	Effect on profit
Period ended 30th September 2024	USD	1%	(12.52)
	EUR	1%	-
Year ended 31st March 2024	USD	1%	(8.63)
	EUR	1%	-
Year ended 31st March 2023	USD	1%	(6.42)
	EUR	1%	-
Year ended 31st March 2022	USD	1%	(17.16)
	EUR	1%	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax.
The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period/year does not reflect the exposure during the period/year.

(iii) Commodity Risk

The Group is exposed to the price risk associated with purchasing of the raw materials. The Group typically do not enter into formal long term arrangements with vendors. Therefore, fluctuations in the price and availability of raw materials may affect the group's business and results of operations. Management reviews the commodity price risk regularly to avoid material impact on profitability of the Group. There are no direct commodity derivatives available to hedge the price risk associated with the major raw material.

(iv) Credit risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. We are exposed to credit risk from our operating activities, primarily from trade receivables. The Group's customer base majorly has creditworthy counterparties which limits the credit risk. The group's exposures are continuously monitored and wherever necessary we take advances/Letter of Credits to minimise the risk.

TRADE RECEIVABLES AND ADVANCES

The Group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The Group has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Group. Forward-looking information (including macro-economic information) has been evaluated and incorporated into the determination of expected credit losses. The Group reviews on a periodic basis all receivables/advances having commercial/legal issues which require resolution against which specific provisions are made when found necessary.

Reconciliation of loss allowance for Trade Receivables

Particulars	Trade Receivable			
	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Balance as at beginning of the period/year	21.93	20.24	35.05	33.25
Additions/(write-back) during the period/year	(8.04)	1.69	(14.81)	1.80
Balance at end of the period/year	**13.89**	**21.93**	**20.24**	**35.05**

OTHER FINANCIAL ASSETS

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period/year approximates the carrying amount of each class of financial assets.

(v) LIQUIDITY RISK

Liquidity Risk Management

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

Maturity profile of financial liabilities

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Less than 3 months	3-12 months	1 to 5 years	More than 5 years	Total	Carrying amount in balance sheet
30th September 2024						
Long-term borrowings	23.04	109.21	772.59	-	904.84	904.84
Short-term borrowings	784.56	-	-	-	784.56	784.56
Lease liabilities	8.08	20.91	84.80	130.71	244.50	143.42
Trade payables	1,992.83	0.83	-	-	1,993.66	1,993.66
Other financial liabilities	66.16	-	-	-	66.16	66.16
Total	**2,874.67**	**130.95**	**857.39**	**130.71**	**3,993.72**	**3,892.64**
31st March 2024						
Long-term borrowings	23.00	69.11	491.24	-	583.35	583.35
Short-term borrowings	2.93	66.72	-	-	69.65	69.65
Lease liabilities	6.08	30.44	95.79	134.74	267.05	157.66
Trade payables	2,151.51	62.69	-	-	2,214.20	2,214.20
Other financial liabilities	-	99.83	-	-	99.83	99.83
Total	**2,183.52**	**328.79**	**587.03**	**134.74**	**3,234.08**	**3,124.69**
31st March 2023						
Long-term borrowings	22.55	67.66	199.89	-	290.10	290.10
Short-term borrowings	427.86	-	-	-	427.86	427.86
Lease liabilities	7.37	22.69	71.74	130.46	232.26	133.45
Trade payables	1,927.62	2.48	-	-	1,930.10	1,930.10
Other financial liabilities	107.29	-	-	-	107.29	107.29
Total	**2,492.69**	**92.83**	**271.62**	**130.46**	**2,987.61**	**2,888.80**
31st March 2022						
Long-term borrowings	22.75	68.31	290.10	-	381.16	381.16
Short-term borrowings	954.21	687.83	-	-	1,642.04	1,642.04
Lease liabilities	4.70	24.08	84.66	152.00	265.44	153.13
Trade payables	3,098.46	0.29	-	-	3,098.75	3,098.75
Other financial liabilities	101.77	-	-	-	101.77	101.77
Total	**4,181.89**	**780.51**	**374.77**	**152.00**	**5,489.16**	**5,376.85**

41 OFFSETTING OF BALANCES

The Group has not offset financial assets and financial liabilities.

42 CAPITAL MANAGEMENT

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain confidence of investors, customers, creditors and other stakeholders.
The management and the Board of Directors monitors the return on capital to shareholders. The Group has not distributed and dividend to its shareholders.
The Group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Short-term debt (including current maturities of long term debt)	916.81	161.76	518.07	1,733.10
Long-term debt	772.59	491.24	199.89	290.10
Total	**1,689.40**	**653.00**	**717.96**	**2,023.20**
Total equity	4,741.42	4,430.25	3,870.66	3,388.83
Long term debt to equity	0.16	0.11	0.05	0.09
Total debt to equity	0.36	0.15	0.19	0.60

43 Information required for Restated Consolidated Financial Statements pursuant to Schedule III of the Companies act 2013
Part "A": Subsidiaries

	30th September 2024							
Name of entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Loss		Share in Total Comprehensive Income	
	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions
(A) Parent Group	100.67%	4,773.02	104.01%	324.32	66.67%	(0.44)	104.08%	323.88
(B) Subsidiaries								
Indian Subsidiaries								
Jesons Innovative Polymers Private Limited	6.74%	319.78	(2.69%)	(8.37)	-	-	(2.69%)	(8.37)
Jesons Techno Polymers LLP	27.08%	1,284.12	51.58%	160.85	33.33%	(0.22)	51.62%	160.63
(C)Non Controlling Interest	(0.22%)	(10.53)	(0.03%)	(0.10)	-	-	(0.03%)	(0.10)
(D) Foreign Associate								-
Dura Jesons LLC	0.10%	4.54	(1.24%)	(3.88)	-	-	(1.25%)	(3.88)
(E) Consolidation Adjustments	(34.37%)	(1,629.51)	(51.63%)	(160.99)	-	-	(51.73%)	(160.99)
Total	**100.00%**	**4,741.42**	**100.00%**	**311.83**	**100.00%**	**(0.66)**	**100.00%**	**311.17**

	31st March 2024							
Name of entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Loss		Share in Total Comprehensive Income	
	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions
(A) Parent Group	100.43%	4,449.14	103.50%	585.71	56.26%	(2.38)	103.85%	583.33
(B) Subsidiaries								
Indian Subsidiaries								
Jesons Innovative Polymers Private Limited	7.41%	328.14	(3.62%)	(20.46)	-	-	(3.64%)	(20.46)
Jesons Techno Polymers LLP	25.36%	1,123.56	51.82%	293.26	43.74%	(1.85)	51.88%	291.41
(C)Non Controlling Interest	(0.24%)	(10.43)	(0.52%)	(2.92)	-	-	(0.52%)	(2.92)
(D) Foreign Associate								
Dura Jesons LLC	0.14%	6.33	0.17%	0.98	-	-	0.17%	0.98
(E) Consolidation Adjustments	(33.10%)	(1,466.49)	(51.35%)	(290.66)	-	-	(51.74%)	(290.66)
Total	**100.00%**	**4,430.25**	**100.00%**	**565.91**	**100.00%**	**(4.23)**	**100.00%**	**561.68**

	31st March 2023							
Name of entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Loss		Share in Total Comprehensive Income	
	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions
(A) Parent Group	99.85%	3,864.75	101.70%	498.72	71.06%	(6.09)	102.24%	492.63
(B) Subsidiaries								
Indian Subsidiaries								
Jesons Innovative Polymers Private Limited	9.01%	348.60	0.03%	0.17	-	-	0.04%	0.17
Jesons Techno Polymers LLP	33.31%	1,289.23	62.73%	307.61	28.94%	(2.48)	63.33%	305.13
(C)Non Controlling Interest	(0.19%)	(7.51)	(0.20%)	(1.00)	-	-	(0.21%)	(1.00)
(D) Foreign Associate	-	-	-	-	-	-	-	-
Dura Jesons LLC	0.14%	5.35	0.86%	4.24	-	-	0.88%	4.24
(E) Consolidation Adjustments	(42.12%)	(1,629.76)	(65.12%)	(319.34)	-	-	(66.28%)	(319.34)
Total	**100.00%**	**3,870.66**	**100.00%**	**490.40**	**100.00%**	**(8.57)**	**100.00%**	**481.83**

	31st March 2022							
Name of entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions	As % of consolidated	₹ in Millions
(A) Parent Group	99.54%	3,373.18	98.56%	846.57	141.86%	0.61	98.58%	847.18
(B) Subsidiaries								
Indian Subsidiaries								
Jesons Innovative Polymers Private Limited	2.17%	73.43	(0.04%)	(0.36)	-	-	(0.04%)	(0.36)
Jesons Techno Polymers LLP	19.95%	675.93	(5.78%)	(49.61)	(41.86%)	(0.18)	(5.79%)	(49.79)
(C)Non Controlling Interest	(0.19%)	(6.51)	0.06%	0.50	-	-	0.06%	0.50
(D) Foreign Associate								
Dura Jesons LLC	0.03%	1.11	(0.05%)	(0.44)	-	-	(0.05%)	(0.44)
(E) Consolidation Adjustments	(21.50%)	(728.31)	7.25%	62.26	-	-	7.24%	62.26
Total	**100.00%**	**3,388.83**	**100.00%**	**858.92**	**100.00%**	**0.43**	**100.00%**	**859.35**

Part "B": Disclosure of interest in the Associate

Name of the entity	Place of business/ country of incorporation	30th September 2024	31st March 2024	31st March 2023	31st March 2022
Dura Jesons LLC	United States	Ownership interest held by the group 49% Interest in the Associate's Profit / (Loss) 50%	Ownership interest held by the group 49% Interest in the Associate's Profit / (Loss) 50%	Ownership interest held by the group 49% Interest in the Associate's Profit / (Loss) 50%	Ownership interest held by the group 49% Interest in the Associate's Profit / (Loss) 50%

Principal activities: Dura Jesons LLC is the sales, marketing and product development vehicle of its members and is established to further their interests in specific markets and execute the business objectives.

The following table illustrates the summarised financial information of the Group's investment in Dura Jesons LLC

Particulars	30th September 2024	31st March 2024	31st March 2023	31st March 2022
Current Assets	12.08	18.10	19.84	22.77
Non-Current Assets	-	-	-	-
Current Liabilities	(2.31)	(2.75)	(8.69)	(21.06)
Non-Current Liabilities	-	-	-	-
Net Assets	**9.77**	**15.35**	**11.15**	**1.71**
Proportion of the Group's Interest in Associate	49%	49%	49%	49%
Carrying amount of the investment (Refer Note 4 and Note 35)	4.54	6.33	5.35	1.11

Particulars	30th September 2024	31st March 2024	31st March 2023	31st March 2022
Revenue and other income	2.43	10.10	31.69	25.04
Cost of raw material and components consumed	(2.08)	(8.05)	(22.95)	(22.20)
Other expense	(8.10)	(0.10)	(0.27)	(3.72)
(Loss)/Profit before tax for the period/year	(7.75)	1.95	8.47	(0.88)
Income tax expense	-	-	-	-
(Loss)/Profit for the period/year	(7.75)	1.95	8.47	(0.88)
Total comprehensive (loss)/income for the period/year	(7.75)	1.95	8.47	(0.88)
Group's share of (loss)/profit for the period/year	(3.88)	0.98	4.24	(0.44)

The associate had no contingent liabilities or capital commitments as at 30th September 2024 and the year ended March 31, 2024, March 31, 2023 and March 31, 2022.

44 The Group does not have any transaction with struck off Companies u/s 248 or 560 during the period ended September 30th, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 and hence no outstanding as on Balance Sheet date.

45 None of the bank or financial institution or lender has declared the Group as a wilful defaulter as at September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022.

46 The group has assets pledged as security. Refer Note no. 15 for details.

47 **Utilisation of Borrowed funds and share premium:**

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

48 **Details of Crypto Currency or Virtual Currency**

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial period/ year.

49 **Undisclosed income**

The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

50 No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

51. Other disclosures
Key Ratios

Particulars	Basis of ratios	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	% change from September 30, 2024 to March 31, 2024	% change from March 31, 2023 to March, 2024	% change from March 31, 2022 to March, 2023
a) Current Ratio	Current Assets/Current Liabilities	1.80	1.87	1.73	1.41	(3.71%)	8.17%	22.95%
(b) Debt-Equity Ratio	Total Debt/Total Equity	0.36	0.15	0.19	0.59	141.74%	(20.54%)	(68.56%)
(c) Debt Service Coverage Ratio	Profit before Interest and Tax / (Non-current borrowings + Current borrowings)	0.54	1.28	1.06	3.45	(57.59%)	20.70%	(69.19%)
(d) Return on Equity Ratio	Total Pofit for the period/year / Average Total Equity * 100	13.60%	13.63%	13.50%	27.68%	(0.26%)	1.03%	(51.24%)
(e) Inventory turnover ratio	COGS/ Inventory (Cost of goods sold = Cost of material consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress)	5.27	6.67	8.01	8.65	(20.86%)	(16.81%)	(7.38%)
(f) Trade Receivables turnover ratio	(Revenue from operations - Export incentives)/ Average trade receivables	5.61	5.97	5.54	6.19	(5.99%)	7.80%	(10.58%)
(g) Trade payables turnover ratio	Total Purchases / Average trade payables	6.12	6.35	6.23	5.91	(3.55%)	1.88%	5.44%
(h) Net capital turnover ratio	Revenue from operations/ (Working capital = Current Assets - Current Liabilities)	5.87	6.51	8.60	10.94	(9.85%)	(24.37%)	(21.36%)
(i) Net profit ratio	Net profit after tax/ Revenue from operations	4.34%	3.78%	2.77%	4.91%	14.87%	36.43%	(43.68%)
(j) Return on Capital employed	Profit before tax + Finance costs/ Capital Employed * 100 (Capital employed = Equity+ Total Borrowings)	14.29%	16.48%	16.63%	24.74%	(13.28%)	(0.90%)	(32.77%)
(k) Return on investment	Net profit after tax / Average Total Assets	7.64%	7.65%	6.03%	10.59%	(0.19%)	26.86%	(43.06%)

Particulars	Reason for variance more than 25%		
	From 30 September 2024 to 31 March 2024	From 31 March 2024 to 31 March 2023	From 31 March 2023 to 31 March 2022
a) Current Ratio	Not Applicable	Not Applicable	Not Applicable
(b) Debt-Equity Ratio	Due to increase in borrowings during the current period	Not Applicable	Due to decrease in working capital loan
(c) Debt Service Coverage Ratio	Due to increase in borrowings during the current period	Not Applicable	Due to decrease in EBIT on account of lower sales
(d) Return on Equity Ratio	Not Applicable	Not Applicable	Due to decrease in total comprehensive income
(e) Inventory turnover ratio	Not Applicable	Not Applicable	Not Applicable
(f) Trade Receivables turnover ratio	Not Applicable	Not Applicable	Not Applicable
(g) Trade payables turnover ratio	Not Applicable	Not Applicable	Not Applicable
(h) Net capital turnover ratio	Not Applicable	Not Applicable	Not Applicable
(i) Net profit ratio	Not Applicable	Due to increase in profits on account of reduction in costs	Due to decrease profits on account of lower sales
(j) Return on Capital employed	Not Applicable	Not Applicable	Due to decrease profits on account of lower sales
(k) Return on investment	Not Applicable	Due to increase in profits on account of reduction in costs	Due to decrease profits on account of lower sales

52 Change in accounting policy:

The Company has voluntarily changed its cost formula for measuring the cost of materials consumed, transitioning from the First-in-First-Out (FIFO) method to the Weighted Average Cost (WAC) method, effective from 1st April 2024.. This change aligns with the enhanced capabilities of the SAP S/4HANA system, which the Company adopted during the current period to support the evolving regulatory requirements for audit trails. This voluntary change in accounting policy has been applied retrospectively with effect from 1st April 2021, with comparative information for the years ending 31st March 2024, 31st March 2023, and 31st March 2022 restated accordingly.

Balance sheet	**As at 31st March 2024 (as previously reported)**	**Increase/ (decrease) due to change in accounting policy**	**As at 31st March 2024 (restated)**	**As at 31st March 2023 (as previously reported)**	**Increase/ (decrease) due to change in accounting policy**	**As at 31st March 2023 (restated)**	**As at 31st March 2022 (as previously reported)**	**Increase/ (decrease) due to change in accounting policy**	**As at 31st March 2022 (restated)**
Non current tax assets(net)	33.93	1.91	35.84	34.34	3.38	37.72	7.04	7.20	14.24
Total Non-current assets	**2,736.94**	**1.91**	**2,738.85**	**2,219.51**	**3.38**	**2,222.89**	**1,797.62**	**7.20**	**1,804.82**
Inventory	1,898.65	8.64	1,907.29	1,760.34	2.65	1,762.99	1,874.86	(14.98)	1,859.88
Total current assets	**4,920.61**	**8.64**	**4,929.25**	**4,730.34**	**2.65**	**4,732.99**	**7,059.91**	**(14.98)**	**7,044.93**
Total assets	**7,727.64**	**10.55**	**7,738.19**	**6,949.85**	**6.03**	**6,955.88**	**8,857.53**	**(7.78)**	**8,849.75**
Retained earnings	4,131.29	10.55	4,141.84	3,579.14	6.03	3,585.17	3,112.12	(7.78)	3,104.34
Total equity	**4,419.70**	**10.55**	**4,430.25**	**3,864.63**	**6.03**	**3,870.66**	**3,396.61**	**(7.78)**	**3,388.83**

Statement of profit and loss	**Year ended 31st March 2024 (as previously reported)**	**Increase/ (decrease) due to change in accounting policy**	**Year ended 31st March 2024 (restated)**	**Year ended 31st March 2023 (as previously reported)**	**Increase/ (decrease) due to change in accounting policy**	**Year ended 31st March 2023 (restated)**	**Year ended 31st March 2022 (as previously reported)**	**Increase/ (decrease) due to change in accounting policy**	**Year ended 31st March 2022 (restated)**
Cost of materials consumed	10,929.48	4.32	10,933.80	12,834.47	(15.33)	12,819.14	15,858.36	(34.68)	15,823.68
Changes in inventories of finished goods and work-in-progress	127.51	(10.32)	117.19	132.21	(2.30)	129.91	(137.44)	9.13	(128.31)
Tax adjustment related to previous year	-	1.47	1.47	-	3.82	3.82	-	6.96	6.96
Profit for the period/year	**561.38**	**4.53**	**565.91**	**476.59**	**13.81**	**490.40**	**840.33**	**18.59**	**858.92**

53 Note on Social Security Code

The Code on Social Security 2020 (‘the Code’) relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period/year in which, the Code becomes effective and the related rules to determine the financial impact are published.

54 The Nomination and Remuneration Committee and the Board of Directors in their meeting held on December 11, 2024 have approved creation of ESOP pool for 26,80,560 Equity shares of Rs 5 each of the Company to be issued to eligible employees. The ESOP pool was subsequently approved by the shareholders in their meeting held on December 16, 2024. Further the Nomination and Remuneration Committee and the Board of Directors in their meeting held on December 17, 2024,approved Employee Stock Option Reward Based Plan 2024 (“ ESOP Plan 2024”) and granted 4,52,572 Equity shares of Rs 5 each to the eligible employees of the Group.

55 There are no significant subsequent events that would required adjustments or disclosures in the Restated Consolidated Financial Statements as on balance sheet date except as discloses in earlier notes.

56 Previous year's figures have been regrouped/rearranged where necessary to conform the previous year's classification.

In terms of our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For and on behalf of the Board
JESONS INDUSTRIES LIMITED
CIN : U24295MH1999PLC122193

Ankush Agrawal
Partner
Membership No: 159694

Place: Mumbai
Date: December 17, 2024

Dhiresh Gosalia
Managing Director
DIN No. 00217158

S Kameswaran
Whole Time Director
DIN No. 10295328

Shilip Sant Kumar
Chief Executive Officer

Deepak Kumar Jain
Chief Financial Officer

Kushal Gala
Company Secretary
ACS No: 30833

Date: Mumbai
Place: December 17, 2024

OTHER FINANCIAL INFORMATION

The accounting ratios derived from the Restated Consolidated Financial Information as required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

S. No.	Particulars	As at September 30, 2024	As at and for financial year ended March 31,		
			2024	2023	2022
1.	Earnings per share				
	- Basic (in ₹)	5.81*	10.50	9.13	16.03
	- Diluted (in ₹)	5.81*	10.50	9.13	16.03
2.	RoNW (%)	6.80*	13.63	13.51	28.44
3.	Net Asset Value per Equity Share (in ₹)	88.44	82.64	72.20	63.21
4.	EBITDA (in ₹ million)	552.76	1,017.77	914.90	1,295.70

* *Not annualized*

Notes: The ratios have been computed as under:

1. *Basic earnings per share = The net profit or loss for the year attributable to equity shareholders / Weighted average number of equity shares outstanding during the period/year.*
2. *Diluted earnings per share = The net profit or loss for the year attributable to equity shareholders / Weighted average number of potential equity shares outstanding during the period/year.*
3. *Return on Net Worth (%) = Net Profit after tax, as restated/ Average Restated net worth at the end of the year/period*
4. *'Net worth' under Ind-AS: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as at the end of period/ year in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended*
5. *Net Asset Value per equity share (in ₹) = Net Worth at the end of the period/year / number of equity shares outstanding at the end of the period/year.*
6. *EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less other income..*

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company and our Material Subsidiary for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the reports thereon (collectively, the "**Audited Financial Statements**") are available on our website at https://jesons.net/investor-relations/.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

None of our Company or any of its advisors, nor BRLMs nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 - Related Party Disclosures, read with the SEBI ICDR Regulations for the six months period ended September 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and as reported in the Restated Consolidated Financial Information, see "*Restated Consolidated Financial Information–Note 35–Related Party Disclosures*" on page 299.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at September 30, 2024, on the basis of our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with "*Risk Factors*", "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*", on pages 25, 262 and 318, respectively.

(₹ in million, except ratios)

Particulars	As at September 30, 2024	As adjusted for the proposed Offer(1)
1. Non-current borrowings (including current maturities of long term debts)		
Secured	904.84	[●]
Unsecured	0	[●]
Total non-current borrowings	904.84	[●]
Less: Current maturities	-132.25	[●]
Non-Current Borrowings (A)	772.59	[●]
2. Current borrowings		[●]
Secured	784.56	[●]
Unsecured	0	[●]
Total current borrowings	784.56	[●]
Add: current maturities	132.25	[●]
Current borrowings (B)	916.81	[●]
Total Debt (C=A+B)	1,689.40	[●]
2. Shareholder's fund		
I Equity Share Capital	268.06	[●]
II Other equity	4,462.83	[●]
III Non Controlling Interest	10.53	[●]
Total Equity (D)	4,741.42	[●]
Total Capitalisation (C+D)	6,430.82	[●]
Non-current borrowings/ Total Equity (A/D)	16.29%	[●]
Total debt/ Total equity (C/D)	35.63%	[●]

As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025.

Notes:

1) *As adjusted to reflect the number of Equity Shares issued pursuant to the Offer and proceeds from the Offer. Adjustments do not include Offer related expenses.*

2) *These amounts (as adjusted for the Offer) are not determinable at this stage pending the completion of the book building process and hence have not been provided in the statement above. To be updated upon finalisation of the Offer Price*

3) *These terms carry the same meaning as per Schedule III of the Companies Act. 2013 (as amended)*

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries avail fund based and non-fund-based facilities in the ordinary course of business for purposes such as, inter alia, meeting our working capital requirements or business requirements. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, inter alia, for effecting a change in our shareholding pattern, for effecting a change in the composition of our Board, and for amending our constitutional documents:

Set forth below is a brief summary of our aggregate outstanding borrowings amount as on September 30, 2024, on a consolidated basis:

Category of borrowing	Sanctioned amount (₹ *in million*)	Principal amount outstanding (₹ *in million*) as of September 30, 2024
Our Company (JIL)		
Secured loans:		
A. Fund Based Limits:		
Cash Credit	1,900.00	-
Term Loans	-	-
Vehicle Loans	11.62	9.67
Total Fund Based	**1,911.62**	**9.67**
B. Non Fund Based Limits:		
Bank Guarantees		56.94
Buyer's Credit	-	544.90
Letter of Credit	-	475.02
Total Non-Fund Based Limits	3,100.00	1,076.86
Total Loans (A+B)	**5,011.62**	1,086.53
Subsidiaries: (JTPL)		
Secured loans:		
A. Fund Based Limits:		
Working Capital Facilities		
Cash Credit*	400.00	32.77
Term Loans	422.00	155.47
Total Fund Based	**822.00**	**188.24**
B. Non Fund Based Limits:		
Bank Guarantees		
Buyer's Credit	-	206.90
Letter of Credit	-	632.03

Category of borrowing	Sanctioned amount (₹ *in million*)	Principal amount outstanding (₹ *in million*) as of September 30, 2024
Total Non-Fund Based Limits	**1,050.00**	**838.93**
Total Secured Loans (A+B)	**1872.00**	**1,027.17**
Subsidiaries: (JIPPL)		
Secured loans:		
A. Fund Based Limits:		
Term Loans	800.00	739.70
Total Fund Based	**800.00**	**739.70**
Total Secured Loans	**800.00**	**739.70**

** *The ICICI Bank Fund based Limit of ₹ 1,000 Million out of which ₹ 500 Million is available for Non-Fund based utilization (LC & SBLC).*

Principal terms of the borrowings currently availed by us:

Brief details of the terms of our various borrowing arrangements are provided below and there may be similar/ additional terms, conditions and requirements under the borrowing arrangements entered into by us with our lenders:

1. ***Interest:*** The term loan and working capital facilities availed by our Company and our Subsidiaries typically have floating rates of interest, linked to a base rate as specified by respective lenders with a spread for the fund-based facilities and commission for non-fund-based facilities, which are subject to mutual discussions between the relevant lenders and our Company.

2. ***Tenor:*** The tenor of the working capital facilities availed by our Company typically ranges from a period of 7 days to 180 days and is subject to annual review and renewal by the relevant lender, whereas the term loan facilities availed by our Company typically range between 4 years to 6 years. The tenor of the term loan availed from HDFC Bank Limited, is 2 year and 3 years and ICICI Bank Limited is 7 years.

3. ***Security:*** Our borrowings are typically secured by way of

   - First pari passu charge over current assets;
   - First pari passu charge over immoveable, vehicle and moveable fixed assets;
   - Personal guarantees of our Promoter (Dhiresh Shashikant Gosalia).
   - Corporate guarantees and letter of comfort of parent company (JIL) to subsidiary company bank.

   There may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. ***Re-payment:*** The working capital facilities availed by our Company and our Subsidiary are typically repayable on demand or on their respective due dates within the maximum tenure. The term loans availed by us are typically repayable in structured instalments, as per the repayment schedule stipulated in the relevant loan documentation.

5. **Pre-payment:** Our working capital borrowing and term loan arrangements typically have pre-payment provisions which allow for prepayment of the outstanding amount, subject to the conditions specified in the borrowing arrangements and in certain cases stipulate prepayment charges of up to Nil of the amount being prepaid.

6. **Penal Interest:** The penal interest applicable is typically 1% - 2% over the applicable interest rate.

7. ***Restrictive Covenants:*** Certain of the borrowing arrangements of our Company and of our Subsidiary provide for covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities. For instance, certain corporate actions for which we require the prior written consent from the relevant lender include:

Company -

a. undertaking any scheme of amalgamation, compromise, reconstruction, consolidation, demerger or merger;

b. change in promoter shareholding/ change in promoter directorship, resulting in change in management control;

c. effecting any material change in the constitution or management of the Company;

d. changing the capital structure of the Company or dilution of shareholding of the promoter of the Company;

e. amending the Memorandum of Association and Articles of Association;

f. undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects;

g. declaration of dividends or distribution of profits except where the instalments of principal and interest payable to a particular lender is being paid regularly and there are no irregularities in relation thereto; and

h. Breach of any covenant, undertaking or conditions set out in the facility documents or breach of agreement, representation or warranty which in the opinion of the bank is prejudicial to their interests.

i. Raising any loans/availing any facility/ies against the assets offered as security as facility/facilities of the bank

Subsidiary -

a. Any change in the shareholding pattern of the Subsidiaries or transfer of shares, to be approved by lender of the Subsidiary.

b. undertaking any scheme of amalgamation, compromise, reconstruction, consolidation, demerger or merger;

c. change in promoter shareholding/ change in promoter directorship, resulting in change in management control;

d. effecting any material change in the constitution or management;

e. changing the capital structure or dilution of shareholding of shareholders;

f. amending the memorandum of association and articles of association;

g. undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects;

h. declaration of dividends or distribution of profits except where the instalments of principal and interest payable to a particular lender is being paid regularly and there are no irregularities in relation thereto;

i. breach of any covenant, undertaking or conditions set out in the facility documents or breach of agreement, representation or warranty which in the opinion of the bank is prejudicial to their interests; and

j. raising any loans/availing any facility/ies against the assets offered as security as facility/facilities of the bank.

8. ***Events of Default:*** The borrowing arrangements entered into by us with the lenders contain certain instances, occurrence of which may result into 'event of default', including:

(a) Payment default;

(b) Breach of terms;

(c) Bankruptcy, insolvency, dissolution;

(d) Jeopardising the security created;

(e) Change in control of the Company;

(f) Misleading information and representations;

(g) Default under any other financing arrangements of the Company; and

(h) any other occurrence or existence of one or more events, conditions or circumstances (including any change in law), which in opinion of Bank, could have a material adverse effect.

This is an indicative list and there may be additional instances that may amount to an event of default under the various borrowing arrangements entered into by us.

9. ***Consequences of events of default:*** In terms of our borrowing arrangements, as a consequence of occurrence of events of default, our lenders may:

(a) Termination of facilities;

(b) Suspension of access to facilities;

(c) Enforcement of security;

(d) Appointment of consultants;

(e) Review of management set-up of the Company

The above is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us.

For further details on the principal terms of our borrowings, see "*Restated Consolidated Financial Information*" on page 262 and for further details on financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – We have incurred significant indebtedness, and our lenders may impose certain conditions on us under our financing arrangements. While we may need additional capital or financing in the future to support our growth strategies, if we are unable to raise additional capital or financing, our business, results of operations and financial condition could be adversely affected."* on page 32.

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

The following discussion is intended to convey the management's perspective on our financial condition and results of operations for financial years ended March 31, 2022, March 31, 2023 and March 31, 2024, and the six months ended September 30, 2024. Unless context requires otherwise, the financial information in this section has been derived from our Restated Consolidated Financial Information. The following discussion should be read together with our Restated Consolidated Financial Information for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the schedules and notes thereto, which appear elsewhere in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 262. Our financial year ends on March 31 of each year, and references to a particular financial year are to the twelve months ended March 31 of that year

Some of the information in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward- Looking Statements" on page 16 for a discussion of the risks and uncertainties related to those statements and "Risk Factors" on page 25 for a discussion on certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in "Risk Factors", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information - Restated Consolidated Financial Information" on pages 25, 124, 318 and 262, respectively.

*Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report titled "Assessment of Paints, Coatings and Adhesives Market" dated January 6, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Limited and commissioned by our Company exclusively in connection with the Offer, pursuant to an engagement letter dated October 5, 2024. The CRISIL Report is available on our website, at https://jesons.net/investor-relations/ and has also been included in "Material Contracts and Documents for Inspection –Material Documents" on page 437. Unless otherwise indicated, all financial, operational, industry and other related information derived from CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. The industry related data included in this section may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner. See, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 14.*

Overview

We are one of the leading manufacturers of coating emulsions to the paint sector and water-based pressure sensitive adhesives in tape and label segments (in terms of sales value), in India (*Source: CRISIL Report*). Our products are used in various end user industries, such as paints, packaging, wood working (furniture), construction industry, tile industry, textiles, leather chemicals, carpet chemicals and paper chemicals. Amongst the Indian manufacturers, we have one of the largest range of products in coating materials and adhesives product categories (S*ource: CRISIL Report*). We are one of the leading coating emulsion suppliers to the Indian paint sector with a non-captive domestic market share of 27% in the segment in Fiscal 2024, in terms of sales value (*Source: CRISIL Report*). We have a 35% market share in India in the water-based pressure sensitive adhesives for tapes and labels (*Source: CRISIL Report*).

Set forth below are details of the contribution of coating materials and adhesives products:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)
Coating materials	4,516.44	62.05%	9,285.38	62.06%	9,558.64	55.51%	10,309.58	49.90%
Adhesives	2,637.66	36.24%	5,025.72	33.59%	6,115.12	35.51%	8,540.98	41.34%

Our Company has also been an exporter of coating materials and adhesives since 2008 and has a global footprint of exports to more than 48 countries, as of September 30, 2024.

The table below sets forth the contribution from exports to our revenue from operations for the periods indicated:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)
Exports	2,217.54	30.46%	4,497.21	30.06%	4,645.21	26.97%	5,657.90	27.39%

We have successfully established a strong foothold in high-growth markets across Asia-Pacific, Middle East and Africa, for coating materials. We are the largest exporter of acrylic polymers for coating materials and adhesives from India with a 33% share of all exports from India under HS Code 39069090. (Source: CRISIL Report)

We have a well-defined process of evolving our product portfolio, where we continue to enhance existing products and develop new specialty products based on market demand and customer requirements. The table below provides details of our product groups, brands, and end-uses:

Product group	Coating materials & adhesives products (manufactured + marketing)	Brand / trade name	End-use products	End-user industry	Customers
Coating materials	Acrylic Emulsions	Bondex/ Coviguard	• Interior and exterior paints • Textile printing • Construction	• Paints • Textile • Construction	**Domestic Customers:** • Asian Paints Limited • Berger Paints India Limited • Indigo Paints Limited • Kamdhenu Colour and Coatings Limited • Nippon Paint (India) Private Limited • Kansai Nerolac Paints Limited • Fosroc Chemicals India Pvt Ltd • Surfa Coats (India) Private Limited • NCL Buildtek Ltd. • Clariant IGL Specialty Chemicals Pvt. Ltd **International Customers:**
	Styrene Acrylic Emulsions	Bondex / Coviguard	• Interior and exterior paints, • Textile printing • Construction (water proofing compound, Cementous water proofing compound, elastomeric / flexible coating) • Paper coating • Leather binders	• Paints • Textile • Construction • Paper • Leather	
	Acrylic Dispersing Agents, Thickeners Opacifiers, Defoamers, Dispersants, Rheology modifiers and wetting agents	Bondex San Nopco / NOPCO	• Interior and exterior paints • Carpet back coating • Textile binders	• Paints • Textile • Carpets	
	VAM Acrylic Emulsions & VAM Veova	Bondex	• Interior and exterior paints • Carpet back coating • textile finishing • Construction	• Paints • Textile • Carpets • Construction	
	Binders & TIO2 Slurry, Extenders Slurry	Rdymix	• Interior and exterior paints	• Paint	
	Polyvinyl Acetate Emulsions Homopolymer	Polytex/ Bondex	• Textile finishing • Interior Paints	• Textile • Paint	

Product group	Coating materials & adhesives products (manufactured + marketing)	Brand / trade name	End-use products	End-user industry	Customers
	RDP	Bondex	• Wall Putty • Tile Adhesives	• Construction • Masoanry	• Crown Paints Kenya PLC • Kemic Joint Stock Company (Kemic Jsc) • Kuwait Paint Company K.S.C • Pure Chemica Ltd. • Anchor Allied Factory LLC • Chemscapes International LLP • Kansai Nerolac (Bangladesh) Limited
	Formulated construction chemicals	Rdymix	• Water Proofing	• Construction	
Adhesives	Acrylic Emulsions	Bondex	• Tapes	• Packaging • FMCG • Pharmaceuticals • E-commerce	**Domestic Customers:** • Cosmos Twisters Private Limited, • Cellotape Industries Pvt. Limited, • Sarvodaya Industries Packaging Private Limited • Ambit Transmission Products Pvt Limited • Astron Packaging Limited • New Pack Plastics Pvt. Ltd. • N V G Speciality Papers and Coatings LLP • Shanti Patra Plastics Pvt. Ltd. • Crown Tapes Private Limited
	VAM Acrylic Emulsions	Bondex	• Labels	• Packaging • FMCG • Pharmaceuticals • E-commerce	
	Wood working	Bondex	• Furniture • Doors	• Joineries • Construction	
	HMPSA	DY	• Tapes • Labels	• Packaging • FMCG • Pharmaceuticals • E-commerce	
	Lamination adhesive	Bondex	• Flexible Packaging	• Packaging	
	Pigment Emulsion - Complementary product to tape adhesives	Bondex	• Tapes	• Packaging • FMCG • Pharmaceuticals • E-commerce	

Product group	Coating materials & adhesives products (manufactured + marketing)	Brand / trade name	End-use products	End-user industry	Customers
					International Customers: • Lalan Printing and Packaging Pvt. Ltd.

As of September 30, 2024, we had a portfolio of 210 products which are marketed under the brands Bondex®, Rdymix®, Coviguard®, Blue Glue®, INDTAPE®, Polytex®. We also hold a patent for a long-acting biocidal composition and its preparation process. We are a research driven company with a dedicated focus on developing specialty products, customized to the specific needs of our customers.

As of September 30, 2024, we had 1,500 total customers. The table below sets forth the details of contribution of our top 10 customers to our revenue from operations for the periods indicated:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)	Revenue from operations (in ₹ million)	% of revenue from operations (in %)
Top10 customers	1,608.89	22.10%	3,086.43	20.63%	3,646.26	21.17%	4,246.91	20.56%

Our R&D facility, which houses a team of 40 personnel as of September 30, 2024, along with our decades of experience in the coating materials and adhesive products industries, enable us to develop a robust pipeline of specialized products and solutions, which are customized based on customer requirements and specific orders.

We have a demonstrated track record of introducing new products. For instance, over the past three financial years and the six-month period ended September 30, 2024, we have launched 42 new products catering to end-user industries such as woodworking, RDP, and formulated construction chemicals. Of these, 26 products were introduced in Fiscal 2024 and during the six-month period ended September 30, 2024. Our new products have enabled us to further diversify our customer base across various industries.

The table below sets forth the details of our R&D expenses for the periods set forth below:

Particulars	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	(in ₹ million)	(% of total revenue from operations)	(in ₹ million)	(% of total revenue from operations)	(in ₹ million)	(% of total revenue from operations)	(in ₹ million)	(% of total revenue from operations)
R&D expense	54.15	0.74%	104.36	0.70%	67.57	0.39%	50.74	0.25%

We also have a pipeline of products, which comprises 22 products under development as of September 30, 2024, which will enable us to cater to existing and new customers and markets. (*Source: CRISIL Report*). We have launched 42 products in the last three financial years and the six-month period September 30, 2024.

While we derive a significant portion of our revenue from direct customers which contributed to ₹18,769.09 million, ₹16,175.34 million, ₹14,277.41 million, ₹6,785.45 million being 90.85%, 93.93%, 95.42% and 93.22% of our revenue from operations in the financial year ended March 31, 2022, March 31, 2023, March 31, 2024, and the six-month period ended September 30, 2024, respectively, we also sell to various distributors. As of September 30, 2024, we had 62 distributors in India and spread across more than 48 countries. The average age of our relationship with our top 10 customers as of Year ended March 31, 2024, spans approximately nine years. Our quality consistency and technical support enables us to have long term relationships with our customers. Further, due to our R&D capabilities, we have been able to develop customized products and solutions as per customer requirements. For further details, please see "*Business – Research driven and R&D led product offering*" on page 208.

Our top 10 coating materials and adhesive products customers for the respective financial periods contributed to 20.56%, 21.17%, 20.63% and 22.10% of our revenue from operations for year ended March 31, 2022, March 31, 2023, March 31, 2024 and the six- month period ended September 30, 2024, respectively. Accordingly, our customer base enables us to de-risk customer concentration.

We have seven strategically located manufacturing facilities, comprising two facilities at the Daman (Dadra and Nagar Haveli and Daman and Diu), and one facility each at Roorkee (Uttarakhand), Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu), Mundra (Gujarat), Vapi (Gujarat) and Saykha (Gujarat) which cater to the domestic as well as export markets. Most of our manufacturing facilities are located either near custom ports or within close proximity to customers, allowing for logistical efficiency. Our multi-location facilities and strong distribution network and our supply in tankers, flexi tanks, intermediate bulk containers ("**IBC**"), drums, caters to the demands of clients from varied geographies. We also have three warehouses located in Daman, Vapi and Bhiwandi for all our finished products.

Our manufacturing facilities are ISO certified which include (i) BS OHSAS 18001: 2007; ISO 14001: 2015; ISO 9001: 2015 for Roorkee (Uttarakhand), (ii) ISO 9001: 2015 for Daman (Dadra and Nagar Haveli and Daman and Diu), (iii) ISO 9001: 2015; BS OHSAS 18001: 2007; ISO 14001: 2015 for Gummidipoondi - Chennai Metropolitan Region (Tamil Nadu). Further, our manufacturing facility at Mundra (Gujarat) has received the ISO 9001:2015 certification, for manufacture and supply of coating materials and adhesives. For further details, please see "*Business - Manufacturing Facilities*" on page 216.

Our R&D Center is approved by the Department of Scientific and Industrial Research (Ministry of Science and Technology), Government of India. Our R&D center at Turbhe is ISO certified which include ISO 9001 : 2015; ISO 14001 : 2015; BS OHSAS 18001 : 2007.

Financial and operating performance

We believe in optimizing the utility of our assets to enhance capital efficiency, while focusing on quality of the products manufactured by us. For instance, as of March 31, 2024, our Fixed Assets Turnover stood at 6.92.

Set out below are our key operating and financial metrics:

(in ₹ million, except percentages)

Particulars	For the six months period ended September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Financial metrics				
Revenue from operations(1)	7,279.08	14,962.29	17,220.99	20,659.62
EBITDA(2)	552.76	1,017.77	914.90	1,295.70
EBITDA Margin(3) (%)	7.59%	6.80%	5.31%	6.27%
Profit after tax for the year / period(4)	311.83	565.91	490.40	858.92
PAT Margin(5) (in %)	4.27%	3.78%	2.84%	4.12%
RoE(6) (in %)	6.80%	13.63%	13.51%	28.44%
RoCE(7) (in %)	7.63%	17.00%	14.51%	26.03%
Fixed Asset Turnover Ratio(8)	2.69	6.92	9.71	13.20
Net Debt(9)	1,519.66	613.79	449.92	1,074.13
Net Debt/EBITDA(10)	2.75	0.60	0.49	0.83
Working Capital Days(11)	137	54	48	35
Net Debt/Equity(12)	0.32	0.14	0.12	0.32
Operating metrics				
Segment Wise Revenue				
Coating Materials	4,516.44	9285.38	9,558.64	10,309.58
Adhesives	2,637.66	5,025.72	6,115.12	8,540.9
Segment Wise Revenue				
Domestic	5,061.53	10,465.08	12,575.78	15,001.72
Export	2,217.55	4,497.21	4,645.21	5,657.90
Number of Products	210	240	245	241
Number of Distributors	62	31	39	56
Number of Direct Customers	1,438	1,920	1,938	1,824
Total number of Customers	1,500	1,951	1,977	1,880

Figures for RoE, ROCE, Fixed Asset Turnover Ratio, Net Debt/EBITDA, Working Capital Days not annualized for six month period ended September 30, 2024.

Notes:

(1) Revenue from Operations as reported in the Restated Consolidated Financial Information.
(2) EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less other income.
(3) EBITDA margin is calculated as EBITDA divided by revenue from operations.
(4) Profit After Tax is Profit after tax as reported in the Restated Consolidated Financial Information
(5) Profit After Tax Margin is calculated as profit after tax divided by Total Income

(6) RoE (in %) is calculated as Profit after Tax for the period divided by average net worth as on the last date of the reporting period. Net Worth is the aggregate value of equity share capital and other equity as appearing in the balance sheet of the relevant period.
(7) RoCE (in %) defined as EBIT divided by average Capital Employed, where Capital Employed is defined as total debt (Long Term borrowings + Short Term borrowings) plus Net Worth as on the last date of the reporting period.
(8) Asset Turnover ratio is calculated as Revenue from operations divided by average fixed assets (Property, plant and equipment, Right of use assets, Capital work in progress).
(9) Total debt less cash and cash equivalents and bank balances other than cash and cash equivalents.
(10) Net debt divided by EBITDA
(11) Working Capital Days is calculated as inventory days plus receivable days less payable days.
Receivables days is calculated as 365 / (Revenue from operations /Average Trade receivables as on the last date of the relevant period).
Inventory days is calculated as 365 / (COGS / Average Inventory as on the last date of the relevant period)
Payable days is calculated as 365 / (COGS /Average Trade Payables as on the last date of the relevant period).
(12) Net debt divided by total net worth as on the last date of the reporting period

Significant Factors Affecting our Financial Condition and Results of Operations

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled "*Risk Factors*" on page 25. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

Product development capabilities to meet evolving preferences in adhesives and coating materials markets

As of September 30, 2024, we had a portfolio of 210 products which are marketed under the brands Bondex®, Rdymix®, Coviguard®, Blue Glue®, INDTAPE®, Polytex®. We are an innovation led company with a dedicated focus on developing value added products and services, customized to the specific needs of our customers. We manufacture a wide and diversified range of coating materials and adhesives for various end user industries, such as paints, packaging, and chemicals for construction, textiles, leather, paper and wood working

Our revenue from operations from the coating materials products was ₹ 10,309.58 million, ₹ 9,558.64 million, ₹ 9,285.38 million, and ₹ 4,516.44 million in year ended March 31, 2022, March 31, 2023, March 31,2024 and the six-month period ended September 30, 2024, representing 49.90 %, 55.51 %, 62.06 % and 62.05 % of our revenue from operations, respectively. Our revenue from operations from the adhesives products was ₹ 8,540.98 million, ₹ 6,115.12 million, ₹ 5,025.72 million and ₹ 2,637.66 million in year ended March 31, 2022, March 31, 2023, March 31, 2024 and the six-month period ended September 30, 2024, representing 41.34 %, 35.51 %, 33.59 % and 36.24 % of our revenue from operations, respectively.

We intend to diversify our existing product portfolio by adding new products which are synergistic with our existing products and chemistries. Such new additions will include additional offerings in the paint, tape, label, textile, construction chemicals, leather chemicals, carpet and paper chemicals industries, wood working. Further, we intend to increase our current market share of products by penetrating deeper into existing domestic markets, as well as export markets. For further information, see "*Our Business – Diversified product portfolio and customised solutions* on page 205.

The demand for our products and margin of our products is also dependent on and directly affected by factors affecting the industries we supply, specifically the paints and packaging industries.

Our success is inter-linked with the success of the end-products of our customers. The success of the end products manufactured by our customers depends on our ability, as well as the ability of our customers to identify early on, and correctly assess consumer market preferences. The environment for Coating Materials and Adhesives is evolving, and aligning our business to respond to evolving preferences of our customers is critical to our future success. Our success is dependent on our ability to identify and respond to the economic, social, and other trends that affect demographic and end-customer preferences. We commit time, funds and other resources to identify product opportunities and develop differentiated products to meet these requirements.

Industry trends change from time to time and may affect the demand for Coating Materials and Adhesives. Our ability to consistently grow therefore depends on our ability to develop differentiated products and the acceptance and demand for these products by end-customers. Our inability to manage the expansion of our product portfolio and execute our growth strategy in a timely manner and or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers, end-users or other stakeholders could have an adverse effect on our business, results of operations and financial condition.

Fluctuations in cost of material consumed and gross margins

We significantly depend on the availability and price of raw materials. The primary raw materials used in the manufacture of coating materials and adhesives are Butyl Acrylate Monomer, Styrene Monomer and Vinyl Acetate Monomer. Cost of material consumed, purchase of stock-in-trade, and changes in inventories of finished goods, stock-in-trade and work-in-progress, represent a significant portion of our expenses. In the year ended March 31, 2022, March 31, 2023, March 31, 2024, and the six-month period ended September 30, 2024, the aforesaid costs amounted to ₹ 17,567.75 million, ₹ 14,573.24 million, ₹

12,231.83 million and ₹ 5,833.24 million, respectively and represented 85.03%, 84.62 %, 81.75 % and 80.14 %, respectively, of our revenue from operations for such periods.

Our operations depend on the timely transport of raw materials to our manufacturing facilities. We import a significant amount of our raw material resources, with imports constituting 72.09%, 48.85%, 52.44% and 51.33% of our total raw material purchased for financial years ended March 31, 2022, March 31, 2023, March 31, 2024, and the six months period ended September 30, 2024.

The table below shows the value of domestic and imported raw materials purchased and as a percentage of total raw material purchases for the periods indicated.

Raw Materials	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	(in ₹ million)	Percentage of total raw material purchases (in%)	(in ₹ million)	Percentage of total raw material purchases (in%)	(in ₹ million)	Percentage of total raw material purchases (in%)	(in ₹ million)	Percentage of total raw material purchases (in%)
Domestic	3,460.84	48.67%	5,991.75	47.56%	7,247.09	51.15%	4,562.23	27.91%
Imported	3,650.69	51.33%	6,607.82	52.44%	6,921.00	48.85%	11,784.08	72.09%
Total raw materials purchased	7,111.53	100.00%	12,599.57	100.00%	14,168.09	100.00%	16,346.32	100.00%

We use a combination of land and ocean transport and typically rely on third party transportation providers for such purposes, which are subject to various bottlenecks and other hazards beyond our control, including customs, weather, strikes or civil disruptions. For example, we may experience disruption in the transportation of raw materials by sea due to bad weather and geopolitical conditions. Further, we do not have any long-term arrangements with such third parties. Any failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient, reliable and timely manner could have an adverse effect on our business, results of operations, cash flows and financial conditions.

Further, the success of our operations also depends on, among other things, our ability to source raw materials at competitive prices. Raw materials are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in domestic as well as international government policies and regulatory sanctions. Our cost of goods sold was ₹ 17,567.75 million, ₹ 14,573.25 million, ₹ 12,231.82 million, and ₹ 5,833.24 million for year ended March 31, 2022, March 31, 2023, March 31, 2024, and the six months-period ended September 30, 2024, and constituted 89.32%, 87.60%, 85.96% and 84.74% of our for the aforesaid financial periods, respectively.

The cost of these raw materials is affected by fluctuations in market prices and import duties. Certain of our key raw materials have witnessed volatility in their prices. For example, the cost of Butyl Acrylate Monomer has seen volatility with the prices being ₹ 177.08 per kg in the year ended March 31, 2022, ₹ 127.43 per kg in the year ended March 31, 2023, ₹ 102.86 per kg in the year ended March 31, 2024, and ₹ 135.41 for the six-month period ended September 30, 2024. Similarly, the cost of the cost of Vinyl Acetate Monomer has seen volatility with the prices being ₹ 146.98 per kg in the year ended March 31, 2022, ₹ 120.27 per kg in the year ended March 31, 2023, ₹ 67.39 per kg in the year ended March 31, 2024, and ₹ 68.66 for the six-month period ended September 30, 2024.

Any increase in raw material prices may result in corresponding increases in our product costs and affect our gross margins. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to our customers at competitive prices and consequently our gross margins and financial condition.

Capacity utilization and capacity expansion

Capacity utilization is affected by our product mix and the demand and supply balance, which in turn affects our gross profit margin. Our ability to grow our profitability depends on our ability to optimize the product mix to support specialty products and products with consistent long-term demand, and the demand and supply balance of our products in the principal and target markets. Efficient capacity utilization allows us to spread our fixed costs, resulting in cost optimization. Manufacturing levels are affected by the number of lost days due to scheduled and unscheduled plant shutdowns. Our actual production levels and utilization rates may differ from the estimated manufacturing capacities of our facilities.

For details of our capacity utilization of all our manufacturing facilities for coating materials and adhesives, calculated on the basis of total installed production capacity and actual production, please see "*Our Business – Capacity and Capacity Utilisation*" on page 218.

Pricing pressure

Our customers are in industries such as paints, packaging, chemicals for construction, textiles, leather, carpet, paper and wood working. These industries are characterised by intense competition and as such our customers are focused on reducing their costs. Our customers are generally aware of the prices for our raw materials and will negotiate with us to reduce our prices when our raw material costs decrease, which means our ability to keep our prices at the same level when our raw material costs decrease is limited. Therefore, we may reduce the prices of our products in order to retain customers, which may have a material adverse effect on our revenues and margins.

Entering new markets and growing our network of distributors and direct customers

We have historically focused on distributors in international markets in order to grow our geographical footprint and exports. As of year ended March 31,2022, March 31, 2023 and March 31, 2024, and the six month-period ended September 30, 2024, our distribution network comprised 56, 39, 31 and 62 distributors in India and abroad, respectively. There is significant untapped opportunity in international markets that can be capitalized, and our continued success is dependent on our ability to expand our distribution network in foreign markets.

Our ability to successfully enter and grow our network of distributors in new markets is dependent on our familiarity with the economic condition, end-customer base and commercial operations in these new regions. With limited presence in such new regions, our ability to gain market share within these regions is also dependent on our ability to compete with companies that may have an existing strong presence in these regions.

Presentation of Restated Consolidated Financial Information

Our Restated Consolidated Financial Information comprise the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profits and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows along with the Statement of Material Accounting Policies and other explanatory information for the six months period ended September 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022.

Critical Accounting Policies

- **Property, plant and equipment**

  Property, plant and equipment, other than Freehold Land, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Freehold land is carried at cost and is not depreciated. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to acquisition of qualifying asset up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

  Machinery spares that meet the definition of property, plant and equipment are capitalised and depreciated over the useful life of the principal item of an asset. All other repairs and maintenance are charged to Consolidated Statement of Profit and Loss during the year in which they are incurred.

  Projects under commissioning and other CWIP/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

  Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Group and the cost of the item can be measured reliably.

  Advances given to acquire property, plant and equipment is classified as capital advances under other non-current assets.

  An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation on these assets commences when assets are ready for their intended use which is generally on commissioning. Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets after commissioning less its residual value, over their useful lives as specified in Schedule II of the Act on a written down value basis. Depreciation on additions/deletions during the year is provided on pro-rata basis from/up to the date of such addition/deletion.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

<u>Depreciation methods, estimated useful lives</u>

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The Group uses written down value ('WDV') method and has used following useful lives to provide depreciation of different class of its property, plant and equipment.

Property, plant and equipment	Useful lives
Leasehold land	Lease period
Factory Building	30 years
Office Building	60 years
Plant & Machinery	25 years
Furniture and Fixtures	10 years
Computers	3 years
Office Equipment	5 years
Motor Vehicle	12 years

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

➢ **Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a written down value ('WDV') basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and amortisation expense in Consolidated statement of Profit & Loss account.

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Group uses written down value ('WDV') method and has used following useful lives to provide amortisation of different class of intangible assets.

Intangible assets	Useful Life
Computer Software	5 years

Intangible assets under development

The Group expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset.

➢ **Research and Development Cost**

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical and economic feasibility and marketability has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

➢ **Leases**

As a Lessee

As a Lessee, the Group generally recognises for all leases a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

As a general rule, the Group separates non-lease components, such as services from lease payments. Lease liabilities are measured at the present value of the remaining lease payments, taking into account the incremental borrowing rate.

Lease payments are discounted using the interest rate implicit in the lease contracts if that rate can be determined from the lease contracts. If the discount rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses a risk free rate of interest which is adjusted for lease term, country risk and currency risk.

A right-of-use asset is generally recognized at the same amount as the lease liability. After capitalization at commencement date, whereby the right-of-use asset is measured at cost, the right-of use asset is generally depreciated over the lease term using the straight-line method. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of liability for each period.

A number of leases include extension and termination options. Extension and termination options are taken into account on recognition of the lease liability only if the Group is reasonably certain that these options will be exercised in the future. Estimates and expectations which are asserted at the commencement date of the lease liability and the right-of-use asset and pertain to future payments not yet determined on the date of provision are assessed continuously during the lease term. If subsequently improved or changed knowledge influences the expected payment profile over time, the lease liability is remeasured.

Initial direct costs are excluded for the measurement of right-of-use assets at the date of initial application The Group exercises the exemption for lease arrangements with a maximum term of 12 months (short term leases) and low-value assets. Payments associated with such short-term leases and low-value assets are recognised as an expense in Statement of Profit and Loss. Variable lease payments that depend on usage and/ or other variable conditions are recognised in the Statement of Profit and Loss in the period in which the conditions that trigger those payments occur.

➢ **Inventories**

Inventories which comprises raw materials, work in progress, finished goods, stock in trade and stores and spares are carried at the lower of cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of actual operations. Cost of inventories also comprises of other costs incurred in bringing the inventories to their present location and condition. In determining cost, weighted average method is used (refer Annexure VI : part A for change in the accounting policy).

The net realizable value of work in progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed the net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

➢ **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprises cash at banks, cash on hand and short-term deposits, if any, with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown in current liabilities in the balance sheet.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft.

➢ **Impairment of non-financial assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, except in case of revalued assets.

- **Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

- **Financial instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities respectively.

Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

- **Financial Assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On subsequent measurement financial assets are measured at:

a) Amortized cost; or

b) Fair value through Other Comprehensive Income (FVTOCI); or

c) Fair value through Profit or Loss

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Amortized cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, dividend income, foreign exchange gains and losses and impairment losses are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Fair value through other comprehensive income (FVTOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

<u>Fair value through profit or loss:</u> Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Net gains and losses, including interest income from these financial assets is included in other income date.

<u>Investment in Equity Instruments:</u> For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI or FVTPL. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Dividend income received on such equity investments are recognised in profit or loss.

- **Financial liabilities and equity instruments:**

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

<u>Equity Instruments</u>

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

<u>Financial liabilities</u>

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

<u>Compound instruments</u>

An issued financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and the residual value is recognised as equity component of financial instrument. The liability component is subsequently measured at amortised cost, whereas the equity component is not remeasured after initial recognition. The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognised directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortised using effective interest rate method.

- **Impairment of financial assets**

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets.

With respect to trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

- **Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when Group:

(a) has transferred the rights to receive cash flows from the financial assets; or

(b) retains the contractual rights to receive the cash flows from financial assets, but assumes a contractual obligation to pay the cashflows to one or more recipients.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. The financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

- **Derecognition of financial liability**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

- **Derivative contracts**

The Group uses derivative financial instruments such as foreign exchange forward contracts to hedge its foreign currency risks which are not designated as hedges. All derivative contracts are marked-to-market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

- **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when, and only when, the Group currently has a legally enforceable right to offset the recognized amounts and it intends either to settle them on a net basis or realize the asset and settle the liability simultaneously.

- **Fair value measurement**

The Group measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the

lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data

and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

- Level 3 — Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

➢ **Revenue Recognition**

<u>Sale of goods</u>:

The Group recognises revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

At contract inception, since for most of the contracts it is expected that the period between the transfer of the promised goods or services to a customer and payment for these goods or services by the customer will be one year or less, practical expedient in Ind AS 115 have been applied and accordingly:

- The Group does not adjust the promised amount of consideration for the effects of a significant financing component

- The Group recognises the incremental costs of obtaining a contract as an expense when incurred

- No information on remaining performance obligations as of period/year end that have an expected original term of one year or less was reported.

<u>Export benefits</u>

Export benefits are recognised where there is reasonable assurance that such benefits will be received and all attached conditions will be complied with. Export benefits are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which such benefits are intended to compensate.

Trade receivables and Contract Balances

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Invoicing in excess of earnings are classified as unearned revenue. Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

- **Other Income**

Interest: Interest Income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable, which the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's on net carrying amount on initial recognition.

For all debt instruments measured either at amortised cost or at FVTOCI.

- **Employee Benefits**

Short-term obligations

A liability is recognised for benefits accruing to employees in respect of wages and salaries, leaves in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plan

The Group's contribution to Employee Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and charged as an expense in the Statement of Profit and Loss on an accrual basis.

The Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans

The Group provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the Group with respect to gratuity is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ("OCI") in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in retained earnings and is not reclassified to profit or loss in subsequent periods.

Long term compensated absences

The employees of the Group are entitled to compensated absences for which the Group records the liability based on actuarial valuation computed using Projected Unit Credit method. These benefits are unfunded. Leaves under defined benefit plan can be encashed only on discontinuation of service by employee.

- **Borrowing Cost**

Borrowing costs consist of interest and other ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.

b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

- **Taxes on income**

Taxes on income comprises current tax and deferred tax

(a) Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off.

Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

- **Functional currency and Foreign Currency Transactions**

(a) Functional and presentation currency

The Consolidated Financial Statements are presented in Indian rupee (INR/₹), which is the Group's functional and presentation currency. Foreign currency transactions are recorded and presented in the functional currency by applying the exchange rate between the functional currency and the foreign currency prevailing at the dates of the transactions.

(b) Translations

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

All monetary items in foreign currencies are restated at the end of each reporting period at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign exchange differences arising between the transaction date and the settlement/reporting date are recognised in the Statement of Profit and Loss.

- **Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

➢ **Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

Changes in Accounting Policies

Except as disclosed below, there have been no changes in the accounting policies of the Company during the last three financial years.

The Company has voluntarily changed its cost formula for measuring the cost of materials consumed, transitioning from the First-in-First-Out (FIFO) method to the Weighted Average Cost (WAC) method, effective from April 1, 2024. This change aligns with the enhanced capabilities of the SAP S/4HANA system, which the Company adopted during the current period to support the evolving regulatory requirements for audit trails. This voluntary change in accounting policy has been applied retrospectively with effect from April 1, 2021, with comparative information for the years ending March 31, 2024, March 31, 2023, and March 31, 2022 restated accordingly.

Principal Components of Income and Expenditure

Our Income

Our total income consists of revenue from operations and other income.

Revenue from Operations

The components of our revenue from operations are: (i) sale of goods and (ii) other operating revenues, which primarily consists of export incentives, income from job work and scrap sales.

Set forth below is a breakdown of our revenue from operations, for the periods indicated, based on our Restated Consolidated Financial Information:

Revenue from operations	**Six-month period ended September 30, 2024**		**Financial year ended March 31, 2024**		**Financial year ended March 31, 2023**		**Financial year ended March 31, 2022**	
	(in ₹ million)	**Percentage of total income (in%)**	**(in ₹ million)**	**Percentage of total income (in%)**	**(in ₹ million)**	**Percentage of total income (in%)**	**(in ₹ million)**	**Percentage of total income (in%)**
(a) Sale of goods								
(i) Domestic	5,057.04	69.28%	10,449.87	69.77%	12,554.46	72.74%	14,980.88	71.86%
(ii) Export	2,215.23	30.35%	4,490.94	29.98%	4,643.19	26.90%	5,653.88	27.12%
(c) Other operating revenue								
(i) Export incentives	2.31	0.03%	6.27	0.04%	2.02	0.01%	4.02	0.02%
(ii) Income from Job Work	-	-	3.98	0.03%	10.05	0.06%	16.10	0.08%
(iii) Scrap sales	4.50	0.06%	11.23	0.07%	11.27	0.07%	4.74	0.02%
Total	**7,279.08**	99.72%	**14,962.29**	99.89%	**17,220.99**	99.78%	**20,659.62**	99.10%

Other Income

The key components of our other income are (i) Interest income on financial assets at amortised cost; and (ii) other non-operating income, which primarily consists of Amortisation of financial guarantee liability, Net impairment losses on financial assets, Foreign Exchange gain/(loss), Profit on Sale of Property, Plant and Equipment, Bad Debts written back, and Provision no longer required written back.

Set forth below is a breakdown of our other income, for the periods indicated, based on our Restated Consolidated Financial Information:

Other income	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	(in ₹ million)	Percentage of total income (in%)	(in ₹ million)	Percentage of total income (in%)	(in ₹ million)	Percentage of total income (in%)	(in ₹ million)	Percentage of total income (in%)
Interest income on financial assets at amortised cost	3.56	0.05%	4.46	0.03%	15.67	0.09%	11.62	0.06%
Foreign Exchange gain/(loss) (net)	-	-	-	-	-	-	170.99	0.82%
Profit on Sale of Property, Plant and Equipment (net)	5.63	0.08%	-	-	-	-	0.30	0.00%
Bad Debts written back	-	-	0.38	0.00%	-	-	-	-
Provision no longer required written back	8.04	0.11%	-	-	14.82	0.09%	-	-
Other misc. income	3.27	0.04%	11.02	0.07%	7.47	0.04%	4.92	0.02%
Total	**20.50**	0.28%	**15.86**	0.11%	**37.96**	0.22%	**187.83**	0.90%

Our Expenses

Our expenses comprise: (i) cost of materials consumed; (ii) purchase of stock-in-trade; (iii) changes in inventories of finished goods and work-in progress; (iv) employee benefits expense; (v) finance costs; (vi) depreciation and amortisation expenses; and (vii) other expenses.

Set out below is a breakdown of our total expenses, for the periods indicated, based on our Restated Consolidated Financial Information:

Total expenses	Six-month period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	(in ₹ million)	Percentage of total expenses (in%)	(in ₹ million)	Percentage of total expenses (in%)	(in ₹ million)	Percentage of total expenses (in%)	(in ₹ million)	Percentage of total expenses (in%)
Cost of Material Consumed	5858.11	85.10%	10,933.80	76.84%	12,819.14	77.05%	15,823.68	80.46%
Purchase of Stock-in-Trade	212.19	3.08%	1,180.84	8.30%	1,624.19	9.76%	1,872.38	9.52%
Changes in inventories of finished goods and Work-in progress	(237.06)	(3.44)%	117.19	0.82%	129.91	0.78%	(128.31)	(0.65%)
Employee Benefits Expense	366.42	5.32%	668.57	4.70%	541.98	3.26%	409.60	2.08%
Finance Costs	43.46	0.63%	89.73	0.63%	141.31	0.85%	158.91	0.81%
Depreciation and Amortisation Expenses	113.62	1.65%	195.75	1.38%	189.61	1.14%	144.53	0.73%
Other Expenses	526.66	7.65%	1,044.12	7.34%	1,190.86	7.16%	1,386.57	7.05%
Total	**6883.40**	100.00%	**14,230.00**	100.00%	**16,637.00**	100.00%	**19,667.36**	100.00%

Cost of material consumed

Cost of materials consumed primarily consists of the cost of raw materials and packing materials that we use in the manufacture of our products.

Purchase Of Stock-In-Trade

Purchase of Stock-in-trade primarily consists of items purchased for sale and trading purposes such as raw material and finished products which we source from our partners.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Changes in inventory of finished goods, stock-in-trade and work-in-progress is the difference between our opening stock and closing stock of inventory during a Financial Year.

Employees benefits expense

Employee benefits expenses primarily consist of salaries, wages and bonus and as well as contributions to provident and other funds, direct remuneration, gratuity and workmen and staff welfare expenses.

Finance costs

Finance costs consist of (i) interest expenses for financial liabilities at amortised cost, (ii) interest on lease liabilities, (iii) interest on customs duty, (iv) forward premium charges, (v) corporate guarantee commission expenses, and (vi) other borrowing costs.

Depreciation and amortisation expense

Depreciation and amortization expenses are primarily of depreciation on our property, plant and equipment and right of use assets and, amortisation of other intangible assets.

Other expenses

Other expenses, primarily consists of outward freight and handling charges, power & fuel, job work charges, legal and professional fees, bad debts written off, commission on sales, repairs and maintenance, travelling and conveyance expenses, rates and taxes, insurance charges, , rent, exhibition, sponsorship and other sales promotion expenses, water charges, CSR contribution, communication expenses, consumption of stores, spares & consumables, security charges, net impairment losses on financial assets, printing and stationery, auditor's remuneration, directors sitting fees, foreign exchange gain/(loss), donations, loss on sale of property, plant and equipment, and miscellaneous expenses.

Results of operations based on our Restated Consolidated Financial Information

The following table sets forth selected financial data from our restated consolidated statement of profit and loss for the six-month period ended September 30, 2024, and for financial year ended March 31, 2024, March 31, 2023, and March 31, 2022, the components of which are expressed as a percentage of total income for such years:

Particulars	For the six months period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	(₹million)	% of total income	(₹million)	% of total income	(₹million)	% of total income	(₹million)	% of total income
Revenue from operations	7,279.08	99.72%	14,962.29	99.89%	17,220.99	99.78%	20,659.62	99.10%
Other Income	20.50	0.28%	15.86	0.11%	37.96	0.22%	187.83	0.90%
Total Income	**7,299.58**	100.00%	**14,978.15**	100.00%	**17,258.95**	100.00%	**20,847.45**	100.00%
Expenses:								
Cost of Materials Consumed	5,858.11	80.25%	10,933.80	73.00%	12,819.14	74.28%	15,823.68	75.90%
Purchase of Stock-in-Trade	212.19	2.91%	1,180.84	7.88%	1,624.19	9.41%	1,872.38	8.98%
Changes in inventories of finished goods, Stock-in-trade and Work-in progress	(237.06)	(3.25)%	117.19	0.78%	129.91	0.75%	(128.31)	(0.62)%
Employee Benefits Expense	366.42	5.02%	668.57	4.46%	541.98	3.14%	409.60	1.96%
Finance Costs	43.46	0.60%	89.73	0.60%	141.31	0.82%	158.91	0.76%
Depreciation and Amortisation Expenses	113.62	1.56%	195.75	1.31%	189.61	1.10%	144.53	0.69%
Other Expenses	526.66	7.21%	1,044.12	6.97%	1,190.86	6.90%	1,386.57	6.65%
Total Expenses	**6,883.40**	94.30%	**14,230.00**	95.01%	**16637.00**	96.40%	**19,667.36**	94.34%
Profit Before Tax	**416.18**	5.70%	**748.15**	4.99%	**621.95**	3.60%	**1,180.09**	5.66%
Tax Expense:								
Current Tax	87.74	1.20%	177.19	1.18%	117.83	0.68%	300.99	1.44%
Deferred Tax	12.73	0.17%	4.56	0.03%	14.14	0.08%	12.78	0.06%
Tax adjustment related to previous year	-	0.00%	1.47	0.01%	3.82	0.02%	6.96	0.03%
Total Tax Expenses	**100.47**	1.38%	**183.22**	1.22%	**135.79**	0.79%	**320.73**	1.54%

Particulars	For the six months period ended September 30, 2024		Financial year ended March 31, 2024		Financial year ended March 31, 2023		Financial year ended March 31, 2022	
	(₹million)	% of total income	(₹million)	% of total income	(₹million)	% of total income	(₹million)	% of total income
Profit before share of profit of equity accounted investee	**315.71**	4.33%	**564.93**	3.77%	**486.16**	2.82%	**859.36**	4.12%
Share of net (loss)/ profit of associate accounted using equity method	**(3.88)**	(0.05)%	**0.98**	0.01%	**4.24**	0.02%	**(0.44)**	0.00%
Profit for the period/ year	**311.83**	4.27%	**565.91**	3.78%	**490.40**	2.84%	**858.92**	4.12%
Other comprehensive (loss)/ income ("OCI") Items that will not be reclassified to Profit or Loss								
(a) Remeasurements of the defined benefit plans	(0.88)	(0.01)%	(5.03)	(0.03)%	(10.61)	(0.06)%	0.57	0.00%
(b) Tax on above	0.22	0.00%	0.80	0.01%	2.04	0.01%	(0.14)	0.00%
Total other comprehensive loss for the period/ year (net of tax)	**(0.66)**	(0.01)%	**(4.23)**	(0.03)%	**(8.57)**	(0.05)%	**0.43**	0.00%
Total Comprehensive Income for period/year	**311.17**	4.26%	**561.68**	3.75%	**481.83**	2.79%	**859.35**	4.12%

Six-month period ended September 30, 2024

Total income

Our total income for the six months ended September 30, 2024, was ₹ 7,299.58 million and comprised revenue from operations and other income.

Revenue from Operations

Our revenue from operations were ₹ 7,279.08 million for the six months September 30, 2024, and primarily comprised of sale of goods of ₹ 7,272.27 million (included domestic sales of ₹ 5,057.04 million and export sales of ₹ 2,215.23 million), other operating revenue including scrap sales of ₹ 4.50 million and export incentives of ₹ 2.31 million.

Other income

Our other income was ₹ 20.50 million which primarily comprised of interest income on financial assets at amortised cost of ₹ 3.56 million and other non-operating income including profit on sale of property, plant and equipment of ₹ 5.63 million, provision no longer required written back of ₹ 8.04 million, and other miscellaneous income of ₹ 3.27 million.

Expenses

Our total expenses were ₹ 6,883.40 million for the six-month period ended September 30, 2024. This was primarily attributable to the following:

Cost of materials consumed

Cost of materials consumed was ₹ 5,858.11 million for the six-month period ended September 30, 2024 comprised of expenses of raw material and packaging materials consumed at the beginning of ₹ 1,673.07 million and additional purchases of ₹ 6,229.06 million. This was partially set off by closing stock of raw material and packaging material of ₹ 2,044.02 million.

Purchase of Stock-in-Trade

Purchase of stock-in-trade was ₹ 212.19 million as for the six-month period ended September 30, 2024, primarily comprised of expenses for purchase of traded raw material and finished goods.

Changes in inventories of Finished Goods and Work-in-Progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress was ₹ (237.06) million for the six-month period ended September 30, 2024, primarily comprised of expenses of closing stock of finished goods of ₹ 330.77 million, work-in-

Our employee benefit expenses were ₹ 366.42 million for the six-month period ended September 30, 2024, which primarily comprised of expenses of salaries, wages and bonus of ₹ 302.42 million.

Finance Costs

Our finance cost was ₹ 43.46 million as for the six-month period ended September 30, 2024, which primarily comprised of interest expenses for financial liabilities at amortised cost of ₹ 28.95 million.

Depreciation and Amortization Expenses

Our depreciation and amortization expenses were ₹ 113.62 million for the six-month period ended September 30, 2024.

Other expenses

Our other expenses were ₹ 526.66 million for the six-month period ended September 30, 2024, which primarily comprised of outward freight and handling charges of ₹ 315.10 million, power and fuel expenses of ₹ 45.88 million, legal and professional of ₹ 25.11 million, travelling and conveyance expenses of ₹ 27.08 million and insurance charges of ₹ 14.93 million, among others.

Tax Expenses

Total income tax expense was ₹ 100.47 million for six-month period ended September 30, 2024 which comprised of current tax of ₹ 87.74 million and deferred tax of ₹ 12.73 million.

Restated profit for the period

Due to the factors discussed above our restated profit for the period was ₹ 311.83 million.

Our EBIDTA for the period was ₹ 552.76 million in six months period ended September 30, 2024.

Financial Year 2024 compared to Financial Year 2023

Key Developments

Our total income for the financial year ended March 31, 2024 was ₹ 14,978.15 million and comprised revenue from operations and other income. Our restated profit for financial year ended March 31, 2024 is ₹ 565.91 million increased from Rs. 490.40 million in financial year ended March 31, 2023. For further information, see "*Restated Consolidated Financial Information*" on page 262.

Revenue from Operations

Our revenue from operations decreased by 13.12 % to ₹ 14,962.29 million for financial year ended March 31, 2024 from ₹ 17,220.99 million for financial year ended March 31, 2023. In financial year ended March 31, 2024, trading business contribution decreased to 3.30% compared to 7.66% in financial year ended March 31, 2023 in line to focus on operational business. Strategically we have reduced our emphasis on Trading business in raw materials.

Our Revenue from Operations excluding trading and others decreased by 9.04%. This is due to decrease in our Average Selling Price by 16.43% in financial year ended March 31, 2024. The decrease in selling price is mirroring the reduction in our raw material costs. However, the operational volume excluding trading and others has increased by 7.40%.

Other Income

Other income decreased by 58.22 % to ₹ 15.86 million for financial year ended March 31, 2024 from ₹ 37.96 million for financial year ended March 31, 2023. The decrease was primarily due to decrease in the interest income to ₹ 4.46 million in financial year ended March 31, 2024 from ₹ 15.67 million in financial year ended March 31, 2023. Additionally, the decrease was also attributed to the net impairment losses on financial assets. Net impairment of financial assets decreased to 'Nil" in financial year ended March 31, 2024 from ₹ 14.82 million in financial year ended March 31, 2023, which was attributable to write back of Trade Receivables in financial year ended March 31, 2023.

Expenses

Cost of materials consumed

Cost of materials consumed decreased by 14.71 % to ₹ 10,933.80 million for financial year ended March 31, 2024 from ₹ 12,819.14 million for financial year ended March 31, 2023 primarily due to decrease in average procurement prices of raw materials.

Purchase of Stock-in-Trade

Purchase of stock-in-trade decreased by 27.30% to ₹ 1,180.84 million in financial year ended March 31, 2024 from ₹ 1,624.19 million in financial year ended March 31, 2023 primarily due to decrease in trading business of raw materials.

Changes in Inventories of Finished Goods and Work-in-Progress

During financial year ended March 31, 2024 the change in inventory was ₹ 117.19 million and financial year ended March 31, 2023 the change in inventory was ₹ 129.91 million, which reflects our decrease in closing stock i.e., finished goods, work-in-progress and stock in trade which was offset by our increase in opening stock of traded goods, finished goods and work-in-progress.

Employee Benefits Expense

Employee benefits expense increased by 23.36 % to ₹ 668.57 million for financial year ended March 31, 2024 from ₹ 541.98 million for financial year ended March 31, 2023. Increase in employee benefits expense primarily reflected increase in salaries, wages and bonus to ₹ 557.70 million for financial year ended March 31, 2024 from ₹ 445.20 million for financial year ended March 31, 2023 on account of strategic hiring of senior management personnel across all functions including R&D coupled with annual increments, increase in contribution to provident and other fund to ₹ 25.19 million for financial year ended March 31, 2024 from ₹ 18.86 million for financial year ended March 31, 2023 and increase in staff welfare expenses to ₹ 16.04 million for financial year ended March 31, 2024 from ₹ 11.95 million for financial year ended March 31, 2023.

Other Expenses

Other expenses decreased by 12.32% to ₹ 1,044.12 million for financial year ended March 31, 2024 from ₹ 1,190.86 million for financial year ended March 31, 2023, primarily as a result of decrease in (i) outward freight and handling charges to ₹ 512.64 million in financial year ended March 31, 2024 from ₹ 626.45 million in financial year ended March 31, 2023 on account of decrease in freight rates and efficiency; (ii) job work charges to ₹ 35.26 million in financial year ended March 31, 2024 from ₹ 65.87 million in financial year ended March 31, 2023 on account of decrease in volumes manufactured by third party manufacturers and focus on own manufacturing and (iii) among others. During financial year ended March 31, 2024, our other expenses included certain miscellaneous expenses of ₹ 55.48 million on account of contractual manpower, water disposal charges, expenses incurred towards environment, health and safety and other administrative expenses.

Finance Costs

Our finance costs decreased by 36.50% to ₹ 89.73 million for financial year ended March 31, 2024 from ₹ 141.31 million for financial year ended March 31, 2023, primarily reflecting decrease in interest expenses to ₹ 50.95 million in financial year ended March 31, 2024 from ₹ 67.67 million in financial year ended March 31, 2024 on account of reduction in borrowings and decrease in forward premium charges to ₹ 3.78 million in financial year ended March 31, 2024 from ₹ 36.12 million in financial year ended March 31, 2023 due to optimization of foreign currency exposure through natural hedging.

Depreciation and Amortisation Expenses

Depreciation and amortisation expense for financial year ended March 31, 2024 comprised depreciation of property, plant and equipment of ₹ 156.61 million, depreciation on right to use assets of ₹ 37.68 million and amortization of intangible assets of ₹ 1.46 million. Further, the depreciation and amortisation expense for financial year ended March 31, 2023 comprised depreciation of property, plant and equipment of ₹ 159.78 million, depreciation on right to use assets of ₹ 29.36 million and amortization of intangible assets of ₹ 0.47 million. Depreciation and amortization expense increased marginally by 3.24% to ₹ 195.75 million for financial year ended March 31, 2024 from ₹ 189.61 million for financial year ended March 31, 2023 due to an increase in depreciation of right to use assets by 28.36% to ₹37.68 million in financial year ended March 31, 2024 from ₹29.36 million in financial year ended March 31, 2023 on account of leasehold land at Saykha Plant and amortization of other intangible assets by 213.32% to ₹1.46 million in financial year ended March 31, 2024 from ₹ 0.47 million in financial year ended March 31, 2023.

Tax expense Total tax expense increased to ₹ 183.22 million for financial year ended March 31, 2024 from ₹ 135.79 million for financial year ended March 31, 2023, primarily as a result of increase in profits for financial year ended March 31, 2024 compared to financial year ended March 31, 2023.

Profit for the year after tax

As a result of the foregoing, our profit for the year increased by 15.40% to ₹ 565.91 million for financial year ended March 31, 2024 from ₹ 490.40 million for financial year ended March 31, 2023 on account of increase in operational volume by 7.66%, increase in gross margin by 2.87% due to better product mix, reduction in Trading business from 7.71% in financial year ended March 31, 2023 to 3.30% in financial year ended March 31, 2024 in spite of increase in employee expenses by 23.36%

Financial year 2023 compared to financial year 2022

Revenue from Operations

Out total income decreased by 17.21% to ₹ 17,258.95 million for financial year ended March 31, 2023 from ₹ 20,847.45 million for Fiscal 2022, primarily due to decrease in revenue from operations by 16.64% to ₹ 17,220.99 million for financial year ended March 31, 2023 from ₹ 20,659.62 million for financial year ended March 31, 2022.

Our Revenue from Operations excluding trading and others decreased by 15.70%. primarily due to a decrease in our Average Selling Price by 15.15%.

Other Income

Our other income decreased by 79.8% to ₹ 37.96 million for financial year ended March 31, 2023 from ₹ 187.83 million for financial year ended March 31, 2022. The decrease was primarily due to decrease in foreign exchange gain to Nil in financial year ended March 31, 2023 from ₹ 170.99 million in financial year ended March 31, 2022.

Expenses

Cost of materials consumed

Our cost of raw materials and packaging materials consumed decreased by 18.99% to ₹ 12,819.14 million for financial year ended March 31, 2023 from ₹ 15,823.68 million for financial year ended March 31, 2022. Such decrease was primarily due to decrease in average procurement prices of raw materials.

Purchase of Stock-in-Trade

Our purchase of stock-in-trade decreased by 13.26% to ₹ 1,624.19 million in financial year ended March 31, 2023 from ₹ 1,872.38 million in financial year ended March 31, 2022, primarily attributable to the decreased purchase of trading business of raw materials.

Changes in Inventories of Finished Goods and Work-in-Progress

During financial year ended March 31, 2023, the change in inventory was ₹ 129.91 million and financial year ended March 31, 2022 the change in inventory was ₹ (128.31) million, which reflects our decrease in closing stock i.e., finished goods, work-in-progress and stock-in trade which was offset by our increase in opening stock of finished goods, work-in-progress and stock-in trade.

Employee Benefits Expense

Employee benefits expense increased by 32.32% to ₹ 541.98 million for financial year ended March 31, 2023 from ₹ 409.60 million for financial year ended March 31, 2022. Increase in employee benefits expense primarily reflected increase in salaries, wages and bonus to ₹ 445.20 million for financial year ended March 31, 2023 from ₹ 324.83 million for financial year ended March 31, 2022 on account of increase in headcount coupled with annual increments in salaries. The contribution to provident and other fund also increased to ₹ 18.86 million for financial year ended March 31, 2023 from ₹ 13.25 million for financial year ended March 31, 2023 and staff welfare expenses to ₹ 11.95 million for financial year ended March 31, 2024 from ₹ 6.62 million for financial year ended March 31, 2023.

Other Expenses

Other expenses decreased by 14.11% to ₹ 1,190.86 million for financial year ended March 31, 2023 from ₹ 1,386.57 million for financial year ended March 31, 2022, primarily as a result of decrease in (i) outward freight and handling charges to ₹ 626.45 million in financial year ended March 31, 2023 from ₹ 835.87 million in financial year ended March 31, 2022 on account of decrease in exports business volumes and reduction in freight rates; (ii) job-work charges to ₹ 65.87 million in financial year ended March 31, 2023 from ₹ 90.95 million in financial year ended March 31, 2022 due to decrease in volumes manufactured by third party manufacturers (iii) legal and professional fees to ₹ 73.68 million in financial year ended March 31, 2023 from ₹ 87.04 million in financial year ended March 31, 2022 and (iv) insurance charges to ₹ 20.93 million in financial year ended March 31, 2023 from ₹ 31.06 million in financial year ended March 31, 2022. During financial year ended March 31, 2023, our other expenses included certain miscellaneous expenses of ₹ 59.22 million on account of contractual manpower, water disposal charges, expenses incurred towards environment, health and safety and other administrative expenses.

Finance Costs

Finance costs decreased by 11.08% to ₹ 141.31 million for financial year ended March 31, 2023 from ₹ 158.91 million for financial year ended March 31, 2022, primarily due to decrease in other borrowing cost which primarily comprises bank charges on import and export related transactions, foreign currency fluctuations and other service charges which was offset by increased interest expenses and interest expenses on lease liabilities.

Depreciation and Amortisation Expenses

Depreciation and amortisation expense for financial year ended March 31, 2023 comprised depreciation of property, plant and equipment of ₹ 159.78 million, depreciation on right to use assets of ₹ 29.36 million and amortization of intangible assets of ₹ 0.47 million. Further, the depreciation and amortisation expense for financial year ended March 31, 2022 comprised depreciation of property, plant and equipment of ₹ 122.14 million, deprecation on right to use assets of ₹ 21.80 million and amortization of intangible assets of ₹ 0.59 million. Depreciation and amortization expense increased by 31.19% to ₹ 189.61 million for financial year ended March 31, 2023 from ₹ 144.53 million for financial year ended March 31, 2023 due to an increase in depreciation of property, plant and equipment by 30.82% to ₹ 159.78 million in financial year ended March 31, 2023 from ₹ 122.14 million in financial year ended March 31, 2022 primarily on account of the capex incurred for expansion

Income tax expense

Total income tax expense decreased to ₹ 135.79 million for financial year ended March 31, 2023 from ₹ 320.73 million for financial year ended March 31, 2022, primarily as a result of decrease in current tax to ₹ 117.83 million in financial year ended March 31, 2023 from ₹ 300.99 million in financial year ended March 31, 2022 and a marginal increase in deferred tax to ₹ 14.14 million in financial year ended March 31, 2023 from ₹ 12.78 million in financial year ended March 31, 2022.

Current tax was ₹ 117.83 million in financial year ended March 31, 2023 compared to ₹ 300.99 million in financial year ended March 31, 2022 primarily on account of decrease in profit.

Profit for the year after tax

As a result of the foregoing factors, our profit for the year decreased by 42.90% to ₹ 490.40 million for financial year ended March 31, 2023 from ₹ 858.92 for financial year ended March 31, 2022.

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital and capital expenditure needs for our operations. We have met these requirements through cash flows from operations and borrowings.

As at September 30, 2024, we had ₹ 166.44 million in cash and cash equivalents, ₹ 3.30 million in bank balances other than cash and cash equivalents and ₹ 38.19 million in other financial assets, in accordance with our Restated Consolidated Financial Information.

We believe that, after taking into account the expected cash to be generated from operations, our borrowings and the proceeds from the Offer, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital for the next 12 months.

Cash Flows

The table below summarises the statement of cash flows, as derived from our restated consolidated cash flow statements, for the periods indicated:

(in ₹ million)

Particulars	For the six months period ended on September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Net cash (used in)/generated from operating activities	(262.98)	769.26	1,192.25	267.80
Net cash used in investing activities	(585.67)	(770.09)	(563.36)	(415.96)
Net cash generated from/(used in) financing activities	978.65	(230.72)	(1,308.62)	879.92
Net increase/ (decrease) in cash and cash equivalents	130.00	(231.55)	(679.73)	731.76
Total cash and cash equivalents at the end of the period/ year	166.44	36.44	267.99	947.72

Net Cash Flow from Operating Activities

Net cash generated from operating activities was ₹ (262.98) million in the six months ended September 30, 2024. Our profit before tax was ₹ 416.18 million in the six months ended September 30, 2024, which was primarily adjusted for non-cash/non-operating items such as depreciation and amortisation expense of ₹ 113.62 million, interest on lease liability of ₹ 6.75 million, other finance costs of ₹ 36.71, unrealized foreign exchange gain of ₹ (3.19) million, provision for doubtful debts and advances of ₹ (8.04) million, profit on sale of property, plant and equipment (net) of ₹ 5.63 million, among others. Our operating profit before working capital changes was ₹ 553.39 million in the six months ended September 30, 2024. Adjustments for changes in working capital primarily comprised decrease in trade payables of ₹ (303.77) million, increase in other financial current liabilities of ₹ 51.81 million, increase in inventories of ₹ 608.95 million, decrease in trade receivables of ₹ 86.52 million. Cash generated from operations amounted to ₹ (178.70) million in the six months ended September 30, 2024 and income tax paid (net of refunds) was ₹ (84.28) million in the six months ended September 30, 2024.

Net cash generated from operating activities was ₹ 769.26 million in financial year ended March 31, 2024. Our profit before tax was ₹ 748.15 million in financial year ended March 31, 2024, which was primarily adjusted for non-cash/non-operating items such as depreciation and amortisation expense of ₹ 195.75 million, interest on lease liability of ₹ 15.50 million, other finance costs of ₹ 74.23, unrealized foreign exchange gain of ₹ (1.53) million, provision for doubtful debts and advances of ₹ 1.07 million, among others. Our operating profit before working capital changes was ₹ 1,022.52 million in financial year ended March 31, 2024. Adjustments for changes in working capital primarily comprised increase in trade payables of ₹ 362.80 million, increase in other financial current liabilities of ₹ 25.00 million, increase in inventories of ₹ (144.27) million, increase in trade receivables of ₹ (340.99) million. Cash generated from operations amounted to ₹ 934.45 million in financial year ended March 31, 2024 and income tax paid (net of refunds) was ₹ (165.19) million in financial year ended March 31, 2024.

Net cash generated from operating activities was ₹ 1,192.25 million in financial year ended March 31, 2023. Our profit before tax was ₹ 621.95 million in financial year ended March 31, 2023, which was primarily adjusted for non-cash/non-operating items such as depreciation and amortisation expense of ₹ 189.61 million, interest on lease liability of ₹ 13.50 million, other finance costs of ₹ 127.81, provision for doubtful debts and advances of ₹ (14.82) million, loss/ (profit) on sale of property, plant and equipment (net) of ₹ 1.39 million, among others. Our operating profit before working capital changes was ₹ 924.95 million in financial year ended March 31, 2023. Adjustments for changes in working capital primarily comprised decrease in trade payables of ₹ 1,184.70 million, decrease in other financial current liabilities of ₹ (48.16) million, decrease in inventories of ₹ 96.90 million, decrease in trade receivables of ₹ 1,489.80 million. Cash generated from operations amounted to ₹ 1,336.34 million in financial year ended March 31, 2023 and income tax paid (net of refunds) was ₹ (144.09) million in financial year ended March 31, 2023.

Net cash generated from operating activities was ₹ 267.80 million in financial year ended March 31, 2022. Our profit before tax was ₹ 1,180.09 million in financial year ended March 31, 2022, which was primarily adjusted for non-cash/non-operating items such as depreciation and amortisation expense of ₹ 144.53 million, interest on lease liability of ₹ 11.52 million, other finance costs of ₹ 147.39 million, unrealized foreign exchange gain of ₹ 7.85 million, provision for doubtful debts and advances of ₹ 1.81 million, loss/ (profit) on sale of property, plant and equipment (net) of ₹ 1.33 million, among others. Our operating profit before working capital changes was ₹ 1,467.83 million in financial year ended March 31, 2022. Adjustments for changes in working capital primarily comprised decrease in trade payables of ₹ (111.50) million, increase in other financial current liabilities of ₹ 78.98 million, decrease in inventories of ₹ 294.09 million, increase in trade receivables of ₹ 994.22 million. Cash generated from operations amounted to ₹ 657.37 million in financial year ended March 31, 2022 and income tax paid (net of refunds) was ₹ (389.57) million in financial year ended March 31, 2022.

Net Cash Flow from Investing Activities

Net cash used in investing activities was ₹ (585.67) million in the six months ended September 30, 2024 primarily comprising acquisition of property plant and equipment (net of capital advances) of ₹ (623.15) million, proceeds from sale/ disposal of property, plant and equipment of ₹ 36.00 million, investment in associate of ₹ (2.09) million, and interest received of ₹ 3.57 million.

Net cash used in investing activities was ₹ (770.09) million in financial year ended March 31, 2024 primarily comprising acquisition of property plant and equipment (net of capital advances) of ₹ (997.91) million, proceeds from sale/ disposal of property, plant and equipment of ₹ 0.97 million, net proceeds of fixed deposits of ₹ (2.61) million, net proceeds /(application) from other non-current assets of ₹ 225.37 million and interest received of ₹ 4.09 million.

Net cash used in investing activities was ₹ (563.36) million in financial year ended March 31, 2023 primarily comprising acquisition of property plant and equipment (net of capital advances) of ₹ (582.51) million, proceeds from sale/ disposal of property, plant and equipment of ₹ 4.28 million, net proceeds of fixed deposits of ₹ 1.34 million, net proceeds /(application) from other non-current assets of ₹ (1.23) million and interest received of ₹ 14.76 million.

Net cash used in investing activities was ₹ (415.96) million in financial year ended March 31, 2022 primarily comprising acquisition of property plant and equipment (net of capital advances) of ₹ (435.17) million, proceeds from sale/ disposal of property, plant and equipment of ₹ 0.49 million, net proceeds of fixed deposits of ₹ 14.32 million, net proceeds /(application) from other non-current assets of ₹ (7.22) million and interest received of ₹ 11.62 million.

Net Cash Flow from Financing Activities

Net cash used in financing activities was ₹ 978.65 million in the six months ended September 30, 2024 primarily comprising repayment of long term borrowings (net) of ₹ (46.16) million, proceeds from long term borrowings (net) of ₹ 327.46 million, proceeds of short-term borrowings (net) of ₹ 755.05 million, payment of lease liabilities of ₹ (20.99) million and finance costs of ₹ (36.71) million.

Net cash used from financing activities was ₹ (230.72) million in financial year ended March 31, 2024 primarily comprising proceeds from long term borrowings (net) of ₹ 291.44 million, proceeds of short-term borrowings (net) of ₹ (406.31) million, payment of lease liabilities of ₹ (40.67) million and finance costs of ₹ (75.17) million.

Net cash used in financing activities was ₹ (1,308.62) million in financial year ended March 31, 2023 primarily comprising repayment of long term borrowings (net) of ₹ (90.20) million, proceeds of short-term borrowings (net) of ₹ (1,110.85) million, payment of lease liabilities of ₹ (28.80) million and finance costs of ₹ (127.23) million.

Net cash used in financing activities was ₹ 879.92 million in financial year ended March 31, 2022 primarily comprising repayment of long term borrowings (net) of ₹ (77.26) million, proceeds from partners' capital of ₹ (94.06) million, proceeds of short-term borrowings of ₹ 1,299.04 million, payment of lease liabilities of ₹ (22.57) million and finance costs of ₹ (144.81) million.

Indebtedness

As at September 30 2024, we had total borrowings of ₹ 1,689.40 million, comprising secured borrowings of ₹ 1,689.40 million and unsecured borrowings of ₹Nil million in accordance with our Restated Consolidated Financial Information. Some of our financing agreements also include conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering certain transactions. For further information on our agreements governing our outstanding indebtedness, see "*Financial Indebtedness*" on page 314.

Capital Expenditure

Our historical capital expenditure including CWIP and intangible assets under development was mainly related to the purchase of plant and machinery, building. The company has incurred ₹517.85 million, ₹1,022.89 million, ₹266.43 million and ₹479.26 million on capital expenditure. For the six months period ended September 30, 2024 and for financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively. The primary sources of financing for our capital expenditure have been internal accruals, and borrowings.

Contingent Liabilities and Commitments

Details of our contingent liabilities and commitments as at September 30, 2024 based on our Restated Consolidated Financial Information, are set forth below:

(in ₹ million)

Particulars	As at September 30, 2024
Contingent Liabilities not provided for in respect of -	
Claims against the Group not acknowledged as debts comprise of claims disputed by the Group relating to issues of applicability, classification, deductibility, etc:	
a. Custom duty	4.72
b. Bank guarantee	56.94
c. Income tax	0.15
d. Others	0.82
Capital Commitments	
Estimated value of contracts for property, plant and equipment remaining to be executed and not provided for (net of capital advances)	947.49
Total	**1,010.12**

For further information, see "*Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information- Note 34*" on page 298.

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see "*Summary of the Offer Document – Related Party Transactions*" on page 21.

Non-GAAP Measures – EBITDA (excluding other income) and Adjusted EBITDA

Gross Profit, Gross Profit Margin, EBITDA, EBITDA Margin, Net debt/ EBITDA, Return on Capital Employed, Return on Equity, Return on Net Worth, Reconciliation for Net Asset Value per Equity Share and other non- GAAP measures, (together, "**Non-GAAP Measures**"), presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, such Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Selected Statement of Assets and Liabilities

The following table shows selected financial data derived from our summary statement of assets and liabilities as of the dates indicated, based on our Restated Consolidated Financial Information:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total non-current assets (A)	3,236.51	2,738.85	2,222.89	1,804.82
Total current assets (B)	5,565.05	4,999.37	4,732.99	7,044.93
Total assets (A+B=C)	**8,801.56**	**7,738.22**	**6,955.88**	**8,849.75**
Total equity (D)	4,741.42	4,430.25	3,870.66	3,388.83
Total liabilities (E)	4,060.14	3,307.97	3,085.22	5,460.92
Total equity and liabilities (D+E = F)	**8,801.56**	**7,738.22**	**6,955.88**	**8,849.75**

Quantitative and Qualitative Disclosures about Market Risk

Our Board of Directors has overall responsibility for the establishment and oversight of our risk management framework. The Senior Management has developed and monitors our risk management policies. The management reports regularly to our Board of Directors on its activities. Our risk management policies are established to identify and analyse the risks faced by us, to set appropriate risk limits and controls and to monitor risks and adherence to limits. We regularly review our risk management policies and systems to reflect changes in market conditions and our activities.

We are exposed to market risk, credit risk and liquidity risk, among others. Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

Credit risk is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from our receivables from customers. Our exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The company mainly deal with customers who are leading players in the industry and have strong credit worthiness. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors. Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and other receivables.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Financial instruments affected by market risk include borrowings and investments. Our principal financial liabilities comprise trade payables, borrowings and security deposits. The main purpose of these financial liabilities is to finance and support our operations. Our principal financial assets include investments, trade receivables and cash and cash equivalents that derive directly from our operations.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Segment Reporting

The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Board of directors, who are the Chief Operating Decision Makers. They are responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. industrial adhesives and emulsions.

Known Trends and Uncertainties

Except as described in "*Our Business*" and "*Risk Factors*" on pages 199 and 25, respectively, there are no known trends or uncertainties which are expected to have a material adverse impact on our revenues from operations.

Unusual or Infrequent Events or Transactions

Other than as described in this section and in "*Risk Factors*" and "*Our Business*" on pages 25 and 199 respectively, there have been no events or transactions which may be described as "unusual" or "infrequent".

Significant Economic Changes

Other than as described in this section and in "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 25, 124 and 199 respectively, there have been no significant economic changes that materially affected or are likely to affect income from continuing operations.

Material Increases in Net Revenues and Sales

Material increases in our net revenues and sales are primarily due to the reasons described in "— *Results of Operations based on our Restated Consolidated Financial Information*" above on page 262.

Future Change in Relationships between Costs and Income

Other than as described in this section and the sections "*Risk Factors*" and "*Our Business*" on pages 25 and 199 respectively, there are no known factors which will have a material adverse impact on the future relationship between our costs and income.

New Product or Business Segments

Apart from the disclosures in "*Our Business*" on page 199, we currently have no plans to develop new products or establish new business segments that are expected to have a material impact on our business, results of operations or financial condition.

Supplier or Customer Concentration

We depend on certain of our customers for a significant portion of our revenue. In the six-month period ended September 30, 2024 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, our top 10 customers accounted for 22.10%, 20.63%, 21.17% and 20.56%, respectively, of our total revenue from operations.

We also depend on certain of our suppliers for a significant portion of our raw materials. In the six-month period ended September 30, 2024 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, our top 10 suppliers accounted for 73.85%, 61.58%, 75.51% and 66.30% of our of total raw material purchased, respectively. For further information, see "*Risk Factors-Internal Risks- We are significantly dependant on our suppliers for supply of raw materials (Top 10 suppliers contribute 73.85% for the six-month period ended September 30, 2024, 61.58% for the Financial Year 2024, 75.51% for the Financial Year 2023 and 66.30% for the Financial Year 2022 of total raw material purchased of respective year/period). Any failure to maintain our relationship with these suppliers or any adverse changes affecting their financial condition will have an adverse effect on our business, results of operations, financial condition and cash flows.*" on page 26.

Competitive Conditions

For a description of the competitive conditions in which we operate, see "*Our Business — Competition*" on page 222. For further details, see "*Risk Factors — Internal Risk Factors — We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on our business growth and prospects, financial condition and results of operations.*" on page 29.

Seasonality of Business

Our business is seasonal to the extent of Coating Materials. For Domestic Coating business, the second half of the year has higher demand in Domestic.

Recent Accounting Pronouncements

As at the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements which would have a material effect on our results of operations or financial condition.

Statutory Auditors' Qualifications or Observations

There are no auditor qualifications in the examination report that have not been given effect to in the Restated Consolidated Financial Information.

Significant Developments Since September 30, 2024

Other than grant of employee stock options pursuant to ESOP 2024, details of which are disclosed in "*Capital Structure*" on page 77, there have not been any circumstances since September 30, 2024, which materially and adversely affect or are likely to affect our business or profitability, the value of our assets, or our ability to pay our liabilities, for the next 12 months.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no pending: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; and (iv) any other pending litigation/arbitration proceeding which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below), each involving our Company, Subsidiaries, Directors or Promoters (collectively, the "**Relevant Parties**"). Further, except as disclosed in this section, there are (a) no disciplinary actions (including penalties imposed) initiated by SEBI or a stock exchange against our Promoters in the last five financial years immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action; or (b) pending litigation involving our Group Companies which may have a material impact on our Company in the opinion of our Board. Further, as on the date of this Draft Red Herring Prospectus, there are no findings/observations of any inspections by SEBI or any other regulator involving our Company which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision.*

For the purpose of (iii) and (iv) above, our Board in its meeting held on December 17, 2024, has considered and adopted the Materiality Policy for identification of material outstanding litigation involving Relevant Parties. In accordance with the Materiality Policy:

Any pending civil / arbitration/ tax proceedings involving the Relevant Parties, shall be considered 'material' for the purposes of disclosure in the Offer Documents, if:

a) *the monetary amount involved in such a proceeding is equal to or exceeds, the lower of (i) 2% of the turnover of the Company as per the Restated Consolidated Financial Information for the preceding financial year disclosed in the Offer Document; or (ii) 2% of the net worth of the Company as per the Restated Consolidated Financial Information as at the end of the preceding financial year; or (iii) 5% of the average of the absolute value of the profit/loss after tax as per the Restated Consolidated Financial Information for the preceding three financial years disclosed in the relevant Offer Documents (the "**Threshold**").*

For the purpose of clause (iii) above, it is clarified that the average of the absolute value of profit or loss after tax is to be calculated by disregarding the 'sign' (positive or negative) that denotes such value; or

b) *any such proceedings wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the materiality threshold as specified in (a) above, but the outcome of such a proceeding could have a material adverse effect on the financial position, business, operations, performance, prospects, or reputation of the Company, in the opinion of the Board; or*

c) *the decision in such a proceeding is likely to affect the decision in similar proceedings, such that the cumulative amount involved in such proceedings exceeds the Threshold, even though the amount involved in an individual proceeding does not exceed the Threshold.*

2% of turnover, as per the Restated Consolidated Financial Information for financial year ended March 31, 2024 is ₹ 299.25 million, 2% of net worth, as per the Restated Consolidated Financial Information as at March 31, 2024 is ₹ 88.61 million and 5% of the average of absolute value of profit or loss after tax, as per the Restated Consolidated Financial Information for the last three financial years is ₹ 31.84 million. Accordingly, ₹ 31.84 million has been considered as the materiality threshold for the purpose of (a) above.

*Pre-litigation notices received by any Relevant Party and Group Companies from third parties (excluding those notices issued by statutory/regulatory/ judicial authorities / governmental/ tax authorities or first information reports ("**FIRs**") (including FIRs where no cognizance has been taken by court), police complaints or notices threatening initiation of criminal action), unless otherwise decided by the Board, shall not be considered as an outstanding litigation until such time the Relevant Party or Group Companies as the case may be, are impleaded as a party in the proceeding before any judicial/arbitral forum or any governmental authority.*

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that particular litigation only.

A. Litigation involving our Company

Criminal proceedings by our Company

1. Our Company has filed 11 pending criminal complaint against various persons before various courts under Section 138 read with Sections 141 and 142 of the Negotiable Instruments Act, 1881, as amended, alleging dishonour of cheques in relation to recovery of dues of our Company. These matters are currently pending at

different stages of adjudication before various courts and judicial fora. The aggregate amount involved in these matters is ₹ 49.09 million as on the date of this Draft Red Herring Prospectus.

2. Our Company has filed a criminal complaint dated August 6, 2018 ("**Complaint**") before the Metropolitan Magistrate's 13th Court, Dadar, under Sections 406, 418 and 420 read with Section 34 of the Indian Penal Code, 1860, against Jaya Raghava Processing and its partners ("**Accused**"). The Accused placed three purchase orders between February 2017 and March 2017 for Polytex 50 SP-220 kg, and despite obtaining delivery of products without any claims of defect, payment of the invoices amounting to ₹ 0.28 million was not made. The Complaint, therefore, seeks that process be issued against the Accused. The matter is presently pending.

Criminal proceedings against our Company

1. Our Company had filed a criminal complaint dated July 2, 2008, before the Chief Judicial Magistrate, Daman ("**Chief Judicial Magistrate**") under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881, against M/s Marudhar Tanchem Private Limited, Navneet Bhaiya, Krishna Bhaiya and K.K Maheshwari ("**Accused**"), customers of glue and adhesive from our Company, for dishonour of post-dated cheques and payable at par cheque, together aggregating to ₹ 2.22 million (This has been included in the consolidated disclosure of cases filed by the Company under Section 138 of the Negotiable Instruments Act, 1881). The Judicial Magistrate passed an order dated September 1, 2008, directing appearance of the Accused. Navneet Bhaiya, Krishna Bhaiya and K.K. Maheshwari have in turn filed two criminal writ petitions in January 2009 before the High Court of Bombay seeking inter alia quashing of the order passed by the Chief Judicial Magistrate and the proceeding initiated by our Company. The matter is presently pending.

Other material proceedings by our Company

As on the date of this Draft Red Herring Prospectus there are no other material proceedings involving our Company, which have been considered material by our Company in accordance with the Materiality Policy.

Other material proceedings against our Company

As on the date of this Draft Red Herring Prospectus there are no other material proceedings involving our Company, which have been considered material by our Company in accordance with the Materiality Policy.

Actions by statutory or regulatory authorities against our Company

1. Our Company has received a summon dated July 28, 2021, from the Debts Recovery Tribunal Delhi (DRT 1) ("**DRT**") ("**Summons**") in connection with the recovery proceedings initiated by Kotak Mahindra Bank Limited ("**Kotak**") against Sanatan Logistics Private Limited ("**Sanatan**") and others for debts amounting to ₹ 126.80 million. The receivables of Sanatan from our Company amounted to ₹ 0.82 million, which had been paid by our Company in entirety, on or before July 28, 2017. Our Company had also filed interim application before the DRT praying deletion of our name from the list of parties in the original application filed by Kotak, as all sums payable by our Company to Sanatan had been paid. The matter is presently pending before DRT.

Tax Proceedings involving our Company

1. Our Company has received show cause notice dated December 13, 2024, ("**Show Cause Notice**") from the Office of Commissioner of GST and Central Excise, Chennai ("**GST Authority**"), for alleged irregular integrated goods and services tax ("**IGST**") refund between the period commencing from October 2018 up to January 2024, aggregating up to ₹ 334.12 million. The GST Authority had also issued DRC 01A to our Company on June 7, 2024, demanding payment of ₹ 334.12 million, to which, our Company *vide* email dated August 29, 2024, submitted our response. Thereafter, the present Show Cause Notice has been issued to our Company as to why the IGST refund of ₹ 334.12 million should not be demanded and recovered from our Company along with interest and penalty thereon. The matter is currently pending.

In addition to the above, details of other outstanding tax proceedings involving our Company (on a consolidated basis) as of the date of this Draft Red Herring Prospectus are set out below:

Nature of case	Number of cases	Amount in dispute/demand* (*in ₹ million*)
Direct tax	1	21.90
Indirect tax	12	370.44
Total	13	392.34

* *To the extent quantifiable.*

B. Litigation involving our Subsidiaries

Criminal proceedings by our Subsidiaries

Nil

Criminal proceedings against our Subsidiaries

Nil

Other material proceedings by our Subsidiaries

Nil

Other material proceedings against our Subsidiaries

Nil

Actions by statutory or regulatory authorities against our Subsidiaries

Nil

Tax proceedings involving our Subsidiaries

Nature of case	Number of cases	Amount in dispute/demand (*in ₹ million*)
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

* *To the extent quantifiable.*

C. Litigation involving our Directors

Criminal proceedings by our Directors

Nil

Criminal proceedings against our Directors

Nil

Other material proceedings by our Directors

Nil

Other material proceedings against our Directors

Nil

Actions by statutory or regulatory authorities against our Directors

Nil

Tax proceedings involving our Directors

Nature of case	Number of cases	Amount in dispute/demand (*in ₹ million*)*
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

D. Litigation involving our Promoters

Criminal proceedings by our Promoters

Nil

Criminal proceedings against our Promoters

Nil

Other material proceedings by our Promoters

Nil

Other material proceedings against our Promoters

Nil

Actions by statutory or regulatory authorities against our Promoters

Nil

Disciplinary actions including penalties imposed by SEBI or a stock exchange in the last five financial years

Nil

Tax proceedings involving our Promoters

Nature of case	Number of cases	Amount in dispute/demand *(in ₹ million)**
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

* *To the extent quantifiable.*

E. Outstanding Dues to Creditors

In accordance with the Materiality Policy, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 99.68 million, being 5% of the consolidated trade payables of our Company as on September 30, 2024 ("**Material Creditor**") as per the Restated Consolidated Financial Information.

As of September 30, 2024, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors, on a consolidated basis, is as follows*:

Sr. No.	Type of creditor	No. of creditors	Amount involved (in ₹ million)
1.	Dues to Material Creditors	6	1,073.86
2.	Dues to micro, small and medium enterprises**	120	85.81
3.	Dues to other creditors	558	704.18
4.	Provisions***	-	129.80
	Total	**684**	**1,993.65**

**As certified by D M K H & Co., Chartered Accountants, by way of their certificate dated January 9, 2025*
***As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*
****This represents provisions where the invoices are not received as on reporting period.*

The details pertaining to outstanding dues to Material Creditors, along with the name and amounts involved for each such Material Creditor, are available on the website of our Company at https://jesons.net/investor-relations/.

It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, would be doing so at their own risk.

Material Developments

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 318, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

Other Confirmations

There are no findings/observations of any regulators that are material, and which need to be disclosed or non-disclosure of which may have bearing on the investment decision. Further, our Company has not received any findings/observations from SEBI pursuant to the Offer, as on date of this Draft Red Herring Prospectus.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, consents, registrations, and permits issued by relevant regulatory authorities under various rules and regulations. Set out below is an indicative list of all material approvals, licenses, consents, registrations and permits obtained by our Company and our Material Subsidiary, which are necessary for undertaking our business. In view of such approvals, our Company can undertake the Offer and its current business activities. Additionally, unless otherwise stated, these material approvals, licenses, consents, registrations, and permits are valid as on the date of this Draft Red Herring Prospectus. Certain material approvals, licenses, consents, registrations, and permits may expire periodically in the ordinary course and applications for renewal of such expired material approvals, licenses, consents, registrations, and permits are submitted in accordance with applicable requirements and procedures.

I. Material approvals in relation to the Offer

For the approvals and authorizations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 356.

II. Incorporation Details of our Company and Material Subsidiary

For details of the incorporation of our Company, see "*History and Certain Corporate Matters*" and "*General Information*" on pages 235 and 69, respectively.

For incorporation details of our Material Subsidiary, see "*History and Certain Corporate Matters - Our Subsidiaries and Associate Company*" on page 241.

III. General Approvals in relation to our Company

Our Company has received the following material approvals, licenses, consents, registrations, and permits pertaining to our business:

A. Tax related approvals

1. Permanent Account Number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.

2. Tax Deduction and Collection Account Number issued by the Income Tax Department under Income Tax Act, 1961.

3. Importer Exporter Code issued by the Additional Director General of Foreign Trade at Mumbai, Ministry of Commerce, Government of India under the Foreign Trade (Development and Regulation) Act, 1992; and

4. Goods and services tax registrations under various central and state goods and services tax legislations.

5. Registration on Profession, Trades, Callings and Employment Act, 1976 for its manufacturing units.

B. Material approvals in relation to our business operations

1. Factory license issued by the Directorate Industrial Safety & Health, under the Factories Act, 1948.

2. Environment clearances issued by the Ministry of Environment and Forests or State Environment Impact Assessment Authority, as applicable.

3. Consent to establish issued by relevant state Pollution Control Board issued under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981.

4. Consent to operate issued by relevant state Pollution Control Board issued under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981.

5. Authorization under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016 issued by relevant state Pollution Control Board.

6. No objection certificates from the relevant fire department.

7. Certificate issued by the Chief Electrical Inspector to the Government under the Electricity Act, 2003.

8. License to import and store petroleum under the Petroleum Rules, 2002 issued by the Petroleum and Explosives Safety Organization.

9. Certificates with respect to weights and measures issued under the Legal Metrology Act, 2009 issued by the Legal Metrology Officer.

C. Labour and Commercial Approvals

1. Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 issued by the Employees' Provident Fund Organisation.

2. Registration certificate under the Employees' State Insurance Act, 1948, issued by the Sub-Regional Office, Employees' State Insurance Corporation.

3. Registration certificate under the Contract Labour (Regulation & Abolition) Act, 1970, issued by the Labour Commissioner's Office.

4. Certificate of registration issued under applicable shops and establishments legislation for our offices, issued by the ministry or department of labour of relevant State government, wherever applicable.

5. License obtained in relation to the manufacturing facilities/ units under the Factories Act and the rules thereunder.

II. Material approvals in relation to our Material Subsidiary

A. Tax related approvals

1. Permanent Account Number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.

2. Tax Deduction and Collection Account Number issued by the Income Tax Department under Income Tax Act, 1961.

3. Importer Exporter Code issued by the Additional Director General of Foreign Trade at Mumbai, Ministry of Commerce, Government of India under the Foreign Trade (Development and Regulation) Act, 1992; and

4. Goods and services tax registrations under various central and state goods and services tax legislations.

B. Material approvals in relation to its business operations

1. Factory license issued by the Directorate Industrial Safety & Health, under the Factories Act, 1948.

2. Environment clearances issued by the Ministry of Environment and Forests or State Environment Impact Assessment Authority, as applicable.

3. Consent to establish issued by relevant state Pollution Control Board issued under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981.

4. Consent to operate issued by relevant state Pollution Control Board issued under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981.

5. Authorization under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016 issued by relevant state Pollution Control Board.

6. No objection certificates from the relevant fire department.

7. Certificate issued by the Chief Electrical Inspector to the Government under the Electricity Act, 2003.

8. License to import and store petroleum under the Petroleum Rules, 2002 issued by the Petroleum and Explosives Safety Organization.

9. Certificates with respect to weights and measures issued under the Legal Metrology Act, 2009 issued by the Legal Metrology Officer.

C. Labour and Commercial Approvals

1. Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 issued by the Employees' Provident Fund Organisation.

2. Registration certificate under the Employees' State Insurance Act, 1948, issued by the Sub-Regional Office, Employees' State Insurance Corporation.

3. Certificate of registration issued under applicable shops and establishments legislation for our offices, issued by the ministry or department of labour of relevant State government, wherever applicable.

IV. Material approvals applied for by our Company and Material Subsidiary but not received

By the Company				
Sr. No	**Plant/ Unit for which Application is Made**	**Details of the Application**	**Date of Application**	**Status**
1.	Daman Unit I	Application for permission to abstract Ground Water	February, 2024	Pending with Jal Shakti
2.	Daman Unit III	Application for permission to abstract Ground Water	February 2024	Pending with Jal Shakti
By the Material Subsidiary				
1.	Nil	Nil	Nil	Nil

V. Material approvals required by the Company and Material Subsidiary but not applied for

Nil

VI. Intellectual property related approvals

For details, see "*Our Business – Intellectual property*" on page 224 and for risks associated with our intellectual property, see "*Risk Factors - Our intellectual property rights may not be adequately protected against third party infringement*" on page 29.

OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than promoter and subsidiary(ies)) with which the relevant issuer company had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than the Subsidiaries) with which there were related party transactions during the periods covered in the Restated Consolidated Financial Information, as covered under the applicable accounting standards, shall be considered as 'group companies' of the Company in terms of the SEBI ICDR Regulations.

Further, for (ii) above, the Board pursuant to the Materiality Policy, has determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Consolidated Financial Information) shall be considered "material" and will be disclosed as a 'group company' in the offer documents, if it is a member of the Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and the Company has entered into one or more transactions with such company during the last completed financial year (or relevant sub period, if applicable), which individually or cumulatively in value exceeds 10% of the consolidated revenue from operations of the Company for the last completed financial year as per the Restated Consolidated Financial Information.

Accordingly, in terms of the Materiality Policy, the Board has identified Dura**-** Jesons LLC as our Group Company.

Details of our Group Company

Dura- Jesons LLC ("Dura – Jesons")

Registered Office

The registered office of Dura-Jesons is located at 2200 Powell, St., STE 450 Emeryville, CA 94608.

Financial Information

Dura- Jesons is a foreign company incorporated under the laws of the United States of America and is not required to get its financial statements audited for any of the periods of financial year ended March 31, 2022, financial year ended March 31, 2023 and financial year ended March 31, 2024 as per the local laws in that jurisdiction. Given that Dura- Jesons is not required to get its financial statements audited for any of the reported periods, no audited financial statements of Dura- Jesons are available and therefore, no financial information with respect to Dura-Jesons has been disclosed on the website of our Company at https://jesons.net/investor-relations/.

Litigation which has a material impact on our Company

There is no pending litigation involving our Group Company which will have a material impact on our Company.

Nature and extent of interest of Group Company

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

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

Our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Common pursuits

There are no common pursuits amongst our Group Company and our Company.

Related Business Transactions within the group and significance on the financial performance of our Company

Other than the transactions disclosed in the section "*Financial Information*" and "*Related Party Transaction*" on pages 262 and 312, respectively, there are no other business transactions between our Company and Group Company which are significant to the financial performance of our Company.

Nature and extent of interest of our Group Company

Business Interests

Except in the ordinary course of business and as disclosed in "*Summary of the Offer Document – Summary of Related Party Transactions*" and the "*Restated Consolidated Financial Information – Note 35 - Related party disclosure in respect of Ind AS 24*" on pages 21 and 299, our Group Company has no business interests in our Company.

In the promotion of our Company

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

In the properties acquired by us in the three years preceding this Draft Red Herring Prospectus or proposed to be acquired by our Company

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

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

Our Group Company is not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Other confirmations

The equity shares of our Group Company are not listed on any stock exchange. Our Group Company has not made any public / rights / composite issue in the last three years.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by our Board of Directors pursuant to the resolution passed at its meeting dated December 11, 2024, and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated December 16, 2024, and the DRHP was approved by our Board pursuant to the resolution passed at its meeting held on January 9, 2025. Our Board of Directors has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder pursuant to the resolution passed at its meeting dated January 9, 2025. For further details, see "*The Offer*" on page 60.

The Promoter Selling Shareholder has consented to participate in the Offer for Sale by way of the consent letter as outlined in the table below:

Name of the Promoter Selling Shareholder	Number of Offered Shares	Date of consent
Dhiresh Shashikant Gosalia	9,460,800	January 8, 2025

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoters (including Promoter Selling Shareholder), Promoter Group, Directors, the persons in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

The companies with which our Promoters or Directors are or were associated as promoters, directors or persons in control have not been debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

None of our Directors are, in any manner, associated with the securities market. Further, there is no outstanding action initiated by SEBI against any of our Directors in the past five years preceding the date of this Draft Red Herring Prospectus.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers.

Our Promoter or Directors have not been declared as fugitive economic offenders.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, members of Promoter Group and the Promoter Selling Shareholder are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), i.e., as of and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, of which not more than 50% of the net tangible assets are held in monetary assets.

- Our Company has an average operating profit of ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), i.e., financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 with operating profit in each of these preceding three years.

- Our Company has a net worth of at least ₹10 million, calculated on a restated and consolidated basis in each of the preceding three full years (of 12 months each), i.e., financial years ended March 31, 2024, March 31, 2023 and March 31, 2022; and

- Our Company has not changed its name in the last one year.

Our Company's operating profit, net worth and net tangible assets derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus as at, and for the last three Financial Years are set forth below:

(₹ in million)

Particulars (Restated and Consolidated Basis)	Financial year ended		
	2024	2023	2022
Restated consolidated net tangible assets (A)(1)	3,993.53	3,725.10	3,217.03
Restated consolidated monetary assets (B)(2)	39.80	268.63	949.66
% of monetary assets to net tangible assets (%)(B/A*100)	0.99%	7.21%	29.52%
Restated, consolidated operating profit(3)	823.00	729.54	1150.73
Average consolidated operating profit (4)			901.09
Consolidated Net worth/ equity attributable to owners of the Company(5)	4419.82	3863.15	3382.32

(1) *Net tangible assets have been defined in Section 2(1)gg of the SEBI ICDR Regulations as the sum of all net assets, excluding intangible assets and right of use reduced by total liabilities (excluding lease liabilities and deferred tax liabilities (net))of the company as defined in Indian Accounting Standard (Ind AS) 38 notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended read with Section 133 of the Companies Act, 2013 ("**Act**") and in accordance with Regulation 2(1)(gg) of the SEBI ICDR Regulations;*

(2) *Monetary assets mean cash and cash equivalents and bank balances other than cash and cash equivalents (includes bank deposits with remaining maturity of more than twelve months);*

(3) *Restated consolidated operating profit means restated consolidated profit before tax minus other income plus finance cost;*

(4) *The average operating profit for the above financial years is ₹ 901.09 million, based on the Restated Consolidated Financial Information; and*

(5) *As per Regulation 2(1)(hh) of the SEBI ICDR Regulations, 'net worth' means the the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets write back of depreciation and amalgamation.*

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, the Promoters (including the Promoter Selling Shareholder), members of the Promoter Group, and our Directors are not debarred from accessing the capital markets by SEBI;

(ii) The companies with which our Promoter or our Directors are associated as promoter or director are not debarred from accessing the capital markets by SEBI;

(iii) Neither our Company, nor our Promoter or Directors have been identified as a wilful defaulter (as defined in the SEBI ICDR Regulations);

(iv) None of our Promoter and Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(v) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;

(vi) Our Company, along with the Registrar to the Offer, has entered into a tripartite agreement dated December 3, 2015, with NSDL, for dematerialization of the Equity Shares. Our Company, along with the Registrar to the Offer, has also entered into a tripartite agreement dated October 7, 2021, with CDSL, for dematerialization of the Equity Shares;

(vii) The Equity Shares of our Company held by our Promoters (including the Promoter Selling Shareholder) are in dematerialised form; and

(viii) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares existing as on the date of filing of this Draft Red Herring Prospectus

(ix) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, as the entire objects of the Offer are proposed to be financed from the Offer proceeds.

Our Company will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable. Our Company shall not make an Allotment if the number or prospective allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations.

The Promoter Selling Shareholder confirms that the Offered Shares have been held by him in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING MOTILAL OSWAL INVESTMENT ADVISORS LIMITED AND IIFL CAPITAL SERVICES LIMITED (FORMERLY KNOWN AS IIFL SECURITIES LIMITED), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, MOTILAL OSWAL INVESTMENT ADVISORS LIMITED AND IIFL CAPITAL SERVICES LIMITED (FORMERLY KNOWN AS IIFL SECURITIES LIMITED) HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 9, 2025, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors, BRLMs

Our Company, the Promoter Selling Shareholder, our Directors, our Promoters and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.jesons.net, or the respective websites of members of the Promoter Group, Subsidiaries and any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder and our Company.

All information shall be made available by our Company and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter, their directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter, and their directors, officers, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. The Book Running Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoters, the members of the Promoter Group and their directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, our Directors, our Promoters, officers, agents, Group Companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer from the Promoter Selling Shareholder

The Promoter Selling Shareholder accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.jesons.net, or the respective websites of our Promoter Group or any affiliate of our Company would be doing so at his or her own risk. The Promoter Selling Shareholder accepts no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Promoter Selling Shareholder in relation to himself as a Promoter Selling Shareholder and the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to the Promoter Selling Shareholder and his representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Promoter Selling Shareholder and his representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Neither the delivery of the Draft Red Herring Prospectus nor the offer of the Equity Shares in the Offer shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Promoter Selling Shareholder since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer in respect of Jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only.

Bidders eligible under Indian law to participate in the Offer

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

Selling restrictions and transfer restrictions

This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to or purchase Equity Shares offered in the Offer in any jurisdiction. Invitations to subscribe to or purchase the Equity Shares in the Offer shall be made only pursuant to the Draft Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Draft Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

Each purchaser of the Equity Shares in the Offer who does not receive a copy of the preliminary offering memorandum for the Offer shall be deemed to:

- Represent and warrant to our Company, the Selling Shareholder and the Members of the Syndicate that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.

- Represent and warrant to our Company, the Selling Shareholder and the Members of the Syndicate that it did not purchase the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S).

- Represent and warrant to our Company, the Selling Shareholder and the Members of the Syndicate that it will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares, other than in accordance with applicable laws.

- Represent and warrant to our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) that its Bid did not exceed investment limits or the maximum number of Equity Shares that can be held by it under applicable law.

- Acknowledge that the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or the laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.

- Represent and warrant to our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares offered in the Offer was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares offered in the Offer was originated.

- Represent and warrant to our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) that it did not purchase the Equity Shares offered in the Offer as result of any "directed selling efforts" (as defined in Regulation S).

- Represent and warrant to our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Offer, it agrees that it will not offer, sell, pledge or otherwise transfer any of the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration requirements under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.

- Agree to indemnify and hold our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Offer.

- Represent and warrant to our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) that if it acquired any of the Equity Shares offered in the Offer as fiduciary or agent for one or more investor account(s), it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

- Represents and warrant to our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) that if it acquired any of the Equity Shares offered in the Offer for one or more managed account(s), that it was authorized in writing by each such managed account to subscribe to the Equity Shares offered in the Offer for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- Acknowledge that our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Member(s) and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for permission to deal in and for listing and trading of the Equity Shares. [•] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus, in accordance with applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed by the SEBI. If our Company does not Allot Equity Shares pursuant to the Offer within three Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, subject to applicable laws. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to the Selling Shareholders unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of the Selling Shareholders and to the extent of the Offered Shares

Consents

Consents in writing of the Promoter Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, Banker(s) to the Company, Statutory Auditors, Legal Counsel to our Company as to Indian law, the BRLMs, the Registrar to the Offer, lenders of our Company (wherever applicable), CRISIL, in their respective capacities, have been obtained and such consents have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus; and consents in writing of the Monitoring Agency, the Syndicate Members, the Banker(s) to the Offer/ Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Banks, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus with the RoC.

Expert to the Offer

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

Our Company has received written consent dated January 9, 2025, from M S K A & Associates, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) their examination report dated December 17, 2024 on our Restated Consolidated Financial Information; and (ii) their statement of special tax benefits dated January 7, 2025 in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Written consent dated January 9, 2025 from D M K H & Co., Chartered Accountants, to include their name as Independent Chartered Accountants required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of the proposal issued, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated December 23, 2024 and January 8, 2025 from Anand Kumar Jain, Chartered Engineer and Chemplant Project Consultants (acting through Satish P Kulkarni (Chartered Engineer), respectively to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the chartered engineer in respect of information certified by them, as included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Our Company has not made any public or rights issue during the last five years preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group company, subsidiaries or associate entity during the last three years

Our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any listed group company, subsidiaries or associate.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage by our Company for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for last five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed promoter of our Company

As on date of this Draft Red Herring Prospectus, the securities of our Subsidiaries are not listed on any stock exchange and our Subsidiaries have not made any public issue or rights issue during the ten years immediately preceding the date of this Draft Red Herring Prospectus. Further, as on the date of this Draft Red Herring Prospectus our Company does not have a corporate promoter.

Price information of past issues handled by the BRLMs

A. Motilal Oswal Investment Advisors Limited

1. Price information of past issues handled by Motilal Oswal Investment Advisors Limited

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Concord Enviro Systems Limited	BSE	5,003.26	701.00	December 27, 2024	832.00	NA	NA
2.	Niva Bupa Health Insurance Company Limited	NSE	22,000.00	74.00	November 14, 2024	78.14	+12.97%, [+5.25%]	NA
3.	Acme Solar Holdings Limited (7)	NSE	29,000.00	289.00	November 13, 2024	251.00	+8.21% [4.20%]	NA
4.	P N Gadgil Jewellers Limited	NSE	11,000.00	480.00	September 17, 2024	830.00	+61.14% [-1.76%]	53.04% [-2.56%]
5.	R K Swamy Limited (6)	BSE	4,235.60	288.00	March 12, 2024	252.00	-1.30% [+1.86%]	-6.70% [+4.11%]
6.	Happy Forgings Limited	NSE	10,085.93	850.00	December 27, 2023	1000.00	+14.06% [-1.40%]	+4.44% [+2.04%]
7.	Cello World Limited (5)	NSE	19,000.00	648.00	November 06, 2023	829.00	+21.92% [+7.44%]	+32.99% [+12.58%]
8.	Updater Services Limited	BSE	6,400.00	300.00	October 04, 2023	299.90	-13.72% [-1.76%]	+9.05% [+10.80%]
9.	Sai Silks (Kalamandir) Limited	BSE	12,009.98	222.00	September 27, 2023	230.10	+8.09% [-4.49%]	+25.09% [+7.54%]
10.	Rishabh Instruments Limited	NSE	4907.83	441.00	September 11, 2023	460.05	+20.12% [-1.53%]	+13.24% [+4.87%]

Notes:

1. *The S&P CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index, depending upon the Designated Stock Exchange.*
2. *Price is taken from NSE or BSE, depending upon Designated Stock Exchange for the above calculations.*
3. *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*
4. *Not applicable – Period not completed.*
5. *A discount of ₹. 61 per Equity Share was offered to eligible employees bidding in the employee reservation portion.*
6. *A discount of ₹. 27 per Equity Share was offered to eligible employees bidding in the employee reservation portion.*
7. *A discount of ₹ 27 per Equity Share was offered to Eligible Employees bidding in the employee reservation portion.*

2. Summary statement of price information of past issues handled by Motilal Oswal Investment Advisors Limited

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Motilal Oswal Investment Advisors Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-25*	4	67,003.26	-	-	-	1	-	2	-	-	-	-	-	-
2023-24	7	62,704.34	-	-	2	-	1	4	-	-	1	-	2	4
2022-23	3	16,265.81	-	-	1	-	-	2	-	-	2	-	-	1

** The information is as on the date of this Red Herring Prospectus.*
The information for each of the financial years is based on issues listed during such financial year.
Notes: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the Designated Stock Exchange

B. IIFL Capital Services Limited (formerly known as IIFL Securities Limited)

1. Price information of past issues handled by IIFL Capital Services Limited (formerly known as IIFL Securities Limited)

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Ceigall India Limited	12,526.63	401.00(1)	NSE	August 8, 2024	419.00	-4.89%,[+3.05%]	-14.01%, [0.40%]
2.	Unicommerce eSolutions Limited	2,765.72	108.00	NSE	August 13, 2024	235.00	+109.98%,[+3.23%]	+89.71%,[+0.04%]
3.	Ecos (India) Mobility & Hospitality Limited	6,012.00	334.00	NSE	September 4, 2024	390.00	+42.28%,[+0.20%]	-0.51%,[-3.66%]
4.	Bajaj Housing Finance Limited	65,600.00	70.00	NSE	September 16, 2024	150.00	+99.86%,[-1.29%]	+89.23%,[-2.42%]
5.	Waaree Energies Limited	43,214.40	1,503.00	NSE	October 28, 2024	2,500.00	68.05%,[-0.59%]	N.A.
6.	Sagility India Limited	21,064.04	30.00(2)	NSE	November 12, 2024	31.06	+42.90%,[+3.18%]	N.A.
7.	Zinka Logistics Solutions Limited	11,147.22	273.00(3)	BSE	November 22, 2024	279.05	+84.47%,[-1.36%]	N.A.
8.	NTPC Green Energy Limited	1,00,000.00	108.00(4)	NSE	November 27, 2024	111.50	+16.69%,[-2.16%]	N.A.
9.	Sai Life Sciences Limited	30,426.20	549.00	NSE	December 18, 2024	650.00	N.A.	N.A.
10.	Ventive Hospitality Limited	16,000.00	643.00(5)	NSE	December 30, 2024	716.00	N.A.	N.A.

Source: www.nseindia.com and www.bseindia.com

(1) *A discount of ₹ 38 per equity share was offered to eligible employees bidding in the employee reservation portion.*
(2) *A discount of ₹ 2 per equity share was offered to eligible employees bidding in the employee reservation portion.*
(3) *A discount of ₹ 25 per equity share was offered to eligible employees bidding in the employee reservation portion.*
(4) *A discount of ₹ 5 per equity share was offered to eligible employees bidding in the employee reservation portion.*
(5) *A discount of ₹ 30 per equity share was offered to eligible employees bidding in the employee reservation portion.*

**Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.*

2. *Summary statement of price information of past issues handled by IIFL Capital Services Limited (formerly known as IIFL Securities Limited)*

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by IIFL Capital Services Limited (formerly known as IIFL Securities Limited)

Financial Year	Total No. of IPO's	Total Funds Raised (in Rs. Mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23	12	1,06,650.92	-	-	4	-	4	4	-	-	3	1	4	4
2023-24	15	1,54,777.80	-	-	4	3	4	4	-	-	1	5	4	5
2024-25	14	3,90,136.66	-	-	1	6	3	2	-	-	-	3	-	1

Source: www.nseindia.com; www.bseindia.com, as applicable
Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

NA means Not Applicable.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs, as set forth in the table below:

S. No.	Name of BRLMs	Website
1.	Motilal Oswal Investment Advisors Limited	www.motilaloswalgroup.com
2.	IIFL Capital Services Limited (formerly known as IIFL Securities Limited)	www.iifl.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the Self Certified Syndicate Banks ("**SCSBs**") for addressing any clarifications or grievances of application supported by blocked amount("**ASBA**") Bidders.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below. Our Company, the Promoter Selling Shareholder, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For Offer-related grievances, investors may contact the BRLMs, details of which are given in "*General Information –Book Running Lead Managers*" on page 70.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking

Pursuant to the SEBI ICDR Master Circular, SEBI has identified the need to put in place measures, in order to handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Pursuant to the SEBI ICDR Master Circular the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor. Our Company, the BRLMs, and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company has obtained SCORES authentication and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 read with the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021, SEBI circular (SEBI/HO/OIAE/IGRD/P/CIR/2022/0150) dated November 7, 2022 the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2023/156) dated September 20, 2023 and the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2023/183) dated December 1, 2023, in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Kushal Vasantbhai Gala, as the Company Secretary and Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems. For further details, see "*General Information*" on page 69. Our Company has also constituted a Stakeholders' Relationship Committee, to review and redress shareholder and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, see "*Our Management*" on page 243. The Promoter Selling Shareholder has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Other confirmations

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Offer.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, Listing Regulations, the terms of this Draft Red Herring Prospectus, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, Offer for Sale and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authority while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder (including a Pre-IPO Placement). For details in relation to the sharing of Offer expenses, see "*Objects of the Offer*" on page 92.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares Allotted in the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, MoA and AoA, and shall rank pari passu with the existing Equity Shares in all respects including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of Articles of Association*" on page 403.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders as per the provisions of the Companies Act, our MoA, AoA, the Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. All dividends, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Allottees, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of Articles of Association*" on pages 261 and 403, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹5 and the Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company, in consultation with the BRLMs, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in [●] editions of [●], an English national daily newspaper and [●] editions of [●], a Hindi national daily newspaper and Mumbai editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our AoA, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the Listing Regulations, our AoA and other applicable laws.

For a detailed description of the main provisions of the AoA of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" on page 403.

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated December 3, 2015, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated October 7, 2021, amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of basis of allotment, see "*Offer Procedure*" on page 378.

Joint Holders

Subject to the provisions of our AoA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "– *Bid/Offer Programme*" on page 370.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form which is available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Bid/ Offer Programme

BID/ OFFER OPENS ON	[●][(1)]
BID/ OFFER CLOSES ON	**[●]**[(2)(3)]

(1) Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

(2) Our Company may, in consultation with the BRLMs, consider closing the Bid/ Offer Period for QIBs one day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

(3) UPI mandate end time shall be at 12:00 pm on [●].

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2021/47) dated March 31, 2021, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, and SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022 and SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of fund.*

The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The aforesaid timetable is indicative in nature and does not constitute any obligation or liability on our Company or the Promoter Selling Shareholder or the BRLMs.

While our Company will use best efforts to ensure that all steps for the completion of formalities for the listing and trading of our Equity Shares on the Stock Exchanges commences within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/Offer Period by our Company in consultation with the BRLMs, due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. Each Selling Shareholder, severally and not jointly, confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid / Offer Closing Date, or within such other period as prescribed.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings ("IPO"). The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary

for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations).

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the Allotment and listing procedure within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023, issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023, issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date. **Any circulars or notifications from SEBI after the date of the Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.**

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“**IST**”)
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIBs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹ 0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹ 0.50 million	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors#	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

Our Company in consultation with the BRLMs, may decide to close the Bid/ Offer Closing Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations

* *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date [●]*

[#] *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

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

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees under the Employee Reservation Portion.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB’s on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB’s shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Managers and the RTA on a daily basis, as per the format prescribed in SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and in accordance with SEBI RTA Master Circular(each to the extent not rescinded by the SEBI ICDR

Master Circular in relation to the SEBI ICDR Regulations). To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as thecase may be, would be rejected. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. Further, the Cap price shall be at least 105% of the Floor Price. The revision in the Price Band shall not exceed 20% on either side, *i.e.*, the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days.

Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a public notice and by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members and will also be intimated to the Designated Intermediaries and the Sponsor Bank(s). However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; and (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, if any, in accordance with applicable laws, our Company and the Selling Shareholder shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI ICDR Master Circular. If there is a delay beyond the prescribed time, our Company, its Directors who are officers in default, and the Selling Shareholder shall pay interest at the rate prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law.

The requirement of minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

After achieving the above minimum subscription, if however, there is under-subscription in achieving the total Offer size, the Equity Shares will be allotted in the following order:

(i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue is subscribed;

(ii) upon (i), all the Equity Shares held by the Selling Shareholder and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Selling Shareholder); and

(iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws. The Selling Shareholder shall be liable to reimburse our Company for any interest paid by it on behalf of the Selling Shareholder on account of any delay with respect to Allotment of the respective portion of the Offered Shares offered by such Selling Shareholder in the Offer for Sale, or otherwise, unless such delay is solely accountable to such Selling Shareholder.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Restrictions, if any, on Transfer and Transmission of Equity Shares and on their consolidation or splitting

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 77, and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For further details, see "*Main Provisions of Articles of Association*" on page 403.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed.

Our Company in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

If our Company in consultation with the BRLMs, withdraws the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares of face value of ₹ 5 each for cash at a price of up to ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating up to ₹[●] million comprising a Fresh Issue of [●] Equity Shares aggregating up to ₹ 3,000.00 million and an Offer for Sale of up to 9,460,800 Equity Shares aggregating up to ₹ [●] million by the Promoter Selling Shareholder. This Offer includes a reservation of up to [●] Equity Shares (constituting up to [●]% of the post-Offer paid-up equity share capital) for purchase by Eligible Employees. The Offer and the Net Offer shall constitute [●]% and [●]% of the post-Offer paid-up equity share capital of our Company, respectively.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

The Offer is being made through the Book Building Process and in compliance with Regulation 32(1) of the SEBI ICDR Regulations:

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation (2)	Up to [●] Equity Shares of face value ₹5 aggregating up to ₹[●] million	Not more than [●] Equity Shares of face value ₹ 5	Not less than [●] Equity Shares of face value ₹5 available for allocation or Net Offer less allocation to QIBs and Retail Individual Bidders	Not less than [●] Equity Shares of face value ₹5 available for allocation or Net Offer less allocation to QIBs and Non-Institutional Bidders
Percentage of Offer size available for Allotment/ allocation	The Employee Reservation Portion shall constitute up to [●] % of the post-Offer paid-up Equity Share capital of our Company	Not more than 50% of the Net Offer size shall be allocated to QIB Bidders. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Offer, or the Net Offer less allocation to QIB Bidders and RIBs will be available for allocation, out of which: a) one third of such portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹1.00 million; and b) two third of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of NIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price	Not less than 35% of the Net Offer, or the Net Offer less allocation to QIB Bidders and NIBs will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate, unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not	Proportionate as follows (excluding the Anchor Investor Portion):	The Equity Shares of face value ₹ 5 available for allocation to NIBs under the Non-Institutional Portion shall not be less than the	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
	exceed ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000.	a) Up to [●] Equity Shares of face value ₹ 5 shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to [●] Equity Shares of face value ₹ 5 shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	minimum application size and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis, in accordance with the conditions specified in the SEBI ICDR Regulations subject to the following: (i) one-third of the portion available to NIBs shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of NIBs.	Shares of face value ₹ 5 in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see *"Offer Procedure*" on page 477.
Minimum Bid	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹200,000	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹500,000.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialized form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share			
Trading Lot	One Equity Share			
Who can apply(3) (4)	Eligible Employees	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250.00 million, pension funds with minimum corpus of ₹250.00 million and	Such number of Equity Shares in multiples of [●] Equity Shares of face value ₹ 5 so that the Bid does not exceed the Offer size (excluding the QIB Category), subject to applicable limits, applicable to each Bidder	Such number of Equity Shares of face value ₹ 5 in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
		registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the Government of India through resolution F. No.2/3/2005-DDII dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies, in accordance with applicable laws including FEMA Rules		
Terms of Payment	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids(4) ***In case of all other Bidders:*** Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form			
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).			

* *Assuming full subscription in the Offer*

\# *Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.*

(1) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.*

(2) *Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. This Offer is being made in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. For further details, please see "Terms of the Offer" on page 368.*

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Further, a Bidder Bidding in the Employee Reservation Portion may also Bid under the Net Offer and such Bids shall not be treated as multiple Bids. To clarify, an Eligible Employee Bidding in the Employee Reservation Portion above ₹500,000 shall not be allowed to Bid in the Net Offer as such Bids shall be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

Bids by FPIs with certain structures as described under "Offer Procedure - Bids by FPIs" on page 386 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. Allotment to an Eligible Employee in the Employee Reservation Portion may not exceed ₹200,000 in value. Only in the event of an under-subscription in the Employee Reservation Portion, post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 in value.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

OFFER PROCEDURE

*All Bidders should read the general information document for investing in public issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by the SEBI and the UPI Circulars (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section. For details of filing of this Draft Prospectus, the Red Herring Prospectus and the Prospectus, see "General Information – Filing of the Offer Documents" on page 74.*

Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 for applications by RIBs through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and RIBs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by SEBI from time to time.*

Furthermore, pursuant to the SEBI ICDR Master Circular read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022(to the extent not rescinded by the SEBI ICDR Master Circular), all individual bidders in initial public offerings whose application size are up to ₹0.50 million shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Pursuant to the SEBI ICDR Master Circular read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022(to the extent not rescinded by the SEBI ICDR Master Circular), applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Further, our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the Selling Shareholder and the BRLMs are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to NIBs and not less than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to NIBs under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to NIBs shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million and (ii) two-third of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of NIBs. Further, up to [●] Equity Shares bearing face value ₹5 each, aggregating up to ₹[●] million shall be made available for Allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any. The Employee Reservation Portion bid shall not exceed 5% of our post Offer paid-up equity share capital subject to valid Bids having been received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories on proportionate basis, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price and subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. In the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the platform of the Stock Exchanges.

In accordance with Rule 19(2)(b) of the SCRR, the Offer will constitute at least [●]% of the post Offer paid-up Equity Share capital of our Company.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021 Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, read with press releases dated June 25, 2021 and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022. Pursuant to the press release dated March 28, 2023, the last date for linking PAN and Aadhaar was extended to June 30, 2023.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an amount aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company has appointed the Sponsor Banks to act as a conduit between the Stock Exchanges and National Payments Corporation of India ("NPCI") in order tofacilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

NPCI through its circular (NPCI/UPI/OC No. 127/ 2021-22) dated December 9, 2021, inter alia, has enhanced the per transaction limit from ₹0.20 million to ₹0.50 million for applications using UPI in initial public offering

Phased implementation of UPI for Bids by RIBs as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RIB also had the option to submit the ASBA Form with any of the Designated Intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

Phase II: This phase was applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular bearing number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, this phase was extended till further notice. Under this phase, submission of the ASBA Form without UPI by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, prescribed that all individual bidders applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹0.50 million, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The SEBI ICDR Master Circular, has consolidated and rescinded the aforementioned circulars, including the T+3 Notification, to the extent they relate to the SEBI ICDR Regulations. The Offer is being made under Phase III of the UPI (on a mandatory basis) in accordance with the SEBI ICDR Master Circular and the T+3 Notification (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLMs will be required to compensate the concerned investor.

The processing fees for application made by UPI Bidders using the UPI mechanism may be released to the remitter banks (SCSBs) only after such banks make an application to the BRLMs with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts in the bank accounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022(to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) and only after such banks provide a written confirmation, in compliance in a format as prescribed by SEBI, from time to time, including in compliance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer bidding process.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular and NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹0.02 million to ₹0.05 million for UPI based ASBA in initial public offerings.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges, and the BRLMs. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

Further, pursuant to SEBI ICDR Master Circular read with the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022(to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

i. a syndicate member;

ii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

iii. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for the Book Building process on a regular basis before the closure of the Offer.

(b) On the Bid / Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges' platform are considered for allocation / Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid / Offer Closing Date to modify select fields uploaded in the Stock Exchanges' platform during the Bid / Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

(d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders shall Bid in the Offer through UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by UPI Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. UPI Bidders shall submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. UPI Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. Bidders using the ASBA process to participate in the Offer must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to Bidders intimating them about the Bid Amounts blocked / unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For all initial public offerings opening on or after September 1, 2022, as specified in the SEBI ICDR Master Circular, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors, i.e. RIB, QIB, NIB and other reserved categories and also for all modes through which the applications are processed. Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs, Eligible Employees and NIBs (other than the RIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, CRTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs (not using the UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

(iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to Ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed the SEBI ICDR Master Circular.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of Bidders viz. Retail, QIB and NIB and also for all modes through which the applications are processed. UPI Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis (1)	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions (1)	[●]
Anchor Investors(2)	[●]
Eligible Employees Bidding in the Employee Reservation Portion(3)	[●]

* *Excluding electronic Bid cum Application Forms*

Notes:

(1) *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).*

(2) *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.*

(3) *Bid cum Application Forms for Eligible Employees will be available at our Registered and Corporate Office.*

In case of ASBA Forms (except ASBA forms submitted by UPI Bidders), the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). NSE circular dated July 22, 2022, with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that Trading Members, Syndicate Member(s), RTA and Depository Participants shall submit Syndicate ASBA bids above ₹0.5 million and NII & QIB bids above ₹0.2 million through SCSBs only

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the 360UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI ICDR Master Circular read with the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations.

Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN, bank code and location code in the Bid details already uploaded.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid / Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking of funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid / Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Offer Bidding process.

The processing fees for applications made by the UPI Bidders may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

Pursuant to BSE Circular No.: 20220803-40 and NSE Circular No.: 25/2022, each dated August 3, 2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

(a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and Depository Participants shall continue till further notice;

(b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;

(c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4.00 p.m. for QIBs and Non-Institutional Bidders categories and up to 5.00 p.m. for Retail Individual categories on the initial public offer closure day;

(d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids;

(e) The Stock Exchanges shall display Offer demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States. Accordingly, the Equity Shares are being offered and sold outside of the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoter, Promoter Group, the Book Running Lead Managers, associates and affiliates of the Book Running Lead Managers and the Syndicate Member(s) and the persons related to Promoter, Promoter Group, Book Running Lead Managers and the Syndicate Members and Bids by Anchor Investors The BRLMs and the Syndicate Members shall not be allowed to purchase/subscribe the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase/subscribe to the Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders and such subscription may be on their own account or on behalf of their clients. All categories of Bidders, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities or pension funds sponsored by entities which are associates of the BRLMs, no BRLMs or their respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Managers" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External Accounts ("**NRE Account**"), or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to the special resolution dated November 06, 2021, passed by our Shareholders, the aggregate ceiling of 10% was raised to 24%.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).

By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by a NRI or an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts. d

For details of restrictions on investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 401.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA NDI Rules and the Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2019 ("**SEBI FPI Regulations**"), investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100% under the automatic/government route). The aggregate limit may be decreased below the sectoral cap to a threshold limit of 24% or 49% or 74% as deemed fit by way of a resolution passed by our Board followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA NDI Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;

(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI. Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids and are not liable to be rejected:

- FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;

- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilise the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilise the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilise any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

FPIs must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital on a fully diluted basis shall be liable to be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 (the "**SEBI VCF Regulations**"), VCFs which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

The Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A Category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a Category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All Non-Resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Promoter Selling Shareholder or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholder, in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**") and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate equity investment in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or (b) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the bank's interest on loans / investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed) and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Bids by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI ICDR Master Circular read with the SEBI circular nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012, and January 2, 2013, each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations. Such SCSBs are required 365to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDA Investment Regulations"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs and subject to applicable law, reserve the right to reject any Bid, without assigning any reason therefor.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.00 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250.00 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs and subject to applicable law, reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100.00 million.

(c) One-third of the Anchor Investor Portion is reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date and will be completed on the same day.

(e) Our Company, in consultation with the BRLMs will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million;

- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and

- in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors is required to be completed on the Anchor Investor Bid / Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made, is required to be made available in the public domain by the BRLMs before the Bid / Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities or pension funds sponsored by entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) nor any "person related to the Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion. Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids

(k) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(l) For more information, see the General Information Document.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he / she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper, and [●] editions of [●], a widely circulated Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid / Offer Opening Date, the Bid / Offer Closing Date and the QIB Bid / Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offe Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bid(s) until the Bid / Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. All Bidders (other than Anchor Investors) should submit their Bids using the ASBA process only;

3. Ensure that you have Bid within the Price Band;

4. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form (with a maximum length of 45 characters) and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID and not the bank account of any third party;

5. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

8. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialised form only;

9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;

10. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

11. If the first Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be). Bidders (except UPI Bidders) should ensure that they have an account with an SCSB and have

mentioned the correct bank account number of that SCSB in the Bid cum Application Form. UPI Bidders Bidding should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;

12. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

13. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

14. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

15. Ensure that the name(s) given in the Bid cum Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Collecting Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

16. Bidders should ensure that they receive the Acknowledgment Slip in the form of a counterfoil or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

17. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

18. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular MRD/DoP/Dep/Cir-09/06 dated July 20, 2006 and SEBI circular no. MRD/DoP/SE/Cir-13/06 dated September 26, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act, 1961. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

20. Ensure that the Demographic Details are updated, true and correct in all respects;

21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

24. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

25. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

26. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

27. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

28. FPIs making MIM Bids using the same PAN and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

29. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

30. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank(s), as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

31. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorisation of the mandate using his / her UPI PIN, the Retail Individual Bidder shall be deemed to have verified the attachment containing the application details of the Retail Individual Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his / her ASBA Account;

32. UPI Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

33. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;

34. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;

35. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

36. Ensure that ASBA bidders shall ensure that bids above ₹0.50 million, are uploaded only by the SCSBs;

37. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid / Offer Closing Date.

38. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021. Pursuant to the press release dated March 28, 2023, the last date for linking PAN and Aadhaar has been extended to June 30, 2023.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 or in the list displayed on SEBI’s website is liable to be rejected.

Don’ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

5. Do not submit the Bid for an amount more than funds available in your ASBA account

6. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

7. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

8. Bids by HUFs not mentioned correctly as provided in " – *Bids by HUFs*" on page 484;

9. Anchor Investors should not Bid through the ASBA process;

10. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;

11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

12. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

13. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer / Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

15. If you are a QIB or an NIB, do not submit your Bid after 4.00 p.m. on the Bid / Offer Closing Date. If you are an RIB, or applying under other reserved categories do not submit your Bid after 5.00 p.m. on the Bid / Offer Closing Date;

16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. If you are a UPI Bidders using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

18. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million;

19. Do not submit the General Index Register (GIR) number instead of the PAN;

20. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

21. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids until the Bid / Offer Closing Date;

23. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

24. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism;

25. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

26. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

27. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

28. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

29. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

30. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;

31. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and

32. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Managers pursuant to the SEBI UPI Circulars, see "*General Information – Book Running Lead Managers*" on page 70.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the Book Running Lead Managers pursuant to the SEBI ICDR Master Circular read with the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022(each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), see "General Information –Book Running Lead Managers" on page 70. For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

In case of any pre-Offer or post Offer related issues regarding demat credit / refund orders / unblocking, etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information – Company Secretary and Compliance Officer*" and "*General Information – Registrar to the Offer*" on page 69 and 72 respectively.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI ICDR Master Circular, and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

(a) Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

(b) Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

(c) Bids submitted on a plain paper;

(d) Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

(e) Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));

(f) Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Managers;

(g) Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

(h) ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

(i) ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

(j) Bids submitted without the signature of the First Bidder or Sole Bidder;

(k) The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

(l) Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

(m) GIR number furnished instead of PAN;

(n) Bids by RIBs with Bid Amount of a value of more than ₹200,000;

(o) Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

(p) Bids accompanied by stock invest, money order, postal order, or cash; and

(q) Bids uploaded by QIBs and by Non-Institutional Bidders after 4.00 pm on the Bid/Offer Closing Date and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges. On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the Book Running Lead Managers to the Stock Exchanges.

Further, in case of any pre-Offer or post -Offer related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For further details of the Company Secretary and Compliance Officer, see "*General Information*" and "*Our Management*" on pages 69 and 243, respectively.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar to the Offer, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the Retail Individual Bidders, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

The Allotment to each Non-Institutional Bidders shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis, which shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹1.00 million, provided that under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. The Allocation to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of [●], a widely circulated English national daily newspaper; (ii) all editions of [●], a Hindi national daily newspaper; and (iii) [●] edition of [●], a widely circulated Marathi daily newspaper, Marathi also being the regional language of Maharashtra, where our Registered and Corporate Office is located).

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date, the Bid/ Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholder and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Allotment Advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement not later than one Working Day after the commencement of trading, disclosing the date of commencement of trading in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of a widely circulated Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located).

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Promoter Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;

- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

- that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- that if our Company and the Promoter Selling Shareholder, in consultation with the BRLMs withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or the Promoter Selling Shareholder subsequently decides to proceed with the Offer thereafter;

- except for the Pre-IPO Placement and any allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the ESOP Scheme, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder undertakes that:

- the Equity Shares offered for sale by the Promoter Selling Shareholder are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations, are fully paid-up and are in dematerialised form;

- he shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

- he is the legal and beneficial owner of, and has clear and marketable title to, the Equity Shares which are offered by him pursuant to the Offer for Sale;

- he shall not have recourse to the proceeds of the Offer, which shall be held in escrow in his favour, until final approval for trading of the Equity Shares from the Stock Exchanges where listing is sought has been received;

- he shall provide all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of Equity Shares offered by him pursuant to the Offer; and

- he shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by him and being offered pursuant to the Offer.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*"**Any person who** –*

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both

Utilisation of Offer Proceeds

Our Board certifies that:

All monies received out of the Fresh Issue component of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Details of all utilised monies out of the Fresh Issue shall be disclosed and continued to be disclosed till any part of the proceeds of the Fresh Issue remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised or invested.

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy, 2020 (defined herein below) of Department for Promotion of Industry and Internal Trade ("**DPIIT**") and the Foreign Exchange Management Act, 1999 ("**FEMA**"). While Consolidated FDI Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, the rules and regulations prescribed under FEMA regulate the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries/ departments.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) ("**DPIIT**"), issued the FDI Policy, which is effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For further details, see "*Key Regulations and Policies*" on page 230.

As on date, under the current FDI Policy, 100% foreign direct investment is permitted in the manufacturing sector, under the automatic route, subject to compliance with certain prescribed condition

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on pages 385 and 386, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see "*Offer Procedure*" on page 378.

On October 17, 2019, Department of Economic Affairs, Ministry of Finance, had notified the FEMA (Non-Debt Instruments) Rules, 2019 ("**NDI Rules**"), which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations, 2017. Foreign investment in this Offer shall be on the basis of the NDI Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the NDI Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, notified on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

Participation of Eligible NRI(s) in the Offer shall be subjected to the FEMA Rules. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis of an Indian company listed on a recognised stock exchange or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants of an Indian company listed on a recognised stock exchange and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis issued by an Indian company listed on a recognised stock exchange or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants of an Indian company listed on a recognised stock exchange. Pursuant to the board resolution dated October 19, 2021, and the shareholder's resolution dated November 06, 2021, the aggregate investment limit by NRIs and OCIs on a repatriation basis with effect from the listing of our Equity Shares on the Stock Exchange(s) was increased from 10% to 24% of the paid-up equity share capital of our Company, provided however, that the shareholding of each NRI or OCI post listing on a repatriation basis of the Equity Shares on the Stock Exchange(s) shall not exceed 5% of the total paid-up equity capital of our Company on a fully diluted basis.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S.

Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments, modification, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for which do not exceed the applicable limits under laws and regulations.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

No material clause of the Articles of Association that has a bearing on the Offer and on the disclosures in this Draft Red Herring Prospectus has been excluded.

1. The regulations contained in Table 'F' of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

INTERPRETATION

2. (i) In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:

(a) "**The Company**" or "**This Company**" means **JESONS INDUSTRIES LIMITED**.

(b) "**The Act**" means the Companies Act, 2013.

(c) "**The Seal**" means the common seal of the Company.

(d) "**These Articles**" or "**Articles**" means Article of Association of the Company as originally framed or altered from time to time by Special Resolution or applied in pursuance of any previous Company law or of this Act.

(e) "**Auditors**" means and include those persons appointed as such for the time being by the Company.

(f) **"Beneficial Owner"** means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.

(g) "**Board**" **or** "**Board of Directors**" means the collective body of the Directors of the Company.

(h) "**Capital**" means the share capital for the time being raised or authorized to be raised, for the purpose of the company.

(i) "**The Chairman**" means the Chairman of the Board of Directors for the time being of the Company.

(j) "**Charge**" means an interest or lien created on the property or assets of a Company or anyof its undertakings or both as security and includes a mortgage.

(k) "**Debentures**" includes debenture-stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the company or not.

(l) **"Depository"** means a Depository as defined in clause (e) sub- section (1) of section 2 of the Depositories Act, 1996 and includes a company formed and registered under the Companies Act, 1956 which has been granted a certificate of registration under sub Section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.

(m) "**Director**" means a director appointed to the Board of a company.

(n) "**Dividend**" includes any interim dividend.

(o) "**Members**" in relation to a Company, means;

(A) The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;

(B) Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;

(C) Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a Depository.

(p) "**Meeting**" **or** "**General Meeting**" means a meeting of the members of the Company.

(q) "**Annual General Meeting**" means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act.

(r) "**Extraordinary General Meeting**" means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.

(s) "**Month**" means a calendar month.

(t) "**Office**" means the registered office for the time being of the Company.

(u) "**Ordinary or Special Resolution**" means an ordinary resolution, or as the case may be, special resolution referred to in Section 114 of the Act.

(v) "**Paid-up share capital**" **or** "**share capital paid up**" means such aggregate amount of money credited as paid up as its equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.

(w) "**Proxy**" means an instrument whereby any person is authorized to attend a meeting and vote for a member at the general meeting on a poll.

(x) **"Register of Beneficial Owners"** means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of Electronic Mode

(y) "**The Register of Members**" means the Register of Members to be kept pursuant to Section 88 of the Act and includes Register of Beneficial Owners.

(z) "**The Registrar**" means the Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar, or an Assistant Registrar, having the duty of registering Companies and discharging various functions under the Act.

(aa) "**The Company**'s **Regulations**" means the regulations for the time being for the management of the Company.

(bb) "**Key managerial personnel**"**,** in relation to a Company, means –

(A) The Chief Executive Officer or the Managing Director or the Manager;

(B) The Company secretary;

(C) The Whole time director;

(D) Chief Financial Officer;

(E) Such other officer as may be prescribed;

(cc) "**Company Secretary**" or "**Secretary**" means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act.

(dd) **"Security"** means Shares, Debentures and/or such other securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956

(ee) "**Share**" means a share in the share capital of a Company and includes stock

(ff) "**The Statutes**" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.

(gg) "**Year**" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2 (41) of the Act.

(hh) Words importing the **singular number** include, where the context admits or requires, the plural number and vice versa.

(ii) Save as aforesaid, **words or expressions contained in these Articles shall bear the** same meaning as in the Act or any statutory modifications thereof for the time being in force.

(ii) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. The Authorised Share Capital of the Company Shall be of such amount as may be mentioned in the Capital Clause of the Memorandum of Association of the Company from time to time.

4. The Company in General Meeting may from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified rights to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Sections 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

5. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(i) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—

(a) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

(b) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right; (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;

(ii) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or

(iii) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.

Nothing in this Article shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

6. Subject to the provisions of Section 55 of Act, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

7. On the issue of redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect:-

(i) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.

(ii) no such shares shall be redeemed unless they are fully paid.

(iii) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the “Capital Redemption Reserve Account”, a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the shares capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

8. The Company may (subject to the provisions of Sections 55 and 66 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share premium Account in any Manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called upon against or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

9. Subject to the provisions of section 61 of The Act, the Company in General Meeting may from time to time sub-divide or consolidated its shares, or any of them, and the resolution whereby any shares sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some reference or special advantages as regards dividend, capital or otherwise over or as compared with the others or other, Subject as aforesaid, the Company in general Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its shares capital by the amount of the shares so cancelled.

AUTHORISING COMPANY TO BUY BACK ITS OWN SHARES

10. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

SHARE AND CERTIFICATES AND VARIATION OF RIGHTS

11. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons and in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section the Act) at a discount and at such time as they may from time to time think fit and with sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors thinks fit, and may issue ad allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company In the General Meeting.

12. (i) Unless the shares have been issued in dematerialized form in terms of applicable laws, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(iv) (a) Where a new certificate has been issued in pursuance of this Articles, particulars of every such share certificate shall be entered in a Register of renewed and duplicate certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes in the Register of Members by suitable cross reference in the "Remarks" column.

(b) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal or the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that, in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

(v) All blank forms to be issued for issue of share certificate shall be printed and printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and blocks and engravings relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose, and the Secretary of such other person as aforesaid shall be responsible for rendering an account of these forms to the Board.

(vi) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, reservation and safe custody of all books and documents relating to the issue of share certificates referred to in Sub Article (v).

(vii) All books referred to in Sub-Article (vi) shall be preserved in good order permanently.

13. (i) If any share certificate be worn out, defected, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

(ii) The provisions of Articles (*11*) and (*12*) shall *mutatis mutandis* apply to debentures of the company.

14. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

15. If any shares stands in the names of two or more persons, the person first named in the register shall be regards receipt of dividends or bonus or service of notice and all or any other matters connected with the company, except voting at meetings be deemed the sole holder thereof, but the joint holders of the share, shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the company regulations.

16. Except as ordered by a Court of competent jurisdiction or as by law required, the company shall not bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any rights in respect of a share other than absolute rights thereto, in accordance with these Article, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

17. None of the funds of the company shall be applied for the purchase of any share of the company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the company or in its holding company save as provided by section 67 of the Act.

18. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

19. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

DEMATERIALISATION OF SECURITIES

20. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

21. The Board or any Committee thereof shall be entitled to dematerialize Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended. The provisions of this Section will be applicable in case of such Securities as are or are intended to be dematerialized.

22. Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.

23. If a person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.

24. All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by on behalf of the Beneficial Owners.

25. (i) Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in sub-clause above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding Securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member of the Company.

26. Notwithstanding anything to the contrary contained in these Articles, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of Electronic Mode or by delivery of floppies or discs.

27. Nothing contained in Section 56 of the Act or anything to the contrary contained in these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

28. Notwithstanding anything to the contrary contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

29. Notwithstanding anything to the contrary contained in these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to securities held with a Depository.

30. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

UNDERWRITING AND BROKERAGE

31. Subject to the provisions of section 40 of the Act:

(i) The company may exercise the powers of paying commissions conferred by sub-section (*6*) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

32. The company may pay a reasonable sum for brokerage.

CALLS ON SHARES

33. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share (or such other per cent. determined the Board or prescribed under applicable law) or be payable at less than one month or such other period prescribed under applicable law from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

34. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a member of grace and favour. The payment period for payment of balance money in Calls shall be kept open for such period as may be prescribed under applicable law.

35. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

36. The Board of directors may, from time to time by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as may think fit upon the members in respect of all monies unpaid of the shares held by them respectively, and each member shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Board. A call may be made payable by instalments.

37. Not less than fourteen days' notice of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such calls shall be paid; provided that before the time for payment of such call the Board of Directors any be notice in writing to the members, revoke the same or extend the time for payment thereof.

38. If by the terms of issue of any shares or otherwise any amount is made payable at any fixed time or by installment at fixed times (whether on account of the amount of the share capital or by ways of premium) every such amount or installment shall be payable as if it were a call duly made by the Board of Directors and of such due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or premium or installment accordingly.

39. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors.

40. If the sum payment in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the shares in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at the rate of twelve percent per annum from the date appointed for the payment thereof to the time of the actual payment, or at such other rate as the Board of Directors may from time to time

determine. The Board of Director may however in their absolute discretion forego payment of any interest wherein their opinion the circumstances so justify.

41. On the trail or hearing of any action or suit brought by the company against any member or his representative for the recovery of any money claimed to be due to the company in respect of the shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of which such money is sought to be recovered in the Minute Book; and that notice of such call was duly given to the member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made not that the meeting at which any call was made duly convened or constituted not any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

42. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principle or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

43. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as time to time, the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

44. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

45. The Board may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount or the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

LIEN

46. (i) The company shall have a first and paramount lien:

(a) upon all share/debenture (not being a fully paid share/debenture), (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture; and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures.

(b) Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the company's lien If any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions or this Article.

(c) The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

47. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

48. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

49. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

50. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

51. The notice aforesaid shall:

(i) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

52. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of forfeited shares and not actually paid before the forfeiture.

53. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

54. The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in all claims and demands against the Company in respect of the share and all other rights, incidental to the share except only such of those rights as by these Articles are expressly saved.

55. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

56. (i) A person whose shares have been forfeited shall cease to be a member inrespect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies (calls, installments, interest and expenses) which, at the date of forfeiture, were presently payable by him to the company in respect of the shares and Board may enforce the payment thereof or any part thereof, without any deduction

or allowance for the value for the shares at the time of forfeiture, but shall not be under any obligation to do so.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

57. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

58. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the company have been seen previously surrendered to it by the defaulting member) stand cancelled and became null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.

59. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

60. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(iii) The Instrument of transfer shall be in writing and all provisions of Section 56 of the Act, and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

(iv) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document

61. The Board may, subject to the right of appeal conferred by section 58 decline to register:

(i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(ii) any transfer of shares on which the company has a lien.

62. The Board may decline to recognise any instrument of transfer unless:

(i) the instrument of transfer is in the form as prescribed in rules made under sub-section (*1*) of section 56;

(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares.

63. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

64. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (*i*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

65. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

66. (i) If the person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member of the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents may with the consent of Board of Directors (which shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under his article of his title, as the Board of Directors thinks sufficient, either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board of Directors registered as such holder.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

67. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

68. No share shall in any circumstances be transferred to any infant, insolvent or persons of unsound mind.

69. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. The Company shall also use a common form of transfer. Subject to applicable law, the Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

70. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto, in any book or the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may been entered or referred to in some book of the Company, but the company shall nevertheless be at liberty to regard and attend to any such notice and given effect thereto, if the Board of Directors shall so think fit.

71. Subject to the provisions of the Act, these Articles, or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

BOARD TO RECOGNIZE BENEFICIAL OWNERS OF SECURITIES

72. Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.

73. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its securities held by a Depository.

74. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

NOMINATION

75. Every holder of Shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or Debentures of the Company shall vest in the event of death of such holder.

76. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.

77. Notwithstanding anything to the contrary contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

78. Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

79. Copies of the Memorandum and Articles of Association of the Company and of other documents referred to in Section 17 of the Act shall be sent by the Board to every Member at his request, within 7 days of the request, on payment of rupee one hundred for each copy.

BORROWING POWER

80. The Board may, from time to time at its description subject to the provisions of Sections 179 and of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company, provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

81. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it may think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or

debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

82. Any debentures, debenture-stock, bonds or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution.

83. Save as provided in Section 56 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.

84. If the Board refuses to register transfer of any debentures the company shall, within one month from the date on which the instrument of transfer was lodged with the Company send to the transferee and to the transferor notice of the refusal.

85. The Board shall cause a proper Register to kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board.

86. The Company shall if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or Country outside India a branch of Debenture-holders resident in that State or country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

87. The Company in General Meeting may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstance will admit. The company may at any time reconvert any stock into paid-up shares of any denomination.

88. The holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company and matters as if they held the shares from which the stock arose, but no such privileges or advantage (except participation in the Dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

MEETINGS OF MEMBERS

89. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual general meetings shall be Extra-ordinary General Meetings. The first Annual General Meeting shall be held within a period of nine month from the date of closing of the first financial year of the Company and in any case, within a period of six months, from the date of closing of the year, provided that not more than fifteen months shall elapse between the date of one annual general meeting of a Company and that to the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the register under provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, that is between 9.00 AM to 6.00 PM on any day that is not a National Holiday and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its Subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report (if not already incorporated in the Audited Statement of Accounts) the proxy Register with proxies and the Register open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Register in accordance with Section 92 and 137 of the Act.

90. The Board may, whenever it deems fit, call an extra ordinary general meeting of the Company.

91. The extraordinary general meeting shall be called by the Board, at the requisition in writing made by such number of members who hold, on the date of receipt of requisition, not less than one-tenth of such of paid-up capital of the Company as on the date carries the right of voting in regard to the matter in respect of which the requisition has been made.

92. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the registered office of the Company, provided that such requisition may consist of several documents in loose form and each shall be signed by one or more requisistionists.

93. Upon the receipt of any such requisition the Board shall within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call an extra ordinary general meeting for the consideration of that matter on a day not later than forty -five days from the date of receipt of such requisition. The requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of the paid-up share capital of the Company as is referred to section 100 of the Act, whichever is less, may themselves call the meeting, but in either case, any meeting so called may be held within three months from the date of the delivery of the requisition as aforesaid.

94. Any reasonable expenses incurred by the requisitionist in calling an extraordinary meeting shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such directors who were in default in calling the meeting.

95. Any meeting called under the foregoing Articles by the requisitionists shall be called and held in the same manner, as nearly as possible, as that in which meeting is to be called and held by the Board.

96. A general meeting of the Company may be called by giving not less than clear twenty-one days notice either in writing or through electronic mode in such manner as may be prescribed.

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or in electronic mode by not less than 95% of the members entitled to vote at such meeting.

Notice shall, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Article entitled to receive notice from the Company.

97. A notice calling the meeting shall be annexed with the statement setting out the following material facts concerning each item of special business to be transacted at a general meeting:

(i) The nature of concern or interest, financial or otherwise, if any, in respect of each items of

(a) Every director and the manager, if any;

(b) Every other key managerial personnel; and

(c) Relatives of the persons mentioned in sub-clause (i) and (ii) hereinabove;

(ii) Any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

98. In the case of an Annual General Meeting, all business to be transacted thereat shall be deemed special, other than:

(i) the consideration of the financial statements, and the reports of the Board of Directors and auditors.

(ii) the declaration of any dividend.

(iii) the appointment of Directors in place of those retiring.

(iv) the appointment of, and fixing of the remuneration of, the auditors, and in case of any other meeting, all business shall be deemed to be special.

Provided, that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two percent of the paid up share capital of the company, also be set out in the statement.

99. Any accidental omission to give notice to, or the non-receipt of such notice as aforesaid by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

100. Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement as referred in Article 79.

101. The notice of every meeting of the company shall be given to:

(i) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;

(ii) the auditor or auditors of the Company; and

(iii) every director of the Company.

102. No General Meeting, Annual or Extraordinary, shall be competent to enter upon discuss or transact any business, which has not been mentioned in the notice or notices upon which it was convened.

103. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

104. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

105. If, at the quorum is not present within half-an-hour form the time appointed for holding a meeting of the company:

(i) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine; or

(ii) the meeting called by requisitionist under section 100 of the Act, shall stand cancelled.

Provided, that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (i), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the news papers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

106. The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meetings he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the directors present may choose one of their member to be the Chairman of the meetings. If no director be present or if all the director present decline to take the chair, then the Members present shall elect one of themselves to be the Chairman thereof on a show of hands. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on a show of hands under sub-section (1) of section 104, shall continue to be the Chairman of the meeting until some other person is elected as Chairman as a result of the poll, and such other person shall be the Chairman for the rest of the meeting.

107. No business shall be discussed at any General Meeting except the election of a chairman, while the Chair is vacant.

108. The chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

VOTING RIGHTS AND PROXY

109. No member shall be entitled to vote either personally or by proxy, at any General Meeting or meeting of class of shareholders either upon show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien**.**

110. Subject to the provisions of these Articles and without prejudice to any special privileges or restriction as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on show of hands every member present in person shall have one vote and upon a poll the voting rights

of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company provided, however if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 47, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

111. On a poll taken at meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not if he votes, use all his votes or cast in the same way all the votes he used.

112. Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorized in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers including the rights to vote by proxy on behalf of the body corporate which he represents as the body could exercise if it were an individual member.

113. Any person entitled under these Articles to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the register holder of such shares provided that forty eight hours at least before the time for holding the or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

114. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation or be signed by an officer or any attorney duly authorized by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

115. An instrument of proxy may appoint a proxy either for the purpose of particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

116. A member present by proxy shall be entitled to vote only on a poll.

117. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

118. At any General Meeting, a Resolution put to the vote at the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result on a show of hands) demanded under section 109 or voting is carried out electronically:

(i) by the Chairman of the Meeting; or

(ii) by the member or Members present in person or by proxy and holding shares in **the Company** which confer a power to vote on the Resolution being not less than one-tenth of the total voting power in respect of the Resolution; or

(iii) by any Member or Members present in person or by proxy and holding shares in the company on which as aggregate sum of Five Lakh Rupees has been paid up; or

(iv) by any Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid on all the shares conferring that right.

Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Meeting of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

119. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

120. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of poll shall be sole judge of the validity of every vote tendered at poll.

121. If a poll is demanded as aforesaid the same shall, subject to Articles be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the office of the Company is for the time being situate and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

122. Where a poll is to be taken, the Chairman of the meeting shall appoint two scruitineers to scrutinize the vote given on the poll and to report thereon to time. Once the scruitineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from each removal or from any other cause.

123. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

124. If there be joint holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting, several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.

125. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy, if any member be a minor the vote in respect of his share or shares shall be by his guardian or any of his guardian if more than one to be selected in case of dispute by the Chairman of the meeting.

126. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

127. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

128. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

129. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

130. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy of any power of attorney under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

131. (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entire thereof in books kept for that purpose with their pages consecutively numbered.

(ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman within that period by a Director duly autorised by the Board for the purpose.

(iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(iv) The minutes of each meetings shall contain a fair and correct summary of the proceedings thereat.

(v) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meetings.

(vi) Nothing herein contained shall require or be deemed to require the inclusion in such minutes of any matter which in the opinion of the Chairman of the meeting:

(a) is or could reasonably be regarded, as, defamatory of any person; or

(b) is irrelevant or immaterial to the proceeding; or

(c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise on absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

(vii) Any such minutes shall be evidence of the proceedings recorded therein.

(viii) The book containing that minutes of proceedings of general meetings shall be kept at the registered office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the directors determine, to the inspection of any member without charge.

BOARD OF DIRECTORS

132. (i) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Sections 2(10), 149, 162 and 152 of the Act, the company shall have a Board of Directors consisting of individuals as directors and shall have a minimum of three directors and a maximum of fifteen directors.

Provided, that the Company in General Meeting by passing a special resolution, may appoint more than fifteen directors

Provided further that the Company shall have at least one women director.

(ii) The first directors of the Company shall be:

(a) MR. DHIRESH SHASHIKANT GOSALIA

(b) MRS. MADHAVI DHIRESH GOSALIA

(c) MRS. USHA SHASHIKANT GOSALIA

133. If at any time the company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called “the institution”) or if any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution whereby the institution subscribes for or underwriters the issue of the Company’s shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more nominee directors at the Board the Company, then provisions of Section 161 of the Act and subject to the term and conditions of such loan, assistance, contract or arrangement with the institution shall be entitled to appoint one or more nominee Director or Directors, as the case may be, to the Board of the company and to remove from office of Board of Directors, any Director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The nominee Director or Directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue on office for so long as the relative loan, assistance, contract or arrangement as the case may be, subsists.

134. If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the company, then in the case of any and every such issue of Debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture director shall not be appointed in his place. A debenture director shall not be liable to retire by rotation. A Debenture director shall not be bound to hold any qualification shares.

135. The Company shall have at least one director who has stayed in India for total period of not less than one hundred and eighty-two days in the previous calendar year.

136. The Company shall have at least two directors as Independent Directors in terms of provisions of Companies (Appointment and Qualification of Directors) Rules, 2014.

137. Every Independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Act.

138. Subject of the provisions of section 152, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

139. Notwithstanding anything contained hereof, no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

140. The Board of Directors of the Company may, by resolution passed by the company in general meeting, appoint a person, not being a person holding any Alternate Directorship for any other director in the company, to act as an Alternate Director for a director during his absence for a period of not less than three months from India.

Provided that no person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.

Provided further that an Alternate Director shall not hold office for a period longer than that permissible to the Director in whose place he has been appointed and shall vacate office if and when the Director in whose place he has been appointed returns to India.

Provided also that if the term of office of the original director is determined before he so returns to India, any provisions in the Act or in these Articles for his automatic reappointment of any retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

141. Subject to the provisions of Section 161 and 152 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not, at any time exceed the maximum fixed under these Articles, and any such additional Director shall hold office only up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

142. Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification.

143. Subject to the provisions of Sections 161, 152 and 169(7)) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to act as a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director is whose place he is appointed would have held office if it has not been vacated by him.

144. (i) Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule.

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

(ii) Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a managing Director, may be paid remuneration either:

(a) by way of monthly payment or at a specified percentage of the net profits of the company or partly by one way or partly by another way;

(b) the sitting fee payable to a Director (including Managing Director or Whole time Director, if any), for attending each meeting of the Board or Committee thereof or for any other purpose whatsoever, shall not be more than the amount prescribed by the Act and Rules made thereunder.

Provided that for Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.

145. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting, as above specified; and if any Director by called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

146. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the minimum number fixed by these Articles hereof, the continuing Directors not being less than two, may act for the purpose of increasing the number of directors to the number or for summoning a General Meeting but no other purpose.

147. The office of a Director shall *ipso facto* be vacated if:

(i) he incurs any of the disqualifications specified in section 164 of the Act, 2013;

(ii) he absent himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

(iii) he act in contravention of the provisions of Section184 of the Act, relating to entering into contracts or arrangements in which he is directly or indirectly interested;

(iv) he fails to disclose his interest in any contract or arrangements in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act;

(v) he becomes disqualified by an order of a court or the tribunal;

(vi) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months.

Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

(vii) he has been removed in pursuance of the provisions of the Act;

(viii) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary, or associate company, ceases to hold such office or other employment in that company.

148. Company shall not enter into any contract or arrangements with a related party with respect to:

(i) sale, purchase or supply of any goods or materials

(ii) selling or otherwise disposing of, or buying property of any kind;

(iii) leasing of property of any kind;

(iv) availing or rendering of any services;

(v) appointment of any agent for purchase or sale of goods, materials, services or property;

(vi) such related party's appointment to any or place of profit in the company, its subsidiary company or associate company; and

(vii) underwriting the subscription of any securities or derivatives thereof, of the company.

Provided that no contract or arrangement shall be entered into by the company, in accordance with the provisions of the Section 188 of the Act and Companies (Meetings of Board and its Powers) Rules, 2014, except with the prior approval of the company by a special resolution.

Provided further that no member of the company shall vote on such special resolution, to approve any contract or arrangements which may be entered into by the company, if such member is a related party.

Provided also that nothing in these Articles shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm’s length basis.

149. Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a special resolution in the general meeting, and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

150. Without prejudice to above, it shall be open to the company to proceed against a director or any other employee who had entered into such contract or arrangement in contravention of the provisions of Section 188 of the Act for recovery of any loss sustained by it as a result of such contract or arrangement.

151. Every director shall at the first meeting of the Board of Directors in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after any such change, disclose his concern or interest in any company or companies or bodies corporate, firms or other association of individuals which shall include the shareholding, in such manner as may be prescribed.

152. Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in the provisions of Section 184 of the Act;

Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.

153. A contract or arrangement entered into by the company without disclosure or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

154. A General Notice given to the Board by the Directors, to the effect that he is a Director or member of a specified bodies corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relating to any contract or arrangement so made. All such notices shall be kept at the registered office of the company and shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the Company secretary or any other person as authorized by the Board.

155. No Director shall as direct to take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the company, if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall:

(i) be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;

(ii) apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two percent of the paid up share capital in other company.

156. The Company shall keep one or more Registers under Section 189 of the Act, giving separately the particulars of all contracts or arrangements in compliance with the provisions of Section 184 and 188, in such manner and containing such particulars as required by the Act and shall within the time specified in the section, entering the particulars, such register shall be placed before the next meeting of the Board and signed by all the directors present at the meeting.

The Register aforesaid shall also specify, in relation to each director of the company the names of the bodies corporate and firms of which notice has been given by him under these Articles. The Register shall be kept at the registered office of the Company and shall be open for inspection at such office during business hours and extracts may be taken therefrom and copies thereof as may be required by any member of the company, shall be furnished by the company to such extent, in same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

157. A Director may be or become a director of any company promoted by the company or in which it may be interested as a vendor, share holder, otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197(14) or Section 188 of the Act may be applicable.

158. At every Annual General Meeting of the Company, one third of such of the directors for the time being, as are liable to retire by rotation or if their number is neither three nor a multiple of three, the number nearest to one-third shall retire from office.

159. Subject to Section 152 of the Act, the Directors to retire by rotation under Article 135 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves, be determined by lot.

160. At the Annual General Meeting at which a director retires under Article 135, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

161. A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the registrar in such manner, within such time and such form as prescribed in the Act, and shall also place the fact of such resignation in the report of Directors laid in the immediately following general meeting by the company. The company shall follow the provisions of Section 168 of the Act.

Provided that a director shall also forward a copy of his resignation alongwith detailed reasons for the resignation, if required under the Act, to the registrar within thirty days of resignation in such manner as prescribed in the Act.

162. (i) If the vacancy of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

(ii) If at the adjourned meeting also, the vacancy of the retiring Director is not so filled up and the meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been reappointed at the adjourned meeting, unless:

(a) at that meeting or at the previous meeting the resolution for the re-appointment of such Director has been put to the meeting and lost;

(b) the retiring director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;

(c) he is not qualified or is disqualified for appointment;

(d) a resolution whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or

(e) the provisions of Section 162 of the Act is applicable to the case.

163. (i) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting left at the office of the company a notice in writing under his hand signifying his candidature for the office of Director or as the case may be, the intention of such member to propose him as a candidate for that office.

(ii) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the company a notice under Section 160 of the Act Signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director if appointed along with the deposit of rupees one lakh.

(iii) A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a director of the Company unless he has within thirty days of his appointment signed and filed with the Register his consent in writing to act as such Director.

164. The Company shall keep at its registered office a register containing the particulars of its directors and key managerial personnel mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

165. Company shall file a return containing particulars and documents as prescribed by the Act, for appointment or changes, if any, of the directors and key managerial personnel of the company, as the case may be, with the Registrar of the Companies within a period of thirty days any such appointment or changes.

REMOVAL OF DIRECTORS

166. (i) The Company may (Subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any Directors before the expiry of his period of office.

(ii) Special notice as provided by Section 115 of the Act shall be given for any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed, at the meeting at which he is removed.

(iii) On receipt of notice of a resolution to remove a Director under this article, the Company shall forthwith send a copy thereof to the Director concerned and the Director, whether or not he is a member of the Company, shall be entitled to be heard on the resolution at the meeting.

(iv) Where notice has been given of a resolution to remove a Director under this Article and the director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests its notification to members of the Company, the company shall, unless the representations are received by it too late for it to do so:

(a) in the notice of the resolutions given to members of the company, state the fact of the representations having been made, and

(b) send a copy of the representations to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company),

and if a copy of the representation is not send as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting,

provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter and tribunal may order the company's cost on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

(v) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the company in General Meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed,

Provided special notice of the intended appointment has been given.

A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

(vi) If the vacancy is not filled, it may be filled as a casual vacancy in accordance with the provisions of the Act, in so far as they are applicable

Provided that the Director who was removed from office under these Articles shall not be reappointed as a Director by the Board of Directors.

(vii) Nothing contained in this Article shall be taken:

(a) as depriving a person removed under these Articles of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as Director, or of any other appointment terminating with that as director; or

(b) as derogating from any power to remove a Director under other provisions of the Act.

MANAGING DIRECTOR

167. The Company shall not appoint or employ at the same time a managing director and a manager.

168. The Company shall appoint or re-appoint any person as its managing director, whole-time director or manager for term not exceeding five years at a time;

Provided that no re-appointment shall be made earlier than one year before the expiry of his term.

169. Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule.

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

170. The Company shall not appoint or employ, or continue the appointment or employment of a person as its managing director, whole-time Director or manager who:

(i) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

(ii) is an undischarged insolvent; or has at any time been adjudged as an insolvent;

(iii) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or

(iv) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

171. Subject to the provisions of the Act, where an appointment of managing director, whole-time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.

172. The Board of Directors may appoint Managing or Whole Time Director, Director or Manager to manage the affairs of the company and/or a secretary or other officers for such remuneration and on such terms and conditions with the sanctions of the Board and / or shareholders in General Meeting and also approved by the Central Government. A Managing Director cannot be appointed for a term exceeding five years at a time.

173. Notwithstanding anything contain under section 203 of Companies Act 2013 read with rules framed there under as applicable if any, the Managing Director shall also act as Chairman of the Company, Chairman of the Board Meetings and General Body Meetings of Members of the Company.

174. The Directors may appoint a Vice chairman of the Board of Directors to preside at meetings of the directors at which the chairman not be present and determine the period for which he is hold office.

175. All meeting of the Directors shall be presided over by the chairman if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same or the chairman refuse to preside, the Vice-Chairman, if present, shall preside and if the Vice-Chairman be not present at such time or if the Vice- Chairman refuses to preside or if no Chairman or Vice Chairman has been appointed under the Article and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

PROCEEDINGS OF THE BOARD OF DIRECTORS

176. The Directors may meet together as a Board for the dispose of business from time to time, and shall so meet at least four times in a year in such manner, that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit.

177. The participation of directors in a meeting of the Board may be either in person or through video conferencing of other audio visual means, as prescribed in the Companies (Meeting of Board and its Powers) Rules, 2014, which are capable of recording and recognizing the participation of the directors and recording and storing the proceedings of such meeting alongwith date and time.

178. The Secretary or any officer of the Company, by order of the Board, shall sent notice in writing of every Board meeting called, to every Director, not less than seven days before the meeting at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.

Provided that a meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting;

Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director, if any.

179. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed or if any meeting of the Board the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of them to be Chairman of such meeting**.**

180. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act. If a quorum shall not be present within the Board, the meeting stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

181. A Meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these articles for the time being vested in or exercisable by the Board.

182. Subject to the provisions of Section 203 and 196 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote**.**

183. The Board shall exercise the following powers on behalf of the company by means of resolution passed at the meetings of the Board, namely:

(i) to make calls on shareholders in respect of money unpaid on the shares;

(ii) to authorise buy-back of securities under section 68 of the Act;

(iii) to issue securities, including debentures, whether in or outside India;

(iv) to borrow monies;

(v) to invest the funds of the company;

(vi) to grant loans or give guarantee or provide security in respect of loans;

(vii) to approve financial statements and the Board's Report;

(viii) to diversify the business of the company;

(ix) to approve amalgamation, merger or reconstruction;

(x) to take over a company or acquire a controlling or substantial stake in another company;

(xi) any other matter which may be prescribed.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committees of directors, the managing director, the manager or any other principal officer of the company or in case of a branch office of the company, the principal officer of the branch office, the powers specified in clause (iv) to (vi) on such conditions As it may specify:

184. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far the same are applicable thereto, and are not superseded by any regulations made by the Board under these Articles.

185. Save in those case where a resolution is required by Sections 161,179,188,203, and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be a valid and effectual as if it had been passed at a meeting of the Board or committee of the board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the directors, or to all the member of the Committee of the board as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual address in India and has been approved by such of them as are then in India or by majority of them as are entitled to vote on the resolution.

186. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

187. (i) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in book kept for that purpose with their pages consecutively numbered.

(ii) Each page of every such book shall be initialed or signed and the last page of the record of proceeding of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(iii) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.

(iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(v) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings

(vi) The minutes shall also contain:

(a) The name of the Directors present at the meeting; and

(b) In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.

(vii) Nothing contained in sub-clauses (i) to (vi) shall deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;

(a) is, or could reasonably be regarded as defamatory of any person;

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

(viii) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

188. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such

regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior to act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall exercise the powers as specified in section 180 of the Act only with the consent of the company by a special resolution in General Meeting, namely:

(i) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking.

(ii) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation.

(iii) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate to its paid-up capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business.

(iv) to remit, or give time for the repayment of, any debt from a director.

(v) contribute to *bona fide* chartable and other funds not directly relating to the business of the company or the welfare of its employees, any amount the aggregate of which, in any financial year, exceed five percent of its average net profits for the three immediately preceding financial years.

189. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power;

(i) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;

(ii) to pay any charge to the capital amount of the Company and Commission or interest lawfully payable thereout under the provisions of the Act;

(iii) subject to Section 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or otherwise acquisition to accept such title as the Directors may believe or may be advised to a reasonably satisfactory;

(iv) at their discretion and subject to the provisions of the Act to pay for any (property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in case of shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the company and its uncalled capital or not so charged;

(v) to secure the fulfillment of any contacts or engagement entered into by the company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;

(vi) to accept from any members, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;

(vii) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes; and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

(viii) to institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon;

(ix) to act on behalf of the Company in all matters relating to bankrupts and insolvents;

(x) to make and give receipts releases, and other discharge for moneys payable to the Company and for the claims and demands of the Company.

(xi) subject to the provisions of Sections 179 and 185 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;

(xii) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;

(xiii) to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts, and documents and to give the necessary authority for such purpose.

(xiv) to distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;

(xv) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason or locality of operation, or of public and general utility or otherwise;

(xvi) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation to depreciation fund, or to an Insurance Fund, or as a Reserve Fund, or sinking fund or any special fund to meet contingencies or to repay debentures or Debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving extending and maintaining any of the property of the Company and such for other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other then shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital monies of the company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation, fund, in the business of the company or in the purchase or re-payment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper;

(xvii) to appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants of permanent temporary or special services, as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit. Also form time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clause shall be without prejudice to the general powers conferred by this sub-clause;

(xviii) to comply with requirements of any local law which in their opinion it shall, in the interests of the Company, be necessary or expedient to comply with;

(xix) from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards and to fix their remuneration;

(xx) subject to Section 179 of the Act, from time to time and at any time, to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annual or vary any such delegation.

(xxi) at any time and from time to time by power of Attorney under the Seal of the Company, to appoint person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the shareholders, Directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;

(xxii) subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient;

(xxiii) from time to time to make vary and repeal by law for the regulation of the business of the Company, its officer and servants.

CHIEF EXECUTIVE OFFICER, MANAGER, SECRETARY or CHIEF FINANCE OFFICER

190. Subject to the provisions of the Act:

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

191. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

192. (i) The Board shall provide a Common Seal for the purpose of the company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors or one director and the secretary or such other person as the Board may appoint for the purpose; and those two directors or one director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

193. The company in general meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the company in general meeting may declare a smaller dividend.

194. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

195. No dividend shall be declared or paid by the company for any financial year except, Out of the profits of the company for that year arrived at after providing for depreciation in accordance with the provisions of schedule II of the Act, or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that schedule and remaining undistributed, or out of both, provided that;

(i) The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of our company:

(ii) Where owing to inadequacy or absence of profits in any financial year, the company proposes to declare dividend out of the accumulated profits earned by it in previous year and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with Companies (Declaration and Payment of Dividend) Rules, 2014.

(iii) No dividend shall be declared or paid by the company from its reserves other than free reserves.

196. The Board of Directors of the Company may declare interim dividend during any financial year out the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared.

Provided that in case the company has incurred loss during the current financial year upto the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

197. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

198. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons and the Board may deduct from any dividend or interest payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

199. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) No dividend shall be paid by the company in respect of any share therein except to the registered shareholder of such share or his order or to his banker and shall not be payable except in cash.

Provided that nothing in this Article shall be deemed to prohibit the capitalisation of profits or reserves of the company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company.

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

200. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

201. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

202. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf In any scheduled bank, to be called “Unpaid Dividend Account”. The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act

There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases. The company shall comply with the provisions the Act in respect of all unclaimed or unpassed dividend.

203. No dividend shall bear interest against the company.

CAPITALISATION OF PROFITS

204. (i) The company in general meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (*ii*) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (*iii*), either in or towards:

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (*a*) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

205. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power:

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

ACCOUNTS

206. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of Account in accordance with Section 128 the Act.

207. Where the Board decides to keep all or any of the Books of Accounts at any place other that the office of the company the Company shall within (seven days of the decision file with the Register a notice in writing given the full address of that other place.

208. The Company may keep the books the accounts or other relevant papers in accordance with Section 128 of the Act, in electronic mode in such manner as prescribed.

209. The Company shall preserve in good order the Books of Accounts relating or period of not less eight year immediately preceding the financial year together with the vouchers relevant to any entry in such books of Account.

210. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized return made up to date at intervals of not more than three months are sent by the branch office to the Company at its office or other place in India, at which the company's Books of Account are kept as aforesaid.

211. The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction; The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

212. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of he company or any of them shall be open to the inspection of members not being Directors

213. No member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorized by the Board or by the company in general meeting.

214. The Directors shall from time to time, in accordance with Sections 129, 133 and 134 of the Act, cause to be laid before the company in General Meeting, such Balance Sheets, profits and loss account and reports as are required by these Sections.

215. A Copy of every Balance Sheet and Profit and loss account (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) or a Statement containing salient features of such documents in the prescribed form, as laid down under Section 136 of the Companies Act, 2013 as the Company may deem fit, shall not less than twenty-one days before the Meeting a which the Balance Sheet and the profit and loss Account are to be laid before the Members, be sent to every person entitled thereto pursuant to the provisions of the Section 136 of the Companies Act, 2013 provided this Article shall not require a copy of the documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares.

AUDIT

216. Auditors shall be appointed and their rights and duties regulated in accordance with Section 139 to 145 of the Act.

217. The first Auditor or auditors of the company shall be appointed by the board within one month of the date of registration of the company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first annual general meeting:

Provided that the Company may, at a General Meeting remove and such auditor or all of such auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nominated notice has been given to the members of the Company not less than fourteen days before the date of the meeting,

Provided further that if the Board fails to exercise its powers under this Article, the Company in General meeting may appoint the first Auditor or Auditors.

Provided also that before such appointment is made, the written consent of auditor to such appointment and a certificate from him or it that the appointment if made, shall be in accordance with the conditions as prescribed, shall be obtained from the auditor.

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in section 141 of the Act.

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the registrar within fifteen days of the meeting in which the auditor is appointed.

DOCUMENTS AND NOTICES

218. (i) A document or notice may be served or given by the Company or any member either personally or sending its by post to him to his registered address, if he has no registered address in India, to the address, if any, in India supplied by him to the Company for serving documents of notice on him.

(ii) Where a documents or notice is sent by post, services of the documents or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice provided that where a member has intimated to the Company in advance that documents or notices should be sent him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be the manner intimated by the member and; such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

219. A document or notice advertised in a news paper circulating in the neighborhood of the office shall be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company any address within India for serving of documents or the sending of notices to him.

220. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice or on or to the joint-holders named first in the Register of members in respect of the share.

221. A document or notice may be served or given by the Company on or to the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

222. Document or notices of every General Meeting shall be served or given in the same hereinbefore authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor of Auditors for the time being of the Company.

223. Every person whom by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he drives his title to such share.

224. Any document or notice to be served or given by the Company may be signed by a director or some person duly authorized by the Board of directors for such purpose and the signatures thereto may be written printed or lithographed.

225. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or any officer at the office by post under a certificate of posting or by registered post or by speed post or by courier or by delivering at his office or address, or by such by electronic or other mode.

RECONSTRUCTION

226. On any sale of the undertaking of the company the Board or the Liquidators on a winding-up may, if authorized by a Special Resolution accept fully paid or partly paid-up shares, debentures or securities of any other company whether incorporated in India or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special Resolution may provide for the distribution or appropriation of the cash shares or other securities, benefits or property otherwise than in accordance with the strict legal right of the member or contributories of the company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation the

course of being wound up, such statutory right (if any) under of the Act as are incapable of being varied excluded by these Articles.

WINDING UP

227. Subject to the provisions of Chapter XX of the Act and rules made thereunder:

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND RESPONSIBILTY

228. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal**.**

SECRECY

229. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so declaration pledging himself to observe strict secrecy regarding all customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board as by Court of Law and except so far as be necessary in order to comply with any; of the provisions of these presents constituted.

GENERAL AUTHORITY

230. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts, which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are, or may be, deemed material, have been attached to the copy of this Draft Red Herring Prospectus and will be attached to the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the abovementioned documents and contracts, and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and available at https://jesons.net/investor-relations/ from date of the Red Herring Prospectus until the Bid/ Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer agreement dated January 9, 2025 between our Company, the Promoter Selling Shareholder and the BRLMs.

2. Registrar agreement dated January 9, 2025 between our Company, the Promoter Selling Shareholder and the Registrar to the Offer.

3. Monitoring Agency agreement dated [●] entered into between our Company and the Monitoring Agency.

4. Cash Escrow and Sponsor Bank agreement dated [●] between our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Banks, Public Offer Bank and the Refund Bank(s).

5. Share Escrow agreement dated [●] between our Company, the Promoter Selling Shareholder and the Share Escrow Agent.

6. Syndicate agreement dated [●] between our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Members.

7. Underwriting agreement dated [●] between our Company, the Promoter Selling Shareholder and the Underwriters.

B. Material Documents

1. Certified copies of the MoA and AoA of our Company, each as amended.

2. Certificate of incorporation issued by the RoC dated October 12, 1999.

3. Certificate of commencement of business issued by the RoC dated December 27, 1999.

4. Resolution of the Board and Shareholders dated December 11, 2024, and December 16, 2024, respectively, in relation to the Offer and other related matters.

5. Resolution of the Board dated January 9, 2025 approving this Draft Red Herring Prospectus.

6. Limited Liability Company Operating Agreement dated December 1, 2017, between our Company and Dura Chemicals, Inc.

7. Limited Liability Partner Agreement dated October 15, 2019 ("**LLP Agreement**") between our Company and Mr. Dhiresh Shashikant Gosalia read with the amendments to LLP Agreement dated March 30, 2020, March 30, 2021, April 1, 2021, September 30, 2021, January 18, 2022, April 11, 2022, and January 15, 2024, between our Company and Mr. Dhiresh Shashikant Gosalia.

8. Business Support Service Agreement entered dated March 19, 2020, and Trademark License Agreement dated March 11, 2022, between our Company and JTPL.

9. Trademarks license agreement dated March 29, 2024, between our Company and JIPPL.

10. Service agreement dated April 1, 2024 between our Company and our Dhiresh Shashikant Gosalia, our Managing Director.

11. Service agreement dated March 29, 2024 between our Company and Madhavi Dhiresh Gosalia, our Executive Director.

12. Service agreement dated September 30, 2023 between our Company and Sadayapillai Kameswaran, our Whole-time Director.

13. Copies of annual report for the Financial Years 2024, 2023 and 2022.

14. The examination report of the Statutory Auditor dated December 17, 2024, on our Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus.

15. The statement of special tax benefits dated January 7, 2025 issued by the Statutory Auditors.

16. Written consent of the Directors, Company Secretary and Compliance Officer, the BRLMs, the Syndicate Members, Legal Counsel to the Offer as to Indian law, lenders to our Company, Registrar to the Offer, Escrow Collection Bank(s), Public Offer Bank(s), Refund Bank(s), Sponsor Banks, Bankers to our Company, CRISIL, as referred to in their specific capacities.

17. Written consent dated January 9, 2025 from M S K A & Associates, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 the Offer to the extent and in their capacity as our Statutory Auditors, and in respect of (i) their examination report dated December 17, 2024, relating to the Restated Consolidated Financial Information; and (ii) their statement of special tax benefits dated January 7, 2025 in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

18. Written consent dated January 9, 2025 from D M K H & Co., Chartered Accountants to include their name as Independent Chartered Accountants required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of the proposal issued, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

19. Written consent dated January 8, 2025, and December 23, 2024, from Satish P Kulkarni and Anand Kumar Jain, Chartered Engineers, respectively, to include their name as Independent Chartered Engineers required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of the Detailed Project Report and certifications, respectively. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

20. Industry report dated January 6, 2025, titled "*Assessment of Paints, Coatings and Adhesives Market*", prepared by CRISIL, commissioned by our Company, which is available on the website of our Company at https://jesons.net/investor-relations/, and consent dated January 6, 2025 issued by CRISIL.

21. Resolution of the Audit Committee dated January 9, 2025, approving key performance indicators of our Company.

22. Detailed project report dated January 8, 2025 issued by Chemplant Project Consultants (acting through Satish P Kulkarni, Chartered Engineer).

23. Letter dated October 5, 2024, appointing CRISIL as the industry report provider.

24. Consent letter from the Promoter Selling Shareholder, authorising his participation in the Offer.

25. Tripartite agreements dated December 3, 2015 and October 7, 2021, between our Company, NSDL and the Registrar to the Offer and our Company, CDSL and the Registrar to the Offer, respectively.

26. Due diligence certificate dated January 9, 2025, addressed to SEBI from the BRLMs.

27. In – principle approvals dated [●] and [●] issued by BSE and NSE, respectively.

28. SEBI observation letter bearing reference number [●] and dated [●].

29. SEBI final observation letter bearing reference number [●] and dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or regulations or guidelines notified thereunder, each as amended, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Dhiresh Shashikant Gosalia
Managing Director

Place: Mumbai, Maharashtra

Date: January 9, 2025

DECLARATION

I I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or regulations or guidelines notified thereunder, each as amended, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Madhavi Dhiresh Gosalia
Whole – time Director

Place: Mumbai, Maharashtra

Date: January 9, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or regulations or guidelines notified thereunder, each as amended, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

S. Kameswaran
Whole-time Director

Place: Mumbai, Maharashtra

Date: January 9, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or regulations or guidelines notified thereunder, each as amended, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Shriram Sharad Dandekar
Independent Director

Place: Mumbai, Maharashtra

Date: January 9, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or regulations or guidelines notified thereunder, each as amended, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Amitabh Verma
Independent Director

Place: Mumbai, Maharashtra

Date: January 9, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or regulations or guidelines notified thereunder, each as amended, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Deeti Ojha
Independent Director

Place: New Delhi, NCT of Delhi

Date: January 9, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or regulations or guidelines notified thereunder, each as amended, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER

Deepak Kumar Jain

Place: Mumbai, Maharashtra

Date: January 9, 2025

DECLARATION BY THE PROMOTER SELLING SHAREHOLDER

I, Dhiresh Shashikant Gosalia, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as the Promoter Selling Shareholder, and the Offered Shares, are true and correct. I assume no responsibility as a Promoter Selling Shareholder for any other statements, disclosures, and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

Dhiresh Shashikant Gosalia

Place: Mumbai, Maharashtra

Date: January 9, 2025