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DRAFT PROSPECTUS
Dated: December 26, 2022
100% Fixed Price Issue
Please read Section 26 and Section 32 of the Companies Act, 2013
(This Draft Prospectus will be updated upon filing with the RoC)

MCON RASAYAN INDIA LIMITED
CORPORATE IDENTITY NUMBER: U24304MH2016PLC286140

REGISTERED OFFICE	CONTACT PERSON	EMAIL ID AND TELEPHONE	WEBSITE
101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon West, Near Ayyappa Temple, Mumbai- 400090, Maharashtra, India.	Mr. Kunal Ashok Borkar, Company Secretary and Compliance Officer	Email-id: compliance@mconrasayan.com Tel.: +91 86559 88698	www.mconrasayan.com

PROMOTER OF OUR COMPANY: MAHESH RAVJI BHANUSHALI

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE	OFS SIZE (BY NUMBER OF SHARES OR BY AMOUNT)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 20,00,000 equity shares of face value of ₹ 10 each ("Equity Shares") aggregating up to ₹ [●] lakhs ("Issue")	Nil	₹ [●] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF (ICDR) REGULATIONS, 2018, AS AMENDED

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

RISKS IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "*Basis for Issue Price*" beginning on page 80 of this Draft Prospectus should not be taken tobe indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue 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 Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 26.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares issued through the Draft Prospectus are proposed to be listed on the EMERGE platform of National Stock Exchange of India Limited. Our Company has received an 'in principle' approval letter dated [●] from National Stock Exchange of India Limited for using its name in this offer document for listing our shares on the EMERGE Platform of the National Stock Exchange of India Limited. For the purpose of this Offer, the Designated Stock Exchange will be National Stock Exchange of India Limited. A signed copy of the Prospectus shall be delivered for filing with the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Prospectus up to the Issue Closing Date, see '*Material Contracts and Documents for Inspection*' on page 320 of this Draft Prospectus.

LEAD MANAGER: GYR CAPITAL ADVISORS PRIVATE LIMITED

NAME AND LOGO	CONTACT PERSON	E-MAIL ID AND TELEPHONE
GYR Capital Advisors Private Limited	**Mr. Mohit Baid**	**Telephone:** +91 87775 64648 **E-mail:** info@gyrcapitaladvisors.com

REGISTRAR TO THE ISSUE: LINK INTIME INDIA PRIVATE LIMITED

NAME AND LOGO	CONTACT PERSON	E-MAIL ID AND TELEPHONE
Link Intime India Private Limited	**Shanti Gopalkrishnan**	**Telephone:** +91 810 811 4949 **E-mail:** mconrasayan.ipo@linkintime.co.in

ISSUE PERIOD

ISSUE OPENS ON	[●]	ISSUE CLOSE ON	[●]

DRAFT PROSPECTUS
Dated: December 26, 2022
100% Fixed Price Issue
Please read Section 26 and Section 32 of the Companies Act, 2013
(This Draft Prospectus will be updated upon filing with the RoC)

MCON RASAYAN INDIA LIMITED

Our Company was originally incorporated as 'MCON Rasayan Private Limited' a private limited company under the Companies Act, 2013 at Mumbai, pursuant to a certificate of incorporation dated September 22, 2016, issued by the Registrar of Companies, Mumbai ("RoC"). Thereafter, name of our Company was changed from 'MCON Rasayan Private Limited' to 'MCON Rasayan India Private Limited' and a fresh certificate of incorporation was issued by the RoC on October 17, 2022. The name of the company was further changed from "MCON Rasayan India Private Limited' to 'MCON Rasayan India Limited', consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on October 18, 2022, and a fresh certificate of incorporation consequent to change of name was issued by the RoC on December 12, 2022. Our Company's Corporate Identity Number is U24304MH2016PLC286140. For details of change in Registered office of our Company, please refer to the chapter titled "*History and Certain Corpoarte Matters*" on page 139 of this Draft Prospectus**.**

Registered Office: 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon West,
Near Ayyappa Temple, Mumbai- 400090, Maharashtra, India.
Tel: +91 8655988698**, Website:** www.mconrasayan.com
Contact Person: Mr. Kunal Ashok Borkar, Company Secretary and Compliance Officer; **E-mail id:** compliance@mconrasayan.com
Corporate Identity Number: U24304MH2016PLC286140

OUR PROMOTER: MAHESH RAVJI BHANUSHALI

PUBLIC ISSUE OF UP TO 20,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF MCON RASAYAN INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ [●] LAKHS (THE "ISSUE"). [•] EQUITY SHARES AGGREGATING TO ₹ [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE AGGREGATING TO ₹ [•] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 243 OF THE DRAFT PROSPECTUS.

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post - Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "*Issue Procedure*" on page 252 of this Draft Prospectus. A copy of the Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares by our Company, there has been no formal market for the Equity Shares of our CompanyThe Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "*Basis for Issue Price*" beginning on page 80 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed.. No assurance can be given regarding an active 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 investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue 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 Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 26.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through tthis Draft Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited. Our Company has received an'in-principle' approval letter dated [•] from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the NSE. For the purposes of the Issue, the Designated Stock Exchange shall beNational Stock Exchange of India Limited. A copy of the Prospectus shall be delievered for the filing with the RoC in accordance with Sections 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Prospectus until the Issue Closing Date, see "*Material Contracts and Documents for Inspection*" beginning on page 320.

LEAD MANAGER	REGISTRAR TO THE ISSUE
GYR Capital Advisors Private Limited 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahemdabad-380 054, Gujarat, India. **Telephone**: +91 8777564648 **E-mail Iid**: info@gyrcapitaladvisors.com **Website**: www.gyrcapitaladvisors.com **Investor Grievance** e-**mailID**: investors@gyrcapitaladvisors.com **Contact Person**: Mohit Baid **SEBIRegistrationNumber**: INM000012810 **CIN**: U67200GJ2017PTC096908	Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg Vikhroli (West), Mumbai 400 083 Maharashtra, India **Telephone**: +91 810 811 4949 **E-mail id**: mconrasayan.ipo@linkintime.co.in **Website**: www.linkintime.co.in **Investor Grievance** E-**mail ID**: mconrasayan.ipo@linkintime.co.in **Contact Person**: Shanti Gopalkrishnan **SEBI Registration Number**: INR000004058 **CIN No:** U67190MH1999PTC118368

ISSUE PROGRAMME

ISSUE OPENS ON	**[●]**
ISSUE CLOSES ON	**[●]**

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, 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 Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Prospectus shall have the meaning ascribed to such terms under the General Information Document.

Notwithstanding the foregoing, the terms used in "Industry Overview", "Key Regulations and Policies", "Statement of Special Tax Benefits", "Financial Information", "Basis for Issue Price", "Outstanding Litigation and Material Developments" and "Description of Equity Shares and Terms of the Articles of Association" beginning on pages 86, 135, 83, 161, 80, 225 and 302, respectively, shall have the meaning ascribed to them in the relevant section.

Company related terms

Term	Description
"our Company", "the Company" or "the Issuer"	MCON Rasayan India Limited (formerly known as MCON Rasayan Private Limited), a public limited company incorporated in India under the Companies Act, 2013 having its Registered Office at 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon West, Near Ayyappa Temple, Mumbai -400090, Maharashtra, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company.
AoA /Articles of Association or Articles	The articles of association of our Company, as amended.
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board of Directors – Audit Committee*" on Page 142.
Auditors/ Statutory Auditors	The statutory auditors of our Company, currently being M/s. Devang Kumar Dand & Associates, Chartered Accountants
Board/ Board of Directors	Board of directors of our Company, as described in "*Our Management*", beginning on page 142
CareEdge Research	CARE Advisory Research and Training Limited
Chief Financial Officer/CFO	Chief financial officer of our Company, Ms. Veenita Harshad Thakkar.For details, see "*Our Management*" on page 142
CareEdge Report/ CareEdge Report	Report titled "*Industry Research Report on Construction & Construction Chemicals industry"* dated June 2022 prepared by Care Advisory Research and Training Limited.
Corporate Office	Gala No. 6, Baradanwala Estate, Bandivali Hill Road, Jogeshwari West, Mumbai 400 102, Maharashtra.
Chairman and Managing Director	Chairman and Managing Director of our Company being, Mr. Mahesh Ravji Bhanushali
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Mr. Kunal Ashok Borkar.For details, see "*Our Management*" beginning on page 142
Director(s)	Directors on our Board as described in "*Our Management*", beginning on page 142
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
Executive Directors	Executive Directors of our Company
ESOP Plan	MCON Employee Stock Option Plan 2022
Independent	Independent directors on our Board, and who are eligible to be appointed as

Directors	independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see "*Our Management*" beginning on page 142
KMP/Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in "*Our Management*" on page 142
Materiality Policy	The policy adopted by our Board of Directors on December 19, 2022 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Prospectus, Prospectus
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee*" on page 157
Non-Executive Director(s)	Non-executive directors on our Board, as described in "*Our Management*", beginning on page 142
Promoter	The promoter of our Company, being Mahesh Ravji Bhanushali. For details, see "*Our Promoter and Promoter Group*" on page 157
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoter and Promoter Group*" on page 157
R&D Factility	Research and Development facility of our Company located at Plot No. A – 373, Maharashtra Industrial Development Corporation TTC, Industrial estate, Mahape, Koparkhairane, Navi Mumbai 400 701, Maharashtra.
Registered Office	The registered office of our Company, situated at 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon West, Near Ayyappa Temple, Mumbai-400090, Maharashtra, India.
Restated Financial Statements/ Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the period ended on June 30, 2022 and for the year ended on March 31, 2022, 2021 and 2020 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time
RoC/Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Shareholder(s)	Shareholders of our Company, from time to time
Stakeholders Relationship Committee	Stakeholders' relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in"*Our Management*", beginning on page 142
Unit I	Unit I of our Company located at Plot No. 801, Gujarat Industrial Development Corporation, Sarigam, Valsad 396 155, Gujarat.
Unit II	Unit II of our Company located at Plot No.1187, Survey No.1656, B/1, Beside Ankit Petrol pump, Vasda road, Chikhli, Navsari 396 521, Gujarat.
Unit III	Unit III of our Company located at New Survey No. 2084, 2086, 2087 at Village Ambethi, Taluka Kaparada, District Valsad 396 191, Gujarat.
Warehouse	Warehouse of our Company located at Gujarat Industrial Development Corporation, Sarigam Valsad 396 155, Gujarat.
Whole-time Director(s)	Whole-time director(s) on our Board, as described in "*Our Management*", beginning on page 142

Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successfulApplicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Applicant to whom the Equity Shares are Allotted
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application and authorising an SCSB to block the Bid Amount in the specified bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amountmentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Issue	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [•].
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicant under the Issue, as described in "*Issue Procedure*" beginning on page 252
Bidding Centers	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker 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)
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE
Circular on Streamlining of Public Issues/ UPI Circular	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/ HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.

Term	Description
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue
Designated Intermediaries/ Collecting agent	In relation to ASBA Forms submitted by RIBs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
DP ID	Depository Participant's identity number
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Draft Prospectus/DP	This Draft Prospectus dated December 26, 2022 issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the

Term	Description
	Escrow Account(s) will be opened, in this case being [●]
First Applicant	The Applicant whose name appears first in the 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
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Lead Manager.
Issue	The initial public offer of up to 20,00,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●].
Issue Agreement	The agreement dated December 21, 2022 amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Lead Manager under the Draft Prospectus and the Prospectus being ₹ [●] per share.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see "*Objects of the Issue*" beginning on page 74
Issue Period	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see "*Objects of the Issue*" on page 74 of this Draft Prospectus.
Issue Opening	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Closing	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Lead Manager/ LM	The lead manager to the Issue, being GYR Capital Advisors Pvt Ltd
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker	Market Maker of the Company, in this case being [●]
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated [●]
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of₹10 each fully paid for cash at a price of ₹ [●] per Equity Share (the "Issue Price"), including a share premium of ₹ [●] per equity share aggregating to ₹ [●]
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see "*Objects of the Issue*" on page 74
Non-Institutional Investors/ Non-Institutional Bidders/	All Applicantsthat are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)

Term	Description
NIB's	
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Issue opening and closing dates, the size of the Issue and certain other information.
Public Issue Account(s)	Account to be opened with Banker to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Registrar Agreement	The agreement dated December 19, 2022 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue/ Registrar	Link Intime India Private Limited
Retail Individual Investor(s)/ RII(s)	IndividualApplicants, who have applied for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	The portion of the Issue being not less than 50 % of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion and remaining Equity Shares to be allotted on a proportionate basis.
Revision Form	Form used by the Applicants 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 Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	The list of SCSBs notified by SEBI for the ASBA process is available athttp://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 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. In relation to Bids 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 Application Forms from the members of the Syndicate is available on the website

Term	Description
	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 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. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders 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&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the RIBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchange	National Stock Exchange of India Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the 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 websites 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	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, Circular number

Term	Description
	SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the Issue in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of the Issue Price; and (b) Issue Period, Term Description. The term "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

Conventional and General Terms and Abbreviations

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
Air Act	Air (Prevention and Control of Pollution) Act, 1981, as amended
BSE	BSE Limited
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 III AIF	AIFs who are registered as "Category III 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
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and

Term	Description
	clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary general meeting
EMERGE	The SME platform of National Stock Exchange of India Limited
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
EUR/ €	Euro
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
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/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
FY	Financial Year
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
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	Government of India

Term	Description
or Central Government	
GST	Goods and services tax
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HR	Human resource
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Ind AS or Indian Accounting Standards	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
IGAAP or Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee
IPR	Intellectual property rights
IRR	Internal rate of return
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
India	Republic of India
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
LIBOR	London Inter-Bank Offer Rate
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MSME	Micro, Small, and Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NCDs	Non-Convertible Debentures
NBFC	Non-Banking Financial Company
NEFT	National electronic fund transfer
NFE	Net foreign exchange
NGT	The National Green Tribunal
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ 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/ Overseas	A company, partnership, society or other corporate body owned directly or indirectly

Term	Description
Corporate Body	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 had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit after tax
PIO	Person of India Origin
R&D	Research and development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
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 BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
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
SEBI 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, 1992
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
TDS	Tax deducted at source
US GAAP	Generally Accepted Accounting Principles in the United States of America

Term	Description
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USA/ U.S. / US	The United States of America
USD / US$	United States Dollars
UT	Union Territory
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
w.e.f.	With effect from
Wilful Defaulter or Fraudulent Borrower	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

Technical/IndustryRelated Terms

Terms	Description
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
ASEAN	Association of Southeast Asian Nations
SBM - U	Swachh Bharat Mission – Urban
CAGR	Compound Annual Growth Rate
CMIE	Centre for Monitoring Indian Economy
CPI	Consumer Price Index
CY	Current Year
DAY-NULM	Deendayal Antyodaya Yojana-National Urban Livelihood Mission
DIPP	Department of Industrial Policy and Promotion
DPIIT	Department for Promotion of Industry and Internal Trade
EPC	Engineering, Procurement and Construction
GFCF	Gross Fixed Capital Formation
GNI	Gross National Income
GVA	Gross Value Added
HAM	Hybrid Annuity Model
HRIDAY	Heritage City Development and Augmentation Yojana
IIP	Index of Industrial Production
IMF	International Monetary Fund
MTPA	Metric Tonnes Per Annum
MORTH	Ministry of Road Transport and Highway
MOSPI	Ministry of Statistics and Programme Implementation
NHAI	National Highways Authority of India
NHIDCL	National Highway Infrastructure Development Corporation Ltd
NIP	National Infrastructure Pipeline
PFCE	Private Final Consumption Expenditure
PMAY	Pradhan Mantri Awas Yojana
PMAY - U	Pradhan Mantri Awas Yojana – Urban
PWD	Public Works Department

Notwithstanding the foregoing, terms in "*Description of Equity Shares and Terms of Articles of Association*", "*Statement of Tax Benefits*", "*Industry Overview*", "*Key Industrial Regulations and Policies*", "*FinancialInformation*", "*Outstanding Litigation and Material Developments*" and "*Issue Procedure*" on pages 302, 83, 86, 135, 161, 225 and 252 respectively of this Draft Prospectus, will have the meaning ascribed to such terms in theserespective sections.

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

Certain Conventions

All references to "India" contained in this Draft Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", Central Government" or the "State Government" are to the Government of India, central or state, as applicable. Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year. Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled "Financial Information" on page 161 of this Draft Prospectus

Our Company's financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the period ended on June 30, 2022 and for the Financial Years ended March 2022, 2021 and 2020 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 26, 116 and 214 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Ind AS, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in "Risk Factors", "Industry Overview" and "Our Business" on pages 26, 86 and 116 respectively, this Draft Prospectus

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Prospectus in "lacs" units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

This Draft 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 arepresentation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange Rate as on			
	June 30, 2022	**March 31, 2022**	**March 31, 2021**	**March 31, 2020**
1 USD	78.94	75.80	73.50	75.38

Source: www.fbil.org.inNote: Exchange rate is rounded off to two decimal places

Industry and Market Data

We have availed the services of an independent third-party research agency, CARE Advisory Research and, Training Limited (**CareEdge Research**) to prepare an industry report titled "*Industry Research Report on Construction & Construction Chemicals*" dated June 2022, ("**CareEdge Report**") and has been exclusively commissioned and paid for by our Company in connection with the Issue and for purposes of inclusion of such information in this Draft Prospectus. CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research's proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

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In accordance with the SEBI ICDR Regulations, "Basis for Issue Price" on page 80 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on page 26 of this Draft Prospectus.

FORWARD-LOOKING STATEMENTS

This Draft Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "propose", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also 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. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

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

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

- Quality of our modern building materials may be impacted by the quality of the raw materials supplied by third parties.
- We have historically derived, and may continue to derive, a significant portion of our income from our top 5 customers.
- An inability to protect, strengthen and enhance our existing brands, and successfully launch and market new brands, could adversely affect our business prospects and financial performance.
- Seasonal variations and cyclicality in our business could result in fluctuations in our results of operations.
- Any failure to raise additional financing for our Company could have an adverse effect on our business, results of operations, financial condition and cash flows.
- Any disruption in our distribution network for the sale and distribution of our products will adversely affect our business and results of operations.
- Unsecured loan taken by our Company from our Promoter, Mahesh Ravji Bhanushali and Directors, Chetan Ravji Bhanushali and Puja Mahesh Bhanushali can be recalled at any time.
- Inability to collect receivables and default in payment from our dealers or customers could result in reduced profits and affect our cash flows.
- The introduction of substitutes for modern building materials and chemicals in the markets in which we operate and the development of new construction techniques could have an adverse effect on our business, results of operations and financial condition.

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*" beginning on pages 26, 116 and 214, respectively, of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot 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.

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

In accordance with the SEBI ICDR Regulations, our Company, the Promoter and the Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Prospectus when filed, 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 Prospectus, including the sections titled "Risk Factors", "The Issue", "Capital Structure", "Objects of the Issue", "Industry Overview", "Our Business", "Our Promoter and Promoter Group", "Restated Financial Statements", "Outstanding Litigation and Other Material Developments" and "Issue Procedure" on pages 26, 48, 62, 74, 86, 116, 157, 161, 225, and 249, respectively of this Draft Prospectus.

Primary business of our Company

We are in the business of manufacturing, marketing and selling of modern building materials and construction chemicals with a suite of more than 80 products which includes a range of construction materials and chemicals in both powder and liquid forms. Our powder products such as ready mix plaster, tile adhesives, block adhesives, wall putty, micro concrete & polymer mortar, engineering non shrink grouts and floor hardeners are widely used in the building construction segment. Our liquid portfolio having products such as poly-urethane (PU) based liquid membrane, bonding agents, paints, anti-corrosive coatings, concrete admixtures and curing compounds. Our products are marketed and sold under the "MCON" brand.

For further details, please see "*Our Business*" on page 116.

Industry in which our Company operates

With gradual increase in contribution by construction industry in global GDP, the construction industry is expected to represent a bigger part of the global economy in the medium-long term. Surging population and urbanization are the key driver for the need of sustainable infrastructure and environment friendly products which makes infrastructure the most attractive market for construction chemicals globally. The market size of global construction chemical sector is expected to reach near to the USD 70 billion by FY26 with CAGR of approximately 7%. (Source: CareEdge Report) For further details, please see "*Industry Overview*" on page 86.

Name of Promoter

As on the date of this Draft Prospectus, our Promoter is Mahesh Ravji Bhanushali. For further details, please see "*Our Promoter and Promoter Group*" on page 157.

Issue Size

Initial public offer of up to 20,00,000 equity Shares of face value of ₹ 10 each of the Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating upto ₹ [●] lakhs out of which issue of [●] Equity Shares aggregating to ₹ [●] lakhs shall be reserved for the market making and Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to Retail Individual Investors and [●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

For details, see "*The Issue*" and "*Other Regulatory and Statutory Disclosures*" beginning on pages 48 and 232, respectively.

Objects of the Issue

Issue Proceeds and Net Proceeds

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue Related Expense	[●]
Net Proceeds of the Issue	[●]

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

(in ₹ lakhs)

Sr. No.	Particulars	Amount	% of Net Proceeds
1.	Funding the working capital requirements of the company	Upto 400	[●]
2.	General Corporate Purposes*	[●]	[●]
	Total	[●]	[●]

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

For further details, please see "*Objects of the Issue*" beginning on page 74 of this Draft Prospectus.

Aggregate Pre-Issue Shareholding of our Promoter and Promoter Group

The aggregate pre-Issue shareholding of our Promoter and Promoter Group as a percentage of the pre-Issue paid-up equity share capital of our Company is set out below:

S. No	Name of the Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
Promoter			
1.	Mahesh Ravji Bhanushali	35,00,285	76.20%
	Total (A)	**35,00,285**	**76.20%**
Promoter Group			
2.	Puja Mahesh Bhanushali	1,13,625	2.47%
3.	Chetan Ravji Bhanushali	4,73,625	10.31%
4.	Nilam Chetan Bhanushali	1,13,625	2.47%
5.	Vimla Ravji Bhanushali	1	Negligible
	Total (B)	**7,00,876**	**15.25%**
	Total (A+B)	**42,01,161**	**91.45%**

For further details, please see "*Capital Structure*" beginning on page 62.

Summary of Restated Financial Information

A summary of the financial information of our Company as derived from the Restated Financial Statements for three months ended on June 30, 2022, and for the financial years ended on March 31, 2022, 2021 and 2020 are as follows:

(in ₹ lakhs, except per share data)

Particulars	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Share Capital	150.00	150.00	150.00	101.00
Net Worth(1)	244.76	221.29	178.40	110.72
Revenue from Operation	654.21	1,921.65	897.77	896.62
Restated profit for the year	31.79	59.83	25.28	5.21
Restated Basic Earnings per Share (2)	1.56	2.96	1.25	0.32
Restated Diluted Earnings per Share (3)	1.56	2.96	1.25	0.32
Restated Net Asset Value per Share (4)	16.32	14.75	17.62	21.78
Total Borrowings (5)	752.33	740.85	346.58	321.61

1. *"Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company;*
2. *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period*
3. *Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.*
4. *Net Asset Value per share = Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end.*

5. *Total borrowings is the sum of current borrowings and non-current borrowings.*

For further details, please see "*Restated Financial Statements*" on page 161.

Qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Statements

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

Summary of Outstanding Litigations

A summary of outstanding litigation proceedings involving our Company, Directors, and Promoter to the extent applicable, as on the date of this Draft Prospectus is provided below:

(₹ in lakhs)

Sr. No	Nameof Entity	Criminal proceedings	Tax Proceedings	Statutory/ Regulatory Proceedings	Disciplinary action by the SEBI or stock exchange against our Promoter	Material civil litigation	Aggregate amount involved*
1.	**Company**						
	By the company	1	Nil	Nil	Nil	Nil	4.72
	Against the Company	Nil	8	Nil	Nil	Nil	0.36
2.	**Directors**						
	By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Directors	Nil	10	Nil	Nil	Nil	0.38
3.	**Promoter**						
	By the promoter	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Promoter	Nil	1	Nil	Nil	Nil	0.13

**To the extent quantifiable*

For further details, please see "*Outstanding Litigation and Material Developments*" beginning on page 225.

Risk Factors

Investors should see "*Risk Factors*", beginning on page 26 to have an informed view before making an investment decision.

Summary of Contingent Liabilities and Commitments

The details of our contingent liabilities as disclosed in the Restated Financial Statement are set forth in the table below:

(in ₹ lakhs)

Particulars	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
I. Contingent Liabilities	-	-	-	-
(a) claims against the company not acknowledged as debt;	-	-	-	-
(b) guarantees exlcluding financial guarantees; and	-	-	-	-

Particulars	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
(c) other money for which the company is contingently liable.	-	-	-	-
	-	-	-	-
II. Commitments-	-	-	-	-
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-	-

For further details, please see "*Restated Financial Statements*", beginning on page 161.

Summary of Related Party Transactions

A summary of related party transactions entered into by our Company with related parties and as disclosed in the Restated Financial Statements for three months ended on June 30, 2022, and for the financial years ended on March 31, 2022, 2021 and 2020 are as follows:

Particulars	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
With Key Management Personnel				
a) Loan Taken				
Opening Balance	143.41	4.96	15.62	15.49
Loan Taken	27.70	180.61	28.07	168.71
Add: Interest	-	-	-	-
Loan Repaid	1.56	42.16	6.27	168.58
Loan Converted to Share Capital	-	-	33.00	-
Closing Balance	169.55	143.41	4.41	15.62
b) Director's Remuneration	10.50	24.77	15.00	12.00
c) Purchase of Goods	8.03	24.06	9.78	9.10
d) Salary	-	5.69	-	-
e) Sale of Goods	341.95	1,098.22	709.85	749.12
With Associates				
a) Purchase of Goods	-	-	20.04	-
b) Loan Taken				
Opening Balance	-	1.75	0.98	-
Loan Taken	-	2.00	16.00	14.00
Add: Interest	-	-	-	-
Loan Repaid	-	3.75	0.44	13.02
Closing Balance	-	-	0.55	0.98
c) Salary	-	-	7.95	8.12

For further details, please see "*Restated Financial Statements",* beginning on page 161.

Financing Arrangements

There has been no financing arrangements whereby our Promoter, members of our Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the relevant financing entity, during a period of six months immediately preceding the date of filing of this Draft Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoter in one year preceding the date of this Draft Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoter in one year preceding the date of this Draft Prospectus is as follows:

Name of Promoter	Number of Equity Shares acquired in one year preceding the date of this Draft Prospectus	Weighted average price per Equity Share (in ₹) *
Mahesh Ravji Bhanushali	23,29,375	6.44

**As certified by the M/s Devang Kuamr Dand & Associates., Chartered Accountants pursunat to their certificate dated December 23, 2022*

For further details, please see "*Capital Structure*" beginning on page 62.

Weighted average price at which the Equity Shares were acquired by our Promoter in three years preceding the date of this Draft Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoter in three years preceding the date of this Draft Prospectus is as follows:

Name of Promoter	Number of Equity Shares acquired in three years preceding the date of this Draft Prospectus	Weighted average price per Equity Share (in ₹) *
Mahesh Ravji Bhanushali	30,92,875	7.32

**As certified by the M/s Devang Kuamr Dand & Associates., Chartered Accountants pursunat to their certificate dated December 23, 2022*

Average cost of acquisition of Equity Shares for our Promoter

The average cost of acquisition of Equity Shares held by our Promoter set forth in the table below:

Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹) *
Mahesh Ravji Bhanushali	35,17,875	7.64

**As certified by the M/s Devang Kuamr Dand & Associates., Chartered Accountants pursunat to their certificate dated December 23, 2022*

Details of pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares in this Issue until the listing of the Equity Shares.

Issuance of equity shares for consideration other than cash in the last one year

Except as set out below, our Company has not issued Equity Shares for consideration other than cash in the one year preceding thedate of this Draft Prospectus.

Date of Allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
March 30, 2021	Right issue (1)	4,90,000	10.00	10.00	-
August 31, 2022	Preferential issue (2)	3,75,000	10.00	40.00	-
October 04, 22	Bonus issue (3)	23,43,750	10.00	NIL	-

Notes:
(1) Allotment of 3,30,000 Equity Shares to Mahesh Ravji Bhanushali and 1,60,000 Equity Shares to Chetan Bhanushali pursuant to conversion of loan into equity.
(2) Allotment of 3,75,000 Equity shares to Mahesh Ravji Bhanushali pursuant to conversion of loan into Equity shares.
(3) Allotment of 19,54,375 Equity Shares to Mahesh Bhanushali, 63,125 Equity Shares to Puja Bhansuhali, 263,125 Equity Shares to Chetan Bhanushali, 63,125 Equity Shares to Nilam Bhanushali by way of bonus in the ratio 1.25:1 Equity Shares i.e.one point twenty-five equity shares for every one equity share held by our equity shareholders.

For further details, please see "*Capital Structure*" beginning on page 62.

Split/consolidation of Equity Shares in the last one year

Our Company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Draft Prospectus.

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

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

SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in the Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 116, 161 and 214, respectively of this Draft Prospectus, as well as the other financial and statistical information contained in this Draft Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.

This Draft Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. For further information, please see "Forward-Looking Statements" on page 16 of this Draft Prospectus.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Prospectus. For further information, please see "Restated Financial Statements" on page 161 of this Draft Prospectus. We have, in this Draft Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Prospectus.

*The industry and market information contained in this section has been derived from a report titled "Industry Research Report on Construction & Construction Chemicals industry" dated June 2022, prepared by Care Advisory Research and Training Limited which was appointed by our Company vide engagement letter dated May 11, 2022 and has been exclusively commissioned and paid for by our Company in connection with the Issue. ("**CareEdge Report**")Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular CareEdge Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Internal Risk Factors

Risks relating to our Business

1. ***We source raw materials from third parties and the quality of our modern building materials may be impacted by the quality of the raw materials supplied by third parties.***

   We source raw materials from third party suppliers. In the manufacturing process, finished raw materials have been processed and are ready to be mixed or processed with other products to form the final product that is sold to the end-user. We do not have oversight of the manufacturing and quality control processes of our suppliers. While we seek to carry out our own quality control of these products when they are delivered, there is no guarantee that we will be able to successfully detect any faults or issues, especially if these are latent or not obvious upon a physical examination. Use of any defective or low-quality raw materials in our

production process may adversely affect the safety, function, durability and strength of our modern building material products. This can result in product contaminations and defects, producing consumer complaints and negative publicity. An inability to maintain the established standards of our business could negatively impact customers' perceptions of our offerings as they may find the quality of our modern building material products to be inconsistent and hence, unreliable. The sales and performance of our modern building material products could suffer as a result.

2. ***We have historically derived, and may continue to derive, a significant portion of our income from our top 5 customers.***

Our top 5 customers represented 61.57%, 58.48%, 76.40% and 83.97%, respectively, of our revenue from operation for three months period ended June 30, 2022 and for Fiscals 2022, 2021 and 2020, respectively. We typically have long term relationships with our customers, we have not entered into long terms agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers. The actual sales by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

3. ***An inability to protect, strengthen and enhance our existing brands, and successfully launch and market new brands, could adversely affect our business prospects and financial performance.***

Our business reputation and the brands under which we sell products include "MCON Magic Coat WP", MCON MORTAR/NSA Grey, MCON Block Fix /Block Mortar, MCON Wall Putty and others are critical to the success of our business as they serve in attracting customers to our products in preference to those of our competitors. However, various factors, some of which are beyond our control, are critical for maintaining and enhancing our brand, which may negatively affect our brand if not properly managed. These include our ability to, effectively manage the quality of our products and address customer grievances, increase brand awareness among existing and potential customers, adopt new technologies or adapt our systems to user requirements or emerging industry standards, and protect the intellectual property related to our brands.

Our brands could also be harmed if our services fail to meet the expectation of our customers, if we fail to maintain our established standards or if we become the subject of any negative media coverage. Any allegations of product defects even when false or unfounded, could tarnish the image of our brands and may cause our customers to choose other products. Consequently, product contaminations and defects, consumer complaints or negative publicity or media reports involving us, or any of our products could harm our brand and reputation and may dilute the impact of our branding and marketing initiatives and adversely affect our business and prospects.

In addition, in Fiscals 2022, 2021 and 2020, we launched eight new and innovative products and in the current fiscal itself we have launched the following products under our MCON brand:

MCON CI 300: Corrosion Inhibiting Concrete Admixture - Bipolar corrosion inhibiting admixture in liquid form for reinforced concrete and mortar.

MCON EPOXY SBA: Epoxy Adhesive for Segmental Bridge – This is a solvent free thixotropic two-part epoxy adhesive for bonding prefabricated concrete bridge segments.

MCON 2K EPOXY PRIMER: Epoxy Primer - This is a two component, epoxy-based primer is suitable for priming concrete / metal surfaces, including walls, prior to the application of any epoxy flooring, epoxy coating and epoxy repair mortar.

There can be no assurance that these brands will gain market acceptance or meet the requirements of our customers seeking premium products. The success of our new products and brands depends on our ability to effectively execute marketing initiatives to deepen the presence of our brands and differentiate ourselves from competition. Our marketing and business promotion efforts may be costly and may fail to effectively

enhance our brand or generate additional revenues. Our failure to develop, maintain and enhance our brand may result in decreased revenue and loss of customers, and in turn adversely affect our business, financial condition and results of operations.

4. ***Our business is subject to seasonal variations and cyclicality that could result in fluctuations in our results of operations.***

The Indian construction industry is cyclical and seasonal in nature. In recent years, modern building materials and chemicals prices and profitability of its manufacturers have fluctuated significantly in India, determined by overall supply and demand. A number of factors influence supply and demand for modern building materials and chemicals, including production capacity, general economic conditions, in particular activity levels in certain key sectors such as housing and construction, our competitors' actions and local, state and central government policies, which in turn affect the prices and margins that we and other modern building materials and chemical manufacturers can realise. To the extent it does, our business and results of operations may be materially and adversely impacted. Our business is subject to seasonal variations on account of lower demand for modern building materials and chemicals during the monsoon season. Consequently, our revenues recorded during the months of June to September could be relatively lower compared to other periods. During the monsoon season, construction activity is curtailed and we may continue to incur operating expenses, but our revenue from the sale of our products may be delayed or reduced. We utilise this period of subdued demand to plan the annual shutdown and maintenance of our manufacturing units in order to improve efficiency during peak periods. However, as a result of such fluctuations, our sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance. The level of construction activity in local and national markets is inherently cyclical, being influenced by a wide variety of factors including global and national economic circumstances, governments' ability to fund infrastructure projects, consumer sentiment and other factors beyond our control. As a result, any adverse developments in such industries could adversely affect our business and results of operations.

5. ***The modern building materials and chemicals industry is capital intensive, and we may need to seek additional financing to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows.***

The modern building materials and chemicals industry is capital intensive. We require a substantial amount of capital to build and maintain our manufacturing units, purchase equipment and develop and implement new technologies in our manufacturing facilities. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks and financial institutions.

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, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

6. ***We will continue to depend on our distribution network for the sale and distribution of our products. Any disruption in our distribution network will adversely affect our business and results of operations.***

We distribute our products through our distribution network. Our future growth depends on expanding our sales and distribution network to enter new markets and regions in India, and through different sales and distribution channels. Our orders for sales to dealers are typically placed on a regular basis, the terms of which may be modified in case of any price changes, and such dealers place orders for products based on prices, availability and the quality of products offered. As a result, we rely and will continue to rely to a significant extent on the relationships we have with our dealers. Further, as our authorised dealers have day-to-day contact with customers, we are exposed to the risk of our dealers failing to adhere to the standards set for them in respect of sales and after-sales service, which in turn could affect our customers' perception of our brand and products. In addition, if our competitors provide better commissions or incentives to our dealers, it could result in them favoring the products of other modern building materials and chemicals

manufacturers including our direct competitors. Further, our competitors may have exclusive arrangements with their dealers who may be unable to stock and distribute our products, which may limit our ability to expand our distribution network. Our ability to grow and expand our product reach significantly depends on the reach and effective management of our distribution network. In the event we fail to engage adequate dealers, or fail to establish relationships with new dealers, our sales volumes may be affected which will have an adverse effect on our business and results of operation.

7. ***Unsecured loan taken by our Company from our Promoter, Mahesh Ravji Bhanushali and Directors, Chetan Ravji Bhanushali and Puja Mahesh Bhanushali can be recalled at any time.***

As on October 31, 2022, unsecured loan taken by our Company stood at ₹ 79.88 Lakhs. The unsecured loan taken by our Company from our Promoter, Mahesh Ravji Bhanushali and Directors, Chetan Ravji Bhanushali and Puja Mahesh Bhanushali may be recalled at any time. For further details, see "*Financial Indebtedness*" beginning on page 212. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. We may not have adequate working capital to meet business requirements of our Company, and, as a result, any such demand by the lenders may affect our business, cash flows, financial condition and results of operations. Further, in respect of such unsecured loan, no proper agreement has been executed between the parties.

8. ***Our inability to collect receivables and default in payment from our dealers or customers could result in reduced profits and affect our cash flows.***

In our modern building materials and chemical sales through dealers, we strive to operate on advance and secured payment terms for the non-trade segment. For our trade segment, payments are secured with dealer deposits, and any outstanding amount over the dealer deposit will be assigned for recovery. However, there is no guarantee that our dealers will not default on their payments. Our inability to collect receivables from our dealer and customers in a timely manner or at all, could adversely affect our working capital cycle and cash flow. Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements. Any such increase in our receivable turnover days will negatively affect our business.

9. ***The introduction of substitutes for modern building materials and chemicals in the markets in which we operate and the development of new construction techniques could have an adverse effect on our business, results of operations and financial condition.***

Various alternative materials such as plastic, aluminium, glass, wood and steel can be used in construction as substitutes. In addition, other construction techniques, such as the use of dry wall, could decrease the demand for our products. Further, new construction techniques and modern materials may be introduced in the future. The increase in use of substitutes for modern building materials and chemicals could cause a significant reduction in the demand and prices for our modern building materials and chemicals products and have an adverse effect on our business, results of operations and financial condition.

10. ***Changes in technology may affect our business by making our manufacturing facilities less competitive.***

Our business is continually changing due to technological advances and scientific discoveries. Our profitability and competitiveness are in large part dependent on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in technology may make newer generation manufacturing equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our manufacturing facilities. Although we strive to maintain and upgrade our technologies, facilities and machinery consistent with current national standards, the technologies, facilities and machinery we currently use may become obsolete. We need to continue to invest in new and more advanced technologies and equipment to enable us to respond to emerging industry standards and practices in a cost-effective and timely manner that is competitive with other modern building material companies and other methods of manufacturing. The development and implementation of such technology entails technical and business risks. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to customer requirements or emerging industry standards. If we are unable to adapt in a timely manner to changing

market conditions, customer requirements or technological changes, our business and financial performance could be adversely affected.

Further, materials such as plastic, aluminium, glass, wood and steel can be used in construction to substitutes. In addition, other construction techniques, such as the use of dry wall, could decrease the demand for our products. Further, new construction techniques and modern materials may be introduced in the future. The increase in use of substitutes could cause a significant reduction in the demand and prices for our products and have an adverse effect.

11. ***The success and wide acceptability of our products is largely dependent upon certain quality accreditations which are valid for a limited time period and to maintain an effective quality control system. An inability to ensure the renewal of these quality accreditations in a timely manner or at all may adversely affect our business prospects and financial performance.***

Our business requires obtaining and maintaining quality certifications and accreditations from independent certification entities. We have obtained certifications viz. ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) for manufacture and supply of construction & water proofing chemicals and paints in respect of our Unit I. We have also obtained IS 15477:2019 for Adhesive for use with ceramic, mosaic and stone tiles and IS 2645:2003 for Integral waterproofing compounds for cement, mortar and concrete. Further, we have obtained the Certificate of Compliance for our products, MCON Mortar, MCON NSA Grey Gold, MCON NSA Grey No Limit, MCON NSA White, MCON NSA White Gold, MCON NSA White No Limit and MCON LW, identified by the symbol "CE". Such specifications and standards of quality are an important factor in the success and wide acceptability of our products. If we fail to comply with 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, within time or at all, our business prospects and financial performance will be materially and adversely affected.

The quality of our products is critical to the success of our business, and quality depends on the effectiveness of our quality control system, which, in turn, depends on a number of factors, including the design of our system, our quality control training program, and the implementation and application of our quality control policies and guidelines. Any significant failure or deterioration of our quality control system could result in defective or sub- standard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products. As a result, our reputation, business, results of operations and financial condition could be materially and adversely affected.

12. ***Information relating to the installed production capacity and capacity utilisation of our manufacturing facilities included in this Draft Prospectus are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the installed production capacity and capacity utilisation of our manufacturing facilities included in this Draft Prospectus are based on various assumptions and estimates of our management in the calculation of the installed production capacity, actual production and capacity utilisation of our manufacturing units. These assumptions and estimates include the standard capacity calculation practice, grinding capacity and other ancillary equipment installed at the plant and the calculations and explanations provided by our management. While such assumptions and estimates may have been based on conservative calculations, actual production capacity, production levels and utilisation rates may still vary from the information included in this Draft Prospectus or from the historical installed production capacity information of our manufacturing units depending on the product type. Undue reliance should therefore not be placed on our historical installed capacity, actual production and capacity utilisation for our existing manufacturing facilities included in this Draft Prospectus. For further details, see "*Our Business - Capacity and Capacity Utilisation*" on page 130.

13. ***Our Company has not entered into long-term agreements for the supply of raw materials with our suppliers. We are subject to uncertainties in the supply of raw materials and there is no assurance that our suppliers will continue to sell raw materials to us as per our requirements. This could impact the business and financial performance of our Company.***

Cement, sand and certain chemicals are some of raw materials used by us for manufacturing our modern building materials and chemical products. Our practice has been to place orders considering the demand-supply position which is also an industry practice. As a result, our suppliers can terminate their relationships

with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in the supply of raw materials. Our suppliers are under no obligation to accept our orders and may also cancel, reduce or delay orders. The orders placed by us are dependent on factors such as demand for our Company's products, customer's inventory management, amongst others. Our suppliers in turn are also dependent on factors such as fluctuation in demand, supplier's inventory management and pricing amongst others.

Although, we lay strong emphasis on quality, timely delivery of raw materials and personal interaction by our senior management with suppliers, any change in the price of raw materials and preference of suppliers can adversely affect the business and the profitability of our Company.

14. ***We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims.***

We own and registered trade mark and of our brand under the Trade mark Act, 1999. respectively all are marked for examination and we may face possible objections from third parties and potential rejection from the trademarks authority with respect to some of our applications. Our Company has filed ten (10) new trademark applications for registration of trademarks including our brand names such as "MCON- Maarvel" "MCON LW ", "MCON MAGIC COAT" , "MCON SUPER HACK" , "MCON SUPER TUFF ", "MCON HARD FLOOR (NON-METALLIC)", "MCON TOPFLOOR, "MCON NSG 60", "Trusted Partner in Construction Chemicals" out of which the trademark registry have objected three (3) trademarks and rest of the trademarks are pending for hearing. There can be no assurance that we will be able to successfully obtain or renew our registration in a timely manner or at all, which may affect our ability to use the brand in the future. We may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted.

The measures we take to protect our intellectual property include relying on Indian laws and initiating legal proceedings, which may not be adequate to prevent unauthorised use of our intellectual property by third parties. We may also incur significant costs in connection with legal actions relating to such rights. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations and financial condition. Our failure to detect counterfeiting or imitation of our own brand products and trademarks and to mitigate the adverse impact from such counterfeiting and imitation could result in a decrease in our sales volume or market share.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Any of the foregoing could have an adverse effect on our business, results of operations and financial condition.

15. ***If we are unable to successfully implement our proposed expansion plans, our results of operations and financial condition could be adversely affected.***

We continue to seek to increase the supply of our modern building materials and construction chemicals and strengthen our position in the industry. We have already acquired land at Ambethi, Valsad, Gujarat and construction of the new unit is in full swing. We plan to develop two manufacturing lines dedicated to manufacture our entire range of Powder and Liquid products.

The expansion of our existing capacity would involve risks, including risks associated with the timely completion of the expansion, and our failure to adequately manage these risks notwithstanding our operational and financial systems, procedures and controls could have a material adverse effect on our business, financial condition, results of operations and prospects. Factors that could affect our ability to complete the expansion on time, include completing the expansion / civil construction, receiving the machineries of desired quality and on the scheduled time, a decline in demand for our products and general

economic conditions. We may have to revise our schedule of implementation and completion of these expansion projects on account of a various factors including delay in the Issue process, market conditions, negotiation with suppliers and other external factors. This may entail rescheduling of implementation of these proposed expansion projects.

Our expansion plans and business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to attract, expand, train, motivate, retain and manage our workforce.

We cannot assure you that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Any of these factors may cause us to delay, modify or forego some or all aspects of our expansion plans. Further, there can be no assurance that we will be able to execute our strategies on time and within the budget estimated by our Company.

16. ***We have substantial working capital requirements. Our inability to obtain and / or maintain sufficient cash flow, credit facilities and other sources of funding in a timely manner to meet our requirements of working capital or payment of our debts, could adversely affect our operations.***

Our business requires significant amount of working capital. We require significant amount of our working capital for purchasing key raw materials. Though, presently we have sanctioned working capital limits from the existing lenders and our Objects of the Issue is to meet our future working capital requirements, we may need additional debt in the future to satisfy our working capital needs.

The working capital requirement for Financial Year 2023 is estimated at ₹ 895.47 lakhs. An amount of ₹ 400 lakhs towards working capital requirements will be funded out of the Issue Proceeds, whereas the balance, if any, would be arranged from our internal accruals and/or loan funds. For further details, please see "*Objects of the Issue*" beginning on page 74 of this Draft Prospectus.

We strive to maintain strong relationships with banks and non-banking financial institutions to increase our financing flexibility. Our credit profile often enables us to obtain financing on favourable terms from financial institutions. However, we cannot assure you that our relationships with lenders will not change or that lenders will continue lending practices we are familiar with. Our lenders may implement new credit policies, adopt new pre-qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs, or prevent us from obtaining financings totally. As a result, our manufacturing process may be subject to significant delays and cost overruns, and our business, financial condition and results of operations may be materially and adversely affected. For further details on provisions made for bad debts, see the "*Restated Financial Statements*" beginning on page 74 of this Draft Prospectus. All of these factors may result in an increase in the amount of our receivables and short-term borrowings and the continued increase in working capital requirements may have an adverse effect on our financial condition and results of operations.

17. ***The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time on account of various factors such as our financial and market condition, business and strategy, which may not be within the control of our management. Our estimates may exceed the value and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the Objects of the Issue is entirely at the discretion of our management. However, monitoring the utilisation of the Net Proceeds and the Board after consideration and approval by the Audit Committee will disclose the utilisation of Net Proceeds under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilized. Our Company will issue a disclosure to the Stock Exchanges on a half-yearly basis, deviations, if any, in the Use of Proceeds of the Issue as per Objects of the Issue stated in this Draft Prospectus or by way of an explanatory statement to the notice for a general meeting.

18. ***In the event we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected.***

Our operations are subject to extensive government regulations and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business. While we have not obtained certain approvals required for manufacturing operations at our manufacturing unit located at Chikli, Navsari. For further details, see "*Government and Other Approvals*" on page 229. Further, we may need to apply for more approvals, including the renewal of approvals which may expire from time to time, and approvals in the ordinary course of business. Any inability to renew these approvals may have an adverse effect on our operations. We cannot assure you that such approvals will be issued or granted to us, or at all. If we fail to obtain or retain any of these approvals or licenses or renewals thereof, in a timely manner or at all, our business may be adversely affected.

The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer disruption in our operations, any of which could adversely affect our business.

19. ***Our manufacturing units are situated in Sarigam, Valsad and Chikli, Navsari in state of Gujarat and our operations may be affected by various factors associated with the region where we operate.***

Our manufacturing units are located at Sarigam, Valsad and Chikli, Navsari in state of Gujarat. Since we have our manufacturing units in western India, we are subjected to various risks, including but not limited to the following risks:

- economic slowdown in western India;
- regional natural disasters;
- vulnerability to change of policies, laws and regulations or the political and economic environment of western India;
- constraints on our ability to diversify across states; and
- perception by our potential clients, that we are a regional modern building materials and construction chemicals manufacturing company, which hampers us from competing against other large modern building materials and construction chemicals manufacturing companies at a national level.

Since our manufacturing operations are concentrated in Gujarat, any political disruptions, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our manufacturing units. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting the western states of Maharashtra, Gujarat, Madhya Pradesh and other geographically contiguous states.

20. ***We have experienced negative cash flows in the past and may continue to do so in the future and the same may adversely affect our cash flow requirements, which in turn may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

We have experienced negative net cash flows from operating, investing and financing activities in the past and may continue to experience such negative operating cash flows in the future. The following table sets forth certain information relating to our cash flows on a restated basis for the periods indicated:

(₹ in lakhs)

Particulars	For three months period ended June 30, 2022	FY 2022	FY 2021	FY 2020
Net cash (used in)/	33.39	(195.83)	(1.68)	(56.85)

Particulars	For three months period ended June 30, 2022	FY 2022	FY 2021	FY 2020
generated from operating activities				
Net cash generated from/ (used in) Investing Activities	(27.33)	(149.38)	(29.45)	(10.92)
Net cash generated from/ (used in) Financing Activities	(4.10)	348.56	34.01	62.73

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see "*Restated Financial Statements*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" beginning on pages 161 and 214, respectively.

21. ***Conflict of interest may arise out of common business objects shared by our Company and our Promoter group entity which may lead to real or potential conflicts of interest with our business.***

Our Promoter group entity, namely M/s. R.K Traders is in the business of trading in modern building materials and construction chemicals. Our Company manufactures modern building materials and construction chemicals. Though, presently, our Promoter group entity, namely M/s. R.K Traders deals into these modern building materials and construction chemicals manufactured by our Company, we cannot assure you that our Promoter group entity, will not compete with our existing business or any future business that we may undertake or that its interests will not conflict with ours. Further, in cases of conflict, there can be no assurance that our Promoter or Directors will not favour any of their interests in such other business. Any such future conflict, or situations where our Promoter or Directors decide to divert opportunities or conduct business through their other business interests, could have a material adverse effect on our business, reputation, results of operations, financial condition, and cash flows.

22. ***Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.***

Our Company has entered into related party transactions with our Promoter and Promoter Group Entities in the past. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per Ind AS 24, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

23. ***Our agreements with banks and financial institutions for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.***

We have entered into agreements for short term and long-term borrowings with certain banks and financial institutions. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as to obtain either the prior written consent of such financial institutions or require us to give prior written intimation to such lenders, prior to, amongst other circumstances, prepayment of the outstanding principal amounts of the facilities availed by our Company; any amalgamation, demerger, merger, acquisition, corporate or debt restructuring; undertake any project, implementation of any scheme of expansion/ diversification or capital expenditure; invest by way of share capital or lend/ advance funds or place deposits with any other entity; undertake any guarantee obligation on behalf of any other company; any change in the constitution or remuneration of management, control, ownership, shareholding pattern, capital structure, profit sharing and/or management of our Company; and declaration or payment of dividend. Our ability to execute business plans, including our ability to obtain additional financing on terms and conditions acceptable to us, could be negatively impacted as a result of these restrictions and limitations. In the event of breach of a restrictive covenant, our lender could deem us

to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew borrowings as needed for the smooth conduct of our operations and pursue our growth initiatives. Although we have received consent from our lender for the Issue, we cannot assure you that we will be able to receive such consents in future for other growth plans. For further details, see '*Financial Indebtedness*' beginning on page 212.

24. ***Our Promoter and some of our Directors have provided personal guarantees for our loans and any failure or default by us to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations, which may adversely affect our Promoters' ability to manage our affairs.***

Our Company has availed loans and facilities in the ordinary course of its business for inter alia meeting working capital, capital expenditure and other business requirements. Our Promoter and some of our Directors has given personal guarantees in relation to certain of our loans. For further details of our borrowings, please see "*Financial Indebtedness*" on page 212. Our Promoter and Directors may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoter or our Directors may be invoked, which could negatively impact the reputation and net worth of our Promoter and Directors. In addition, our Promoter may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Furthermore, in the event that our Promoter 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. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

25. ***We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our growth and operations.***

We may require additional funds in connection with future business expansion and development initiatives. In addition to the net proceeds of this Issue and our internal accruals, we may need other sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions. If we decide to raise additional funds through the issuance of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financing could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our future growth and operations.

26. ***There are outstanding legal proceedings involving our Company which may adversely affect our business, financial condition and results of operations.***

There are proceedings pending at different levels of adjudication before various courts, enquiry officers and appellate forums. Such proceedings could divert management's time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings involving our Company as disclosed in this Draft Prospectus, to the extent quantifiable, have been set out below:

(₹ in lakhs)

Sr. No	Nameof Entity	Criminal proceedings	Tax Proceedings	Statutory/ Regulatory Proceedings	Disciplinary action by the SEBI or stock exchange against our Promoter	Material civil litigation	Aggregate amount involved*
1.	**Company**						
	By the company	1	Nil	Nil	Nil	Nil	4.72

Sr. No	Nameof Entity	Criminal proceedings	Tax Proceedings	Statutory/ Regulatory Proceedings	Disciplinary action by the SEBI or stock exchange against our Promoter	Material civil litigation	Aggregate amount involved*
	Against the Company	Nil	8	Nil	Nil	Nil	0.36
2.	**Directors**						
	By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Directors	Nil	10	Nil	Nil	Nil	0.38
3.	**Promoter**						
	By the promoter	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Promoter	Nil	1	Nil	Nil	Nil	0.13

**To the extent quantifiable*

Orders passed in such proceedings adverse to our interests may affect our reputation and standing and may have a material adverse effect on our business, results of operations and financial condition. For further details, please see "*Outstanding Litigation and Material Developments*" beginning on page 225 of this Draft Prospectus.

27. ***Developments in the competitive environment in the modern building materials and construction chemicals industry, such as consolidation among our competitors, could have a material adverse effect on our competitive position and hence our business, financial condition, results of operations or prospects.***

We believe that the key competitive factors affecting our business include product quality, capacity creation and utilization, workforce skill and productivity, operating costs, pricing power with our buyers, access to funding, the degree of regulation and access to a regular supply of raw materials. We cannot assure prospective investors that we will be able to compete effectively against our current or emerging competitors with respect to each of these key competitive factors. In the past, there have been instances of consolidation among our competitors. Competition from modern building materials and construction chemicals manufactures with expanded production capacities and new market entrants could result in significant price competition, declining margins and a reduction in revenue. For example, these companies may be able to negotiate preferential prices for certain products or receive discounted prices for bulk purchases of certain raw materials that may not be available to us.

Further, changes in India's debt restructuring and insolvency laws, including the Insolvency and Bankruptcy Code, 2016, has led to consolidation among our competitors. In addition, our competitors may have lower leverage and/ or access to cheaper sources of funding. Larger competitors may also use their resources, which may be greater than ours, against us in a variety of ways, including by making additional acquisitions, investing more aggressively in product development and capacity and displacing demand for our products. The market is still highly fragmented, and if the trend towards consolidation continues, we could be placed in a disadvantageous competitive position relative to other plastic product producers and our business, results of operations, financial condition and prospects could be materially and adversely affected. In addition, a variety of known and unknown events could have a material adverse impact on our ability to compete.

28. ***Our success largely depends upon the services of our senior management and other Key Managerial Personnel (KMP) and our ability to attract and retain them. Demand for senior management personnel in the industry is intense and our inability to attract and retain our KMP may affect the operations of our Company.***

Our Key Managerial Personnel have substantially contributed for our growth. Our success is substantially

dependent on the expertise and services of our Directors and Key Managerial Personnel. They provide expertise which enables us to take well informed decisions in relation to our business and prepare our Company for future challenges. Our future performance will depend upon the continued services of these persons. Demand for senior management personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

29. ***We do not own the land on which our manufacturing unit at Sarigam, Valsad and Chikli, Navsari in state of Gujarat have been set-up. Any revocation or adverse changes in the terms of the lease may have an adverse effect on our business, prospects, results of operations and financial condition.***

We have entered into lease/leave and license agreements with GIDC, Sarigam and a private land owner at Chikli, Navsari for our manufacturing units in state of Gujarat. Though our lease agreement with GIDC-Sarigam is on a long-term basis and is subject to us complying with its terms and conditions, in the event of GIDC, Sarigam revoking the lease agreements or imposing terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition. Post our expansion plans for the new unit at Ambethi, Valsad, Gujarat, we will cease operations at the Chikli, Navsari manufacturing unit.

For further details, see the section titled "*Our Business — Immovable Property*" on page 134.

30. ***Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/ or surplus of products, which could harm our business.***

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we make production decisions well in advance of sales. An inaccurate forecast of demand for any product can result in the unavailability/surplus of our products. This unavailability of our products in high demand may depress sales volumes and adversely affect customer relationships. Conversely, an inaccurate forecast can also result in an over-supply of our products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

31. ***Our inability to respond adequately to increased competition may adversely affect our business, financial condition and results of operations.***

We face competition from various domestic manufacturers and dealers. Competition emerges from organised as well as unorganised players in the modern building materials and chemicals industry. The organised players in the industry compete with each other by providing high quality, consistent and time bound products, customization and innovation. We have a number of competitors offering products similar to us. We ensure the product quality, timely delivery, product innovation, customization in products which helps us to maintain strong relationship with our customers which in turn provides edge over our competitors. We intend to continue competing vigorously to increase our market reach and sales volumes to manage our growth in an optimal way. Certain of our competitors may have better access to financial resources, technology, research and development capability, market reach and operations in different geographies and diversified product portfolios, which may allow them to better, respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects. For further details, please see "*Our Business - Competition*" on page 132.

32. ***In the event of any accident at our manufacturing units, our Company may be held liable for damages and penalties which may impact the financials of our Company.***

Any mishandling of our equipment and machineries by our employees/ labour could also lead to serious and sometimes fatal accidents. These accidents can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of

operations and the imposition of civil and criminal liabilities. We have taken group mediclaim policy covering our employees. While we believe that the insurance coverage maintained by us would be reasonably adequate to cover the normal risks associated with such accidents, to the extent that we suffer loss or damage for accidents for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us. Such accidents have the potential to adversely impact our financial position, our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance.

For further details, see the section titled "*Our Business — Insurance*" on page 133.

33. ***Our inability to continue to obtain equipment and ancillary services from our key suppliers could affect our business and results of operations.***

We are depend on third-party suppliers, vendors and other partners to provide the necessary equipment and services that we will need for our continuing operations. We cannot assure you that we will be able to continue to obtain equipment on commercially acceptable terms, or at all, or that our suppliers, vendors and partners will continue to enter into or honour the contracts for their services. Our inability to continue to obtain equipment and enter into contracts with our vendors in a timely manner, or at all, could adversely affect our business and results of operations.

34. ***Modern building materials and construction chemicals is a labour intensive industry, hence we may face labour disruptions and other planned and unplanned outages that could interfere or temporarily disrupt our operations.***

Our Company's activities are labour intensive. Strikes and other labour action may have an adverse impact on our operations, though we have not experienced any such labour disruption in the past. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Any such event could disrupt our operations either temporarily or for a significant period of time, resulting in increased wages and other costs leading to a material adverse effect on our business, results of operations or financial condition. For further details, please see "*Our Business – Manpower"* on page 132 of this Draft Prospectus.

35. ***Any reduction in the demand for our products could lead to underutilization of our manufacturing capacity. We may also face surplus production of a particular product due to various reasons including inaccurate forecasting of customer requirements, which could adversely affect our business, results of operations, financial condition and cash flows.***

We face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies which may result in reduced quantities being manufactured by us. Cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by us) by customers could adversely affect our results of operations by reducing our sales volume leading to a reduced utilization of our existing manufacturing capacity.

Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variation in demand for certain types of product also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization.

Therefore, there could be a significant difference in the installed capacity and the production of our products due to the variety of products that we manufacture. Certain products require lesser process time whereas certain products require more process time in the same manufacturing set-out that we have installed. Therefore, the information provided in this Draft Prospectus on installed capacities and the data on actual production may differ significantly.

Further, our installed capacity of manufacturing units is the maximum productive capacity according to the manufacturers' specification of machines / equipment whereas, our licensed capacity is the approved production capacity of our manufacturing units by pollution control authorities. Our utilised capacity signifies the volume of production achieved in relation to installed capacity.

If we are unable to utilise optimum level of our installed capacity of our manufacturing units in the future this could affect our cost and profitability and thereby adversely affect the financial condition of our Company. For further details of our production and capacity utilization, see, "*Our Business - Capacity and Capacity Utilization*" on page 130. Any under utilization of our manufacturing units could adversely affect our business, results of operations, financial condition and cash flows.

36. ***Prolonged stoppage of operations, including due to breakdown of machinery at our manufacturing facilities, blending units or grinding units, adverse weather conditions or industrial accidents may have a material adverse effect on our business, financial condition and results of operations.***

Our manufacturing facilities are subject to various operating risks, such as the breakdown or failure of equipment, disruptions in power supply, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes and lock-outs, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Additionally, we may be required to carry out planned shutdowns of our plants for maintenance, statutory inspections and testing, capacity expansion and equipment upgrades. The occurrence of any of these events and particularly, any significant malfunction or breakdown of our machinery, could significantly affect our operating results. Long periods of business disruption could also result in a loss of customers.

Our inability to effectively respond to adverse events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilisation of our manufacturing facilities which in turn may have an adverse effect on our business, results of operations and financial condition. Any prolonged shutdown of our units will significantly impact our operations.

37. ***Our Company provides transportation of its products by utilising third party fleet of commercial vehicles. Any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations***.

Though, our business has not experienced any disruptions due to transportation in the past, any disruptions in transportation may have an adverse effect on the supplies from our suppliers and deliveries to our customers. These transportation facilities may not be adequate to support our existing and future operations. In addition, raw materials and products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and results of operation. An increase in the freight costs or unavailability of third party providers for transportation may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair the supply raw materials to our Units and our products to our customers. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

38. ***Our business and profitability will suffer if we fail to anticipate rapid changes in customer preferences and the industry on which we focus.***

To compete successfully in the industry, we must be able to identify and respond to changing demands and preferences, as well as operate within substantial production and delivery constraints. Changes in product mix impacts our sales and our gross margins. We cannot assure you that our products will always gain buyer acceptance and we will always be able to achieve competitive products to meet customer expectations. Failure to identify and respond to changes in consumer preferences could, among other things, limit our ability to differentiate our products, adversely affect consumer acceptance of our products, and lower sales and gross margins. Further, products that are developed by our competitors may render our offerings uncompetitive or force us to reduce prices, thereby adversely affecting our margins. Any of these factors could have a material adverse effect on our business and results of operations.

39. ***We are exposed to the risks of significant breaches of data security, and malfunctions or disruptions of information technology systems.***

We use "Tally" system which assists us with various business functions including sales, distribution, materials management, warehouse management and finance across all our offices and manufacturing units. We also use Spine HR for human resources management across our offices and manufacturing units. Although we carry out periodic security checks, these systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. Though there have been no instances of security breaches in the past, inability to prevent such data security breaches in future could lead to the loss of trade secrets and the data related to our products and other proprietary information could be compromised. These systems are also susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

For further details, please see "*Related Party Transactions" under section titled "Restated Financial Statement*" beginning on page 161.

40. ***Our Promoter and Promoter Group will continue to retain significant control in our Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.***

After the completion of this Issue, our Promoter and Promoter Group will continue to hold significant shareholding in our Company. As a result, our Promoter and Promoter Group will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoter and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoter and Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoter and Promoter Group will act to resolve any conflicts of interest in our favour. If our Promoter and Promoter Group sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoter will not be sold any time after the Issue, which could cause the price of the Equity Shares to decline. For further details, please see "*Capital Structure*" beginning on page 62.

41. ***The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.***

In late calendar 2019, COVID-19, commonly known as "novel coronavirus" was first reported in Wuhan, China. Since then the virus has progressively spread globally to many countries. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorised the outbreak as a pandemic on March 11, 2020. In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, certain restrictions were relaxed from June 8, 2020 and continue to be relaxed till date in a phased manner by both the Central and State Governments. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, manufacturing units of essential commodities like us were permitted to be functional. During the initial stages of the lockdown we faced limited availability of labour, supply chain constraints and logistical problems, thereby causing our

manufacturing units to operate at a sub-optimal capacity in the first quarter of FY 2021. We also faced limitation on transportation of our products from our manufacturing units and the operation of our offices were also adversely affected amidst the lockdown and public transport restrictions. There is no certainty if additional restrictions will be put back in place or if another lockdown would be imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations. Further, our ability to ensure the safety of our workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire manufacturing facility or our offices, as may be necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, offices, loss of life, injuries and impact the well-being of our employees.

The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in Western India, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition.

42. ***Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements.***

The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends. For further details on payment of dividend by our Company, please see "*Dividend Policy*" beginning on page 160.

43. ***Our insurance cover may not adequately protect us against all material hazards and accidents.***

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. Our operations are subject to various risks in the manufacturing industry. Accordingly, we maintain insurance policies for our manufacturing units, offices, buildings, plant and machinery, electrical installation, and stocks due to fire and other perils. Further, we have also maintained fire and burglary policy for our raw material, semi-finished goods and finished goods stored at our manufacturing units. We have also maintained insurance policies for our vehicles.

As on June 30, 2022, we maintain an insurance coverage of ₹ 200 lakhs representing 33% of our total net tangible assets and inventories. Further, our insurance policies may not be sufficient to cover the economic loss that we may have to suffer due to an unfortunate incident. 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 events for which we are not insured or for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us, and as a result, our results of operations and financial condition could be adversely affected. For further details, see the section titled "*Our Business — Insurance*" on page 133.

44. ***Any variation in the utilisation of our Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval***.

We intend to use the Net Proceeds for various purposes, including but not limited to, (i) working capital requirement; and (ii) general corporate purposes. Further, the Net Proceeds are intended to be utilized by our Company only and none of our Promoter, Directors, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Issue proceeds. The planned use of the Net Proceeds is

based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. For further details, see the section titled "*Objects of the Issue*" on page 74.

45. ***Industry information included in this Draft Prospectus has been derived from an industry report commissioned and paid by Company for such purpose. There can be no assurance that such third party statistical, financial and other Industry Information is either complete or accurate.***

We have availed the services of an independent third-party research agency, CARE Advisory Research and, Training Limited (**CareEdge Research**) to prepare an industry report titled "*Industry Research Report on Construction & Construction Chemicals*" dated June 2022, ("**CareEdge Report**") and has been exclusively commissioned and paid for by our Company in connection with the Issue and for purposes of inclusion of such information in this Draft Prospectus. The CareEdge Report is subject to various limitations and based upon certain assumptions that are subjective in nature including that the CareEdge Report is not based on comprehensive market research of the overall market for all possible situations, and that changes in socio-economic and political conditions could result in a substantially different situation than those presented. We have not independently verified data from these industry reports. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies/peer companies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimate are subject to change, and actual amounts may differ materially from those included in this Draft Prospectus.

46. ***There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

The Issue proceeds are entirely at the discretion of the issuer/management. As per SEBI ICDR Regulations, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the Companies Act, 2013 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

47. ***Our Registered Office is on leave and license basis. Failure to comply with the conditions of the use of such property could results in an adverse impact on our business and operations. Further there can be no assurance that this leave and license agreements will be renewed upon termination or that will be able to obtain other premises on lease on same or similar Commercial terms.***

Our registered office is situated at Office No: 101/A, Maxheal House, Bangur Nagar, Goregaon West Mumbai 400104, Maharashtra. We may not be able to successfully extend or renew such leave and license agreement upon expiration of the current term on commercially reasonable terms or at all and may therefore be forced to relocate our affected operations. This could disrupt our operations and result in relocation expenses, which could adversely affect our business, financial condition, results of operations and cash flows. In addition, we may not be able to locate desirable alternative sites for our operations as our business continues to grow or our leases near their end, and failure in relocating our affected operations could adversely affect our business and operations.

48. ***Our Promoter and certain members of Promoter Group and Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their normal remuneration and reimbursement of expenses.***

Our Promoter and certain members of our Promoter Group and Directors are interested in our Company, in addition to normal remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or their relatives' holding in our Company. Further, other than as disclosed in "*Restated Financial Statements*", "*Our Management*" and "*Our Promoter and Promoter Group*" on pages 161, 142 and 157, there are no other transactions entered into by our Company with our Promoter, Promoter Group, Directors or Key Management Personnel While we believe that all such transactions have been conducted

on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties For further information on the interest of our Directors, Promoter and Key Management Personnel, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" and "*Our Promoter and Promoter Group*" beginning on pages 142 and 157, respectively.

49. ***We have issued Equity Shares during the last one year at a price that may be below the Issue Price.***

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price. For further details, see "*Capital Structure*" on page 62. The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Price Band, Issue Price and the trading price of our Equity Shares after listing.

EXTERNAL RISKS

50. ***The Issue Price, market capitalization to total revenue multiple and price to earnings ratio based on the Issue Price of our Company, may not be indicative of the market price of the Equity Shares on listing or thereafter.*** "

The market price of the Equity Shares, market capitalization to total revenue multiple and price to earnings ratio based on the Issue Price may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

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

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

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

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

India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

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

Our business, results of operations and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. For further details, please see "*Key Regulations and Policies in India*" on page 135.

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

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

The Government of India has notified four labour codes which are yet to completely come into force as on the date of this Draft Prospectus, namely, (i) The Code on Wages, 2019, (ii) The Industrial Relations Code, 2020, (iii) The Code on Social Security, 2020 and (iv) The Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations

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

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

54. ***Financial and geo-political 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. Financial, political turmoil and war in Europe and elsewhere in the world in recent times has affected the Indian economy. Any worldwide financial and geo-political 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 and geo-political issues 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, prospects, financial condition, results of operations and cash flows. 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.

In addition, China is one of India's major trading partners and there are rising concerns of a possible

slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption or geo-political concerns could have a material adverse effect on our business, financial condition and results of operation. 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 a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

55. ***We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.***

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on Stock Exchanges. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- 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;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. For example, our manufacturing facilities are located in western India, hence any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting this region may adversely affect our operations.

56. ***If inflation were to rise further in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.***

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 salaries, and other expenses relevant to our business.

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

Further, the GoI has initiated fiscal 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.

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

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating is Baa3 with a "negative" outlook (Moody's), BBB- with a "stable" outlook (S&P) and BBB- with a "stable" outlook (Fitch). Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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

RISKS RELATING TO THE EQUITY SHARES AND THE ISSUE

59. ***The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares shall be determined by fixed price method. The price is based on numerous factors (For further information, please refer chapter titled "*Basis for Issue Price*" beginning on page 80 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue.

The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

i. quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
ii. changes in revenue or earnings estimates or publication of research reports by analysts;
iii. results of operations that vary from those of our competitors;
iv. speculation in the press or investment community;
v. new laws and governmental regulations applicable to our industry;
vi. future sales of the Equity Shares by our shareholders;
vii. general market conditions; and
viii. domestic and international economic, legal and regulatory factors unrelated to our performance.

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

As disclosed in *"Capital Structure"* on page 62, an aggregate of 20% of the Issue shall be considered as minimum Promoters' Contribution and locked in for a period of eighteen (18) months and the balance Equity Shares held by the Promoter following the Issue will be locked-in for six (6) months from the date of Allotment. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in *"Capital Structure"* on page 62, there is no restriction on disposal of Equity Shares by the

Promoter. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that our Promoter will not sell, pledge or encumber his Equity Shares after the lock-in periods expire. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Issue Price. Sales of Equity Shares by the Promoter could also adversely affect the trading price of our Equity Shares.

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

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax ("STT") was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be 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. Generally, 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.

62. ***Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.***

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

63. ***There is no guarantee that our Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

SECTION III – INTRODUCTION

THE ISSUE

The following table summarises the Issue details of this Draft Prospectus:

Issue of Equity Shares[(1) (2)]	Up to 20,00,000 Equity Shares of face value of ₹ 10 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating up to ₹ [●] lakhs
of which:	
Market Maker Portion Reservation	Issue of [●] Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs
Net Issue to Public[(3)]	Issue of [●] Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs
	of which:
	[●] Equity Shares having face value of ₹10/- each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to Retail Individual Investors
	[●] Equity Shares having face value of ₹10/- each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	45,93,750 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net Proceeds	Please refer "*Objects of the Issue*" on page 74 for further information about the use of the Net Proceeds.

1. *This Issue is being made in terms of Regulation 253(2) of Chapter IX of the SEBI (ICDR) Regulations. For further details, please see "Issue Information" on page 243 of this Draft Prospectus.*
2. *The present Issue has been authorised pursuant to a resolution by our Board of Directors at its meeting dated December 19, 2022 and the Issue by our shareholders by way of has been authorized by a special resolution pursuant to Section 62 (1) (c) of the Companies Act, 2013 at their meeting dated December 19, 2022.*
3. *The allocation is the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:*

a) *Minimum fifty percent to retail individual investors; and*

b) *Remaining to:*

(i) *individual applicants other than retail individual investors; and*

(ii) *other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.*

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.
Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details please see "Issue Structure" beginning on page 249 of this Draft Prospectus.

SUMMARY FINANCIAL INFORMATION

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MCON RASAYAN INDIA LTD
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
CIN: U24304MH2016PTC286140
NOTE A : STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Sr No.	Particulars	Note No.	As At 30th June, 2022 (₹ In Lakhs)	As At 31st March, 2022 (₹ In Lakhs)	As At 31st March, 2021 (₹ In Lakhs)	As At 31st March, 2020 (₹ In Lakhs)
A)	**EQUITY AND LIABILITIES**					
1	**Shareholders' Funds**					
	a) Share Capital	3	150.00	150.00	150.00	101.00
	b) Reserves & Surplus	4	94.76	71.29	28.40	9.72
2	**Non-current liabilities**					
	a) Long Term Borrowings	5	203.89	214.96	140.94	139.99
	b) Deferred tax liabilities (net)		-	-	-	-
	c) Other Long Term Liabilities		-	-	-	-
	d) Long Term Provision	6	20.33	20.38	13.52	9.76
3	**Current liabilities**					
	a) Short Term Borrowings	7	548.44	525.89	205.64	181.62
	b) Trade Payables	8				
	i)Due to Micro, Small and Medium Enterprises		195.15	191.15	94.50	55.00
	ii)Due to others		260.01	199.96	160.45	250.15
	c) Other Current Liabilities	9	51.09	55.10	31.88	27.35
	d) Short-Term Provision	10	27.28	17.58	6.48	1.43
		TOTAL	**1,550.95**	**1,446.31**	**831.81**	**776.02**
B)	**ASSETS**					
1	**Non Current Assets**					
	a) Property, Plant & Equipment and Intangible Assets					
	(i) Property, Plant & Equipment	11	126.78	128.87	129.06	127.01
	(ii) Intangible Assets	11	0.82	0.45	0.05	0.15
	(iii) Capital work-in-progress	11	138.15	116.57	-	-
	(iv) Intangible assets under development		-	-	-	-
	b) Non-Current Investments	12	0.05	0.05	0.05	0.02
	c) Deferred Tax Assets (Net)	13	12.36	11.99	8.17	5.73
	d) Long Term Loans & Advances	14	0.78	0.76	0.17	0.72
	e) Other Non-Currrent Assets .	15	14.09	10.08	8.38	7.90
2	**Current Assets**					
	a) Inventories	16	489.29	432.81	241.49	136.81
	b) Trade Receivables	17	478.88	516.19	361.36	315.25
	c) Cash & Cash Equivalents	18	10.75	8.79	5.43	2.56
	d) Short Term Loans & Advances	19	278.15	217.51	74.85	177.60
	e) Other Current Assets	20	0.84	2.22	2.78	2.25
		TOTAL	**1,550.95**	**1,446.31**	**831.81**	**776.02**

Notes on accounts and statement of accounting policies **1 & 2**

As Per Our Report of Even Date
For DEVANG KUMAR DAND & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No. 135250W

sd/-
(DEVANG KUMAR DAND)
PROPRIETOR
Membership No. 151990

For and on Behalf of the Board
For MCON RASAYAN INDIA LTD.

sd/-
(MAHESH BHANUSHALI)
MANAGING DIRECTOR
DIN: 07585072

sd/-
(NANDAN PRADHAN)
EXECUTIVE DIRECTOR
DIN: 09828134

sd/-
(VEENITA THAKKAR)
CFO

sd/-
(KUNAL BORKAR)
COMPANY SECRETARY

Place: **Mumbai**
Date: **13th December, 2022**

MCON RASAYAN INDIA LTD
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
CIN: U24304MH2016PTC286140
NOTE B : STATEMENT OF PROFIT & LOSS AS RESTATED

Sr. No.	Particulars	Note No.	For the Period ended 30th June, 2022 (₹ In Lakhs)	For the year ended 31st March, 2022 (₹ In Lakhs)	For the year ended 31st March, 2021 (₹ In Lakhs)	For the year ended 31st March, 2020 (₹ In Lakhs)
1	Revenue from Operations (Gross)	21	654.21	1,921.65	897.77	896.62
2	Other Income	22	0.07	0.71	2.01	0.33
3	**Total Revenue (1+2)**		**654.28**	**1,922.36**	**899.78**	**896.95**
4	**Expenses :**					
	Cost of Material Consumed	23	362.78	1,114.32	441.95	423.66
	Changes in Inventories of Manufactured Goods	24	(12.46)	(133.38)	(51.87)	(23.67)
	Employee Benefit Expenses	25	73.06	226.23	149.48	161.46
	Finance Costs	26	15.58	44.21	39.93	31.20
	Depreciation and Amortization expense	11	7.54	32.55	27.76	31.28
	Other Expenses	27	175.99	578.60	267.25	267.81
	Total Expenses		**622.49**	**1,862.53**	**874.50**	**891.74**
5	**Profit/(Loss) before Taxation**		31.79	59.83	25.28	5.21
6	**Tax Expense/ (benefit)**					
	(a) Current Tax Expense		8.69	19.26	9.03	4.80
	(b) Deferred Tax		(0.37)	(3.83)	(2.43)	(3.20)
	Net tax expense / (benefit)		8.32	15.43	6.60	1.60
7	Profit/(Loss) for the year		23.47	44.40	18.68	3.61
8	Earnings Per Share (of Rs. 10/- each):					
	Basic		1.56	2.96	1.25	0.32
	Diluted		1.56	2.96	1.25	0.32
Notes on accounts and statement of accounting policies		**1 & 2**				

As Per Our Report of Even Date
For DEVANG KUMAR DAND & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No. 135250W

sd/-
(DEVANG KUMAR DAND)
PROPRIETOR
Membership No. 151990

For and on Behalf of the Board
For MCON RASAYAN INDIA LTD.

sd/-
(MAHESH BHANUSHALI)
MANAGING DIRECTOR
DIN: 07585072

sd/-
(NANDAN PRADHAN)
EXECUTIVE DIRECTOR
DIN: 09828134

sd/-
(VEENITA THAKKAR)
CFO

sd/-
(KUNAL BORKAR)
COMPANY SECRETARY

Place: **Mumbai**
Date: **13th December, 2022**

MCON RASAYAN INDIA LIMITED
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTE C : STATEMENT OF CASH FLOW AS RESTATED

Particulars	As at 30th June, 2022 (₹ In Lakhs)	As at 31st March, 2022 (₹ In Lakhs)	As at 31st March, 2021 (₹ In Lakhs)	As at 31st March, 2020 (₹ In Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Net Loss) before taxation and extraordinary items:	31.79	59.83	25.28	5.21
Adjustments for:				
Depreciation	7.54	32.55	27.76	31.28
Provision for Gratuity	(0.02)	7.41	3.77	5.13
Finance Charges	15.58	44.21	39.93	31.20
Interest Received	(0.07)	(0.27)	(0.27)	(0.10)
Dividend Received	-	-	-	-
Gain on Sale of Fixed Assets	-	0.30	-	-
Cash generated from operations before Working Capital Changes	**54.82**	**144.03**	**96.47**	**72.72**
Adjustments for:				
Changes in Trade and Other Receivables	37.31	(154.83)	(46.11)	301.84
Changes in Trade and Other Payables	64.05	136.16	(50.20)	(240.11)
Changes in Inventories	(56.48)	(191.32)	(104.68)	(46.13)
Changes in Other Current Assets	(59.26)	(142.10)	102.22	(150.78)
Changes in Current Liabilities and Provisions	(4.01)	23.22	4.53	12.36
Changes in Non-Current Assets	(4.01)	(1.70)	(0.48)	(3.00)
Changes in Long Term Loans, Advances & Deposits	(0.02)	(0.59)	0.55	3.80
Cash generated from/(used in) Operations	**32.41**	**(187.13)**	**2.30**	**(49.27)**
Income Taxes paid (net)	0.98	(8.70)	(3.98)	(7.58)
Net Cash Flow from /(used in) Operating Activities	**33.39**	**(195.83)**	**(1.68)**	**(56.85)**
B. CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES				
Purchase of Fixed Assets	(27.40)	(150.24)	(29.72)	(11.89)
Sale of Fixed Assets	-	0.59	-	0.87
Interest Received	0.07	0.27	0.27	0.10
Dividend Received	-	-	-	-
Net Cash from / (used in) Investing Activities	**(27.33)**	**(149.38)**	**(29.45)**	**(10.92)**
C. CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES				
Proceeds from Issue of Shares/Share Application Money.	-	-	49.00	51.00
Proceeds/(Repayment) from/of Short Term borrowings (net)	22.55	320.25	24.02	50.01
Proceeds/(Repayment) from/of Long Term Borrowings (net)	(11.07)	74.02	0.95	(7.08)
Finance Charges Paid	(15.58)	(44.21)	(39.93)	(31.20)
Proceeds from Non-current Investments	-	-	(0.03)	-
Dividend Paid	-	(1.50)	-	-
Net Cash from / (used in) Financing Activities	**(4.10)**	**348.56**	**34.01**	**62.73**
Net increase / (decrease) in Cash and Cash Equivalents	**1.96**	**3.35**	**2.88**	**(5.04)**
Cash and Cash Equivalents at the beginning of the year	**8.79**	**5.43**	**2.56**	**7.61**
Cash and Cash Equivalents at the end of the year	**10.75**	**8.79**	**5.43**	**2.56**
Components of cash and cash equivalent				
- Cash and cheques on hand	3.87	5.89	4.09	1.53
- With banks				
- On current account	6.88	2.90	1.34	1.03

AS PER OUR REPORT OF EVEN DATE
FOR DEVANG KUMAR DAND & ASSOCIATES
(CHARTERED ACCOUNTANTS)
REGISTRATION NO. : 135250W

Sd/-
(DEVANG KUMAR DAND)
PROPRIETOR
Membership No. 151990
PLACE : MUMBAI
Date : 13th December, 2022

For and on Behalf of the Board
For MCON RASAYAN INDIA LTD.

Sd/-
(MAHESH BHANUSHALI)
MANAGING DIRECTOR
DIN: 07585072

Sd/-
(NANDAN PRADHAN)
EXECUTIVE DIRECTOR
DIN: 09828134

sd/-
(VEENITA THAKKAR)
CFO

sd/-
(KUNAL BORKAR)
COMPANY SECRETARY

GENERAL INFORMATION

Our Company was originally incorporated as 'MCON Rasayan Private Limited' a private limited company under the Companies Act, 2013 at Mumbai, pursuant to a certificate of incorporation dated September 22, 2016 issued by the Registrar of Companies, Mumbai ("RoC"). Thereafter, name of our Company was changed from 'MCON Rasayan Private Limited' to 'MCON Rasayan India Private Limited' and a fresh certificate of incorporation was issued by the RoC on October 17, 2022. The name of the company was further changed to MCON Rasayan India Private Limited' to 'MCON Rasayan India Limited', consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on October 18, 2022, and a fresh certificate of incorporation consequent to change of name was issued by the RoC on December 12, 2022. Our Company's Corporate Identity Number is U24304MH2016PLC286140.

Company registration number and corporate identity number

The registration number and corporate identity number of our Company are as follow:

Corporate identity number: 286140
Company registration number: U24304MH2016PLC286140

Registered Office of our Company

MCON Rasayan IndiaLimited
101/A, 1st floor, Maxheal House,
Plot-169, CTS-104
Bangur Nagar, Near Ayyappa Temple,
Goregaon (West), Mumbai 400 090,
Maharashtra, India.
Telephone No.: +91 8655988698
E-mail: compliance@mconrasayan.com
Investor grevience id: compliance@mconrasayan.com
Website: www.mconrasayan.com
CIN: U24304MH2016PLC286140

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Mumbai, Maharashtra, which is situated at the following address:

Registrar of Companies,
100, Everest, Marine Drive,
Mumbai-400002, Maharashtra, India**.**
Email id: roc.mumbai@mca.gov.in
Website: www.mca.gov.in

Board of Directors of our Company

The following table sets out the details of our Board as on the date of this Draft Prospectus:

Sr. No.	Name of director	Designation	DIN	Address
1.	Mahesh Ravji Bhanushali	Managing Director	07585072	B/34, Sai Baba Enclave Tower, Buidling No-3, Behind City Centre, off S V Road, Goregaon West, Mumbai – 400 104, Mumbai
2.	Puja Mahesh Bhanushali	Non-Executive Dirctor	07586657	B/34, Sai Baba Enclave Tower, Buidling No-3, Behind City Centre, off S V Road, Goregaon West, Mumbai – 400 104, Mumbai
3.	Chetan Ravji Bhanushali	Executive Director	09341600	B/34, Sai Baba Enclave Tower, Buidling No-3, Behind City Centre, off S V Road, Goregaon West, Mumbai – 400 104,

Sr. No.	Name of director	Designation	DIN	Address
				Mumbai
4.	Nandan Dilip Pradhan	Whole Time Director	09828134	Q 402, Shakti Enclave, Near Jankalyan Nagar, Marve Road, Malad- West, Mumbai -400095, Maharashtra, India.
5.	Tapas Bimal Majumdar	Independent Director	07609937	A/504, Harivijay CHS LTD, Shimpoli Road, Opp. Shimpoli Telephone Exchange, Shimpoli, Borivali West, Mumbai -400092, Maharashtra, India
6.	Dilip Mangilal Jain	Independent Director	03569547	B-204, Shraddha, Near Surbhi Hotel, Asha Nagar, Kandivali (East), Mumbai- 400101, Maharashtra, India.
7.	Dhara Haresh Thakkar	Independent Director	09785362	Opp. Navbharat School, 10/G Azad Bhuvan CHS, N.S Road, Mulund West, Mulund West, Mumbai -400080, Maharashra, India.
8.	Sonal Alok Doshi	Independent Director	03434461	Flat No -01 Siddharth Apartment, C.S Link Road, Oppoiste Anand Nursing Home Dahisar (East), Mumbai -400068, Maharashtra.

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 142 of this Draft Prospectus.

Company Secretary and Compliance Officer

Mr. Kunal Ashok Borkar
MCON Rasayan India Limited
101/A, 1st floor, Maxheal House,
Plot-169, CTS-104
Bangur Nagar, Near Ayyappa Temple,
Goregaon (West), Mumbai 400 090,
Maharashtra, India.
Telephone No.: +91 8655988698
E-mail: compliance@mconrasayan.com

Chief Financial Officer

Ms. Veenita Harshad Thakkar
MCON Rasayan India Limited
101/A, 1st floor, Maxheal House,
Plot-169, CTS-104
Bangur Nagar, Near Ayyappa Temple,
Goregaon (West), Mumbai 400 090,
Maharashtra, India.
Telephone No.: +91 86559 88698
E-mail: compliance@mconrasayan.com

Investor Grievances

Applicants can contact the Compliance Officer or the Lead Manager or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Issue.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the

Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Details of Key Intermediaries pertaining to this Issue of our Company

Lead Manager

GYR Capital Advisors Private Limited
428, Gala Empire, Near JB Tower,
Drive in Road, Thaltej,
Ahemdabad-380 054,
Gujarat, India.
Telephone: +91 8777564648
Email ID: info@gyrcapitaladvisors.com
Website: www.gyrcapitaladvisors.com
Investor Grievance E-mail: investors@gyrcapitaladvisors.com
Contact Person: Mohit Baid
SEBI Registration Number: INM000012810
CIN: U67200GJ2017PTC096908

Legal Advisor to the Issue
M/s. Desai & Diwanji
Lentin Chambers, Dalal Street,
Fort, Mumbai 400 001,
Maharashtra, India
Tel: +91 22 2265 1682

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg
Vikhroli (West), Mumbai 400 083
Maharashtra, India
Telephone: +91 810 811 4949
Email: mconrasayan.ipo@linkintime.co.in
Investor grievance e-mail: mconrasayan.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI registration number: INR000004058
CIN: U67190MH1999PTC118368

Statutory and Peer Review Auditor of our Company
M/s. Devang Kumar Dand & Associates
Chartered Accountants
L-57/58, Dreams The Mall, LBS Marg,
Bhandup (West) – 400078.
Mumbai -400097, India.
E-mail: devang@kservice.co.in
Telephone: +91 98928 12362
Firm registration number: 135250W
Peer review number: 014665
Contact Person: Devand Kumar Dand

Advisor to our Company

D.S. Momaya & Co. LLP
Company Secretaries
Office No. 105, Building 6, Sector III, MBP Road,
Millenium Business Park, Mahape, Navi Mumabi, Maharastra -400710

E-mail: divya.dsmco@gmail.com
Telephone: +91 22 49735 702/ +91 96197 45928
Website: www.dsmco.co.in
Email: divya.dsmco@gmail.com
Contact Person: CS Divya Momaya

Banker(s) to the Issue

[●]

Refund Bank(s)

[●]

Sponsor Bank

[●]

Syndicate Members

[●]

Bankers to our Company

ICICI Bank Limited
ICICI Bank Tower,
Near Chakli Circle,
Old Padra Road,
Vadodara 390 007
Gujarat, India
Tel: +91 99300 65568
Contact Person: Ritesh Gupta
Email Id: ritesh.g@icicibank.com
Website: www.icicibank.com

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

In accordance with 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, Retail Individual Investors Applying 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&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.

SCSBs enabled for UPI Mechanism

In accordance with 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, Retail Individual Investors Applying 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&intmId=40) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public

issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of NSE at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, as updated from time to time.

Registrar and Share Transfer Agent

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 website of NSE at www.nseindia.com/products/content/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 NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

IPO Grading

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

Statement of inter-se allocation of responsibilities

GYR Capital Advisors Private Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required**.**

Filing

A copy of the Prospectus, along with the material contracts and documents will also be Registered to the RoC under Section 26 and Section 32 of the Companies Act, 2013 would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Monitoring Agency

As the Net Proceeds of the Issue will be less than ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

Appraising Entity

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

Credit Rating

As this is an Issue of Equity Shares, there is no credit rating required for the Issue.

Debenture Trustee

As this is an Issue of Equity Shares, the appointment of a debenture trustee is not required.

Green Shoe Option

No green shoe option is contemplated under the Issue.

Changes in auditors

There has been no change in our statutory auditors in the three years preceding the date of this Draft Prospectus:

Issue Programme

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds[(1)]	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 Exchange	On or about [●]

[(1)] *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPIMechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensatedat a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall,their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay inunblocking. For the avoidance of doubt, the provisions of 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 shall be deemed to be incorporated in the deemedagreement of the Company with the SCSBs to the extent applicable.*

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely atthe discretion of the Stock Exchange and in accordance with the applicable laws.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Draft Prospectus and Prospectus may result in changes to theabove-mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchange, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

For further details, see "*Issue Structure*" and "*Issue Procedure*" beginning on pages 249 and 252, respectively. Applicants should note the Issue is also subject to (i) obtaining final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC.

Underwriting Agreement

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriter for the Equity Shares proposedto be offered through the Issue. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter will be several and will be subject to certain conditions specified therein:

The Underwriter have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone number and e-mail address of the Underwriters	**Indicative Number of Equity Shares to be Underwritten**	**Amount Underwritten**	**% of the total Issue size**
[●]	**[●]**	**[●]**	**[●]**

The above-mentioned is indicative underwriting and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board, the resources of the Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriter is registered with SEBI or registered as brokers with the Stock Exchange(s).

The Board, at its meeting held on [•], has accepted and entered 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.

Details of Market Making Arrangement for the Issue

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker forfulfilling the Market Making obligations under this Issue:

[●]	**[●]**	**[●]**

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

[●], registered with Emerge Platform of NSE will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

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

Following is a summary of the key details pertaining to the Market Making Arrangement:

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

2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and Emerge Platform of NSE from time to time.

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

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

6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

8. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

   In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Managers to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

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

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

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

12. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the Issue sizeand as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue size)	Re-entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)
Upto ₹ 2,000 lakhs	25%	24%
₹ 2,000 lakhs up to ₹ 5,000 lakhs	20%	19%
₹ 5,000 lakhs up to ₹ 8,000 lakhs	15%	14%
Above ₹ 8,000 lakhs	12%	11%

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

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism) to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

CAPITAL STRUCTURE

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

(In ₹ except share data)

Particulars	Aggregate nominal value	Aggregate value at Issue Price*
Authorized Share Capital		
70,00,000 Equity Shares of face value of ₹ 10 each	7,00,00,000	-
Issued, Subscribed and Paid-up share Capital before the Issue		
45,93,750 Equity Shares of face value of ₹ 10 each	4,59,37,500	-
Present Issue in terms of this Draft Prospectus		
Fresh Issue of up to 20,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs (1)	**[●]**	**[●]**
Which Comprises of:		
Reservation for Market Maker portion		
[●] Equity Shares of face value of ₹ 10 each	**[●]**	**[●]**
Net Issue to the Public		
[●] Equity Shares of face value of ₹ 10 each	**[●]**	**[●]**
Of the Net Issue to Public:		
Allocation to Qualified Institutional Buyers		
[●] Equity Shares of face value of ₹ 10 each	**[●]**	**[●]**
Allocation to Retail Institutional Investors		
[●] Equity Shares of face value of ₹ 10 each	**[●]**	**[●]**
Allocation to Non-Institutional Investors		
[●] Equity Shares of face value of ₹ 10 each	**[●]**	**[●]**
Issued, Subscribed and Paid-up share Capital after the Issue*		
[●] Equity Shares of face value of ₹ 10 each	**[●]**	**[●]**
Securities Premium Account		
Before the Issue	112.50	
After the Issue	**[●]**	

To be updated upon finalization of the Issue Price.

(1) The present Issue has been authorised by our Board pursuant to its resolution dated December 19, 2022 and authorised by our Shareholders pursuant to their resolution, dated December 19, 2022.

Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10 each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

Changes in the authorised share capital of our Company

For details of the changes to the authorised share capital of our Company in the past 10 years, see "*History and Certain Corporate Matters-Amendments to our Memorandum of Association*" on page 139 of this Draft Prospectus.

1. **Notes to the Capital Structure**

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 allotted	Face value (₹)	Issue price (including Premium if applicable (₹)	Reason/Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
Upon Incorporation	10,000	10.00	10.00	Subscription to the MOA(1)	Cash	10,000	1,00,000
March 27, 2019	4,90,000	10.00	10.00	Right issue (2)	Cash	5,00,000	50,00,000
March 26, 2020	5,10,000	10.00	10.00	Right issue (3)	Cash	10,10,000	1,01,00,000
March 30, 2021	4,90,000	10.00	10.00	Right issue (4)	Other than Cash	15,00,000	1,50,00,000
August 31, 2022	3,75,000	10.00	40.00	Preferential issue (5)	Other than Cash	18,75,000	1,87,50,000
October 4, 2022	23,43,750	10.00	Nil	Bonus issue (6)	Other than Cash	42,18,750	4,21,87,500
October 4, 2022	3,75,000	10.00	40.00	Preferential issue (7)	Cash	45,93,750	4,59,37,500

Notes:

(1) Allotment of 9,900 Equity Shares to Mahesh Ravji Bhanushali and 100 Equity Shares to Puja Mahesh Bhanushali.

(2) Allotment of 4,15,100 Equity Shares to Mahesh Ravji Bhanushali, 24,900 Equity Shares to Puja Mahesh Bhanushali, 25,000 Equity Shares to Chetan Bhanushali and 25,000 Equity Shares to Nilam Bhanushali.

(3) Allotment of 4,33,500 Equity Shares to Mahesh Ravji Bhanushali, 25,500 Equity Shares to Puja Mahesh Bhanushali, 25,500 Equity Shares to Chetan Bhanushali and 25,500 Equity shares to Nilam Bhanushali.

(4) Allotment of 3,30,000 Equity Shares to Mahesh Ravji Bhanushali and 1,60,000 Equity Shares to Chetan Bhanushali pursuant to conversion of loan into Equity Shares.

(5) Allotment of 3,75,000 Equity Shares to Mahesh Ravji Bhanushali pursuant to conversion of loan into Equity Shares.

(6) Allotment of 19,54,375 Equity Shares to Mahesh Bhanushali, 63,125 Equity Shares to Puja Bhansuhali, 2,63,125 Equity Shares to Chetan Bhanushali, 63,125 Equity Shares to Nilam Bhanushali by way of bonus in the ratio of 1.25:1 Equity Shares i.e.one point twenty-five equity shares for every one equity share held by our equity shareholders.

(7) Allotment of 3,75,00 Equity Shares to Europlus One Reality Private Limited.

b) Preference Share Capital

As on the date of this Draft Prospectus, our Company does not have any Preference Share Capital.

2. **Issue of Equity Shares for consideration other than cash**

Except as set out below, our Company has not issued Equity Shares for consideration other than cash.

Date of Allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
March 30, 2021	Right issue (1)	4,90,000	10.00	10.00	-
August 31, 2022	Preferential issue (2)	3,75,000	10.00	40.00	
October 04, 22	Bonus issue (3)	23,45,750	10.00	NIL	-

Notes:

(4) Allotment of 3,30,000 Equity Shares to Mahesh Ravji Bhanushali and 1,60,000 Equity Shares to Chetan Bhanushali pursuant to conversion of loan into equity.

(5) Allotment of 3,75,000 Equity shares to Mahesh Ravji Bhanushali pursuant to conversion of loan into Equity shares.

(6) Allotment of 19,54,375 Equity Shares to Mahesh Bhanushali, 63,125 Equity Shares to Puja Bhansuhali, 263,125 Equity Shares to Chetan Bhanushali, 63,125 Equity Shares to Nilam Bhanushali by way of bonus in the ratio 1.25:1 Equity Shares i.e.one point twenty-five equity shares for every one equity share held by our equity shareholders.

3. Our Company has not issued any Equity Shares out of its revaluation reserves since incorporation.

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

5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.For further details, see "*ESOP Plan*" under ection titled "*Capital Structure*" beginning on page 62 of this Draft Prospectus.

6. All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.

7. Except as set out below, our Company has not issued any Equity Shares at a price lower than the Issue Price during the period of one year preceding the date of this Draft Prospectus:

Date of Allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
October 04, 22	Bonus issue (1)	23,45,750	10.00	NIL	-

Notes:

(1) Allotment of 19,54,375 Equity Shares to Mahesh Bhanushali, 63,125 Equity Shares to Puja Bhansuhali, 263,125 Equity Shares to Chetan Bhanushali, 63,125 Equity Shares to Nilam Bhanushali by way of bonus in the ratio 1.25:1 Equity Shares i.e.one point twenty-five equity shares for every one equity share held by our equity shareholders.

8. **Shareholding Pattern of our Company**

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 Equity Shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of Equity 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 Equity shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity 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 Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class (Equity Equity Shares)	Class (Others)	Total								
(A)	Promoter and Promoter Group	5	42,01,161	-	-	42,01,161	91.45	42,01,160	-	42,01,161	91.45	-	-	-	-	-	-	42,01,161
(B)	Public	2	3,92,589	-	-	3,92,589	8.55	3,92,589	-	39,25,89	8.55	-	-	-	-	-	-	3,92,589
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**7**	**45,93,750**	**-**	**-**	**45,93,750**	**100**	**45,93,750**	**-**	**4,59,37,500**	**100**	**-**	**-**	**-**	**-**	**-**	**-**	**45,93,750**

The Table below represents the current shareholding pattern of our Company:

***We have completed the process of ISIN activation with both the depositores – NSDL and CDSL. We are currently in the process of corporate action and credit of suchShares to the Shareholder's demat account in order to achieve 100% dematerialisation of Pre- Issue paid up capital of our Company.*

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

(a) As on the date of the filing of this Draft Prospectus, our Company has Seven (7) Shareholders of Equity Shares.

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Mahesh Ravji Bhanushali	35,00,285	76.20%
2.	Puja Mahesh Bhanushali	1,13,625	2.47%
3.	Chetan Ravji Bhanushali	4,73,625	10.31%
4.	Nilam Chetan Bhanushali	1,13,625	2.47%
5.	Europlus One Reality Private Limited	3,75,000	8.16%
6.	Nandan Dilip Pradhan	17,589	0.38%
7.	Vimla Ravji Bhanushali	1	Negligible
	Total	**45,93,750**	**100%**

(b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Mahesh Ravji Bhanushali	35,00,285	76.20%
2.	Puja Mahesh Bhanushali	1,13,625	2.47%
3.	Chetan Ravji Bhanushali	4,73,625	10.31%
4.	Nilam Chetan Bhanushali	1,13,625	2.47%
5.	Europlus One Reality Private Limited	3,75,000	8.16%
	Total	**45,76,160**	**99.61%**

(c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of ten days prior to filing this Draft Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Mahesh Ravji Bhanushali	35,00,285	76.20%
2.	Puja Mahesh Bhanushali	1,13,625	2.47%
3.	Chetan Ravji Bhanushali	4,73,625	10.31%
4.	Nilam Chetan Bhanushali	1,13,625	2.47%
5.	Europlus One Reality Private Limited	3,75,000	8.16%
	Total	**45,76,160**	**99.61%**

(d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this Draft Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Mahesh Ravji Bhanushali	1,188,500	79.23%
2.	Puja Mahesh Bhanushali	50,500	3.37%
3.	Chetan Ravji Bhanushali	210,500	14.03%
4.	Nilam Chetan Bhanushali	50,500	3.37%
	Total	**15,00,000**	**100%**

(e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this Draft Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre-Issue Equity Share capital (%)
1.	Mahesh Ravji Bhanushali	8,58,500	85%
2.	Puja Mahesh Bhanushali	50,500	5%
3.	Chetan Ravji Bhanushali	50,500	5%
4.	Nilam Chetan Bhanushali	50,500	5%
	Total	**10,10,000**	**100%**

10. None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.

11. Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Prospectus.

12. Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

13. **Details of shareholding of our Promoter and members of our Promoter Group**

    As on the date of this Draft Prospectus, our Promoter and members of our Promoter Group, in aggregate, holds Equity Shares, equivalent to 91.45% of the issued, subscribed, and paid-up Equity Share capital of our Company, as set forth in the table below:

S. No	Name of the Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
Promoter			
1	Mahesh Ravji Bhanushali	35,00,285	76.20%
	Total (A)	**35,00,285**	**76.20%**
Promoter Group			
2.	Puja Mahesh Bhanushali	1,13,625	2.47%
3.	Chetan Ravji Bhanushali	4,73,625	10.31%
4.	Nilam Chetan Bhanushali	1,13,625	2.47%
5.	Vimla Ravji Bhanushali	1	Negligible
	Total (B)	**7,00,875**	**15.25%**
	Total (A+B)	**42,01,161**	**91.45%**

a. **Build-up of the Equity shareholding of our Promoter in our Company**

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

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face value per Equity Share (₹)	Issue price/ Acquisition Price Transfer price per Equity Share (₹)	Nature of Consideration	Cumulative number of Equity Shares	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)	No. of Shares Pledged	% of share pledged
Mahesh Ravji Bhanushali										
Upon Incorporation	Initial subscription to the MOA	9,900	10.00	10.00	Cash	9,900	0.22%	[●]	N.A.	N.A.
March 27, 2019	Right issue	4,15,100	10.00	10.00	Cash	4,25,000	9.04%	[●]	N.A.	N.A.
March 26, 2020	Right issue	4,33,500	10.00	10.00	Cash	8,58,500	9.44%	[●]	N.A.	N.A.
March 30, 2021	Conversion of loan into equity	3,30,000	10.00	10.00	Other than cash	11,88,500	7.18%	[●]	N.A.	N.A.
August 31, 2022	Conversion of loan into equity	3,75,000	10.00	40.00	Other than cash	15,63,500	8.16%	[●]	N.A.	N.A.
October 04, 2022	Bonus Issue	19,54,375	10.00	Nil	Other than cash	35,17,875	42.55%	[●]	N.A.	N.A.
October 18, 2022	Transfer to Nandan Dilip Praadhan	(17,589)	10.00	40.00	Cash	35,00,286	0.38%	[●]	N.A.	N.A.
October 18, 2022	Transfer to Vimla Ravji Bhanushali	(1)	10.00	40.00	Cash	35,00,285	Negligible	[●]	N.A.	N.A.

b. All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares.
c. None of the Equity Shares held by our Promoter are pledged or otherwise encumbered.
d. Other than as disclosed below, none of the member of our Promoter Group, our Promoter hold Equity Shares as on the date of filing of this Draft Prospectus.

S. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
1.	Mahesh Ravji Bhanushali	35,00,285	76.19%	[●]	[●]
2.	Puja Mahesh Bhanushali	1,13,625	2.47%	[●]	[●]
3.	Chetan Ravji Bhanushali	4,73,625	10.32%	[●]	[●]
4	Nilam Chetan Bhanushali	1,13,625	2.47%	[●]	[●]
5	Vimla Ravji Bhanushali	1	Negligible	[●]	[●]
	Total	**42,01,160**	**91.45%**	**[●]**	**[●]**

e. Our Company has completed the process of ISIN activation with both the depositores – NSDL and CDSL. We are currently in the process of corporate action and credit of such shares to the Shareholder's demat account in order to achieve 100% dematerialisation of Pre- Issue paid up capital of our Company.

f. Expect as mentioned below, none of our Promoter, the members of our Promoter Group, 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 Prospectus.

Date of transfer / Transmission	Nature of Transfer	No. of Equity Shares	Price Per Equity Shares
Mahesh Ravji Bhanushali			
October 18, 2022	Transfer of Equity shares from Mahesh Ravji Bhanushali to Nandan Dilip Pradhan	17,589	40
October 18, 2022	Transfer of Equity shares from Mahesh Ravji Bhanushali to Vimla Ravji Bhanushali	1	40

g. There have been no financing arrangements whereby our Promoter, members of the Promoter Group, 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 Prospectus.

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

As per sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Issue Capital shall be considered as Promoter's Contribution.

Our Promoter has given his consent to include such number of Equity Shares held by him as may constitute 20.00% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Draft Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoter's Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoter's Contribution of 20.00% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoter's Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

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

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	No. of Equity Shares	Face value (₹	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in*	Percentage of the post-Issue paid up capital (%)	Date up to which the Equity Shares are subject to lock-in
Mahesh Ravji Bhanushali	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

**Subject to finalisation of Basis of Allotment.*

The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoter for the minimum Promoter's contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Public Issue.

We confirm that the minimum Promoter's contribution of 20.00% which is subject to lock-in forthree years does not consist of:

a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;

b) Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoter's contribution;

c) Equity Shares acquired by Promoter during the preceding one year at a price lower than the Issue Price;

d) The Equity Shares held by the Promoter and offered for minimum 20% Promoter's Contribution are not subject to any pledge.

e) Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

15. **Details of Equity Shares locked-in for one year**

In addition to the Promoter's Contribution that are locked-in for three years as the minimum Promoter's contribution, the promoter and public shareholding pre-issue Equity Share capital of our Company, shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

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

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter's Group or to

a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.

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

Pursuant to Regulation 242 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 with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

a) With respect to the Equity Shares locked-in as Promoter's Contribution for three years from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

b) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan**.**

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 to the Equity Shares till the relevant lock**-in period has** expired in terms of the SEBI (ICDR) Regulations.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, 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 applicable with the transferee for the remaining period and compliance with provisions of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

18. **ESOP Plan**

The ESOP Plan of our Company titled "MCON Employee Stock Option Plan 2022 (**ESOP- 2022**)" was approved pursuant to the resolutions passed by our Board in its meeting dated December 19, 2022 and our Shareholders in its meeting dated December 19, 2022. As on the date of this Draft Prospetus, no options have been garnted under the ESOP- 2022. The ESOP -2022 is compliant with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

19. Our Company, our Promoter, our directors, and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

20. There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Prospectus.

21. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, 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, except for fees or commission for services rendered in relation to the Issue.

22. There neither have been and there will be no further issue of Equity Shares 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 the Draft Prospectus until the Equity Shares have been listed on the Stock Exchange or all application

monies have been refunded, as the case may be.

23. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Prospectus.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

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

26. All Equity Shares issued pursuant to the Issue 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 Prospectus.

27. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

28. Our Promoter and the members of our Promoter Group will not participate in the Issue.

29. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sr. No.	Name of Director / KMP	Number of Equity	% of the Pre – Issue Equity Share Capital
Directors			
1.	Mahesh Ravji Bhanushali	35,00,285	76.19%
2.	Puja Mahesh Bhanushali	1,13,625	2.47%
3.	Chetan Ravji Bhanushali	4,73,625	10.31%
Key Management Personnel			
4.	Nandan Dilip Pradhan	17,589	0.38%

30. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.

31. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "*Issue Procedure*" beginning on page 252 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.

32. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

33. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

34. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.

35. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.

36. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.

OBJECTS OF THE ISSUE

Requirement of Funds

Our Company proposes to utilize the funds which are being raised through this Issue **("Net Proceeds")** towards the following objects:

a) Funding the working capital requirements of the company

b) General Corporate Purposes

(Collectively referred as **"Objects"**)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association. The Main Object of our Company is to Carry on the Business of Manufacturing and Reselling of Water Proofing Chemicals, Construction Materials and Paints.

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

Issue Proceeds & Net Proceeds

The details of the proceeds of the Issue are set out in the following table:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
Net Proceeds of the Issue	[●]

Utilization of Net Proceeds

The proposed utilization of Net Proceeds is set forth as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Net Proceeds
1.	Funding the working capital requirements of the company	Upto 400	[●]
2.	General Corporate Purposes*	[●]	[●]
	Total	[●]	[●]

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

Requirement of Funds and Means of Finance

The fund requirements mentioned above are based on the internal management estimates of our Company and quotations provided by suppliers in this industry which are not been verified or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates and requirements from time to time on account of various factors beyond its control, such as market conditions, *competitive environment, costs of commodities and interest or exchange rate fluctuations.*

Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue."

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer chapter titled *"Risk Factors"* beginning on page 26 of this Draft Prospectus.

DETAILS OF THE FUND REQUIREMENTS

1) Funding of working capital requirements

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from various banks and financial institutions. Our Company's existing working capital requirement and funding on the basis of Restated Financial Statements for the period ended on June 30 2022 and for the financial years ended on 2022, 2021 and 2020, are as stated below:

(₹ in lakhs)

Particulars	Fiscal 2020 (Restated)	Fiscal 2021 (Restated)	Fiscal 2022 (Restated)	For the Period Ended on June 30, 2022 (Restated)
Current Assets				
Inventories				
-Raw Materials	34.57	87.38	145.32	189.34
-Finished Goods	102.24	154.11	287.49	299.95
Trade Receivables	315.25	361.36	516.19	478.88
Cash and Bank Balance	2.56	5.43	8.79	10.75
Short term loans & advances	177.60	74.85	217.51	278.15
Other Current Assets	2.25	2.78	2.22	0.84
Total (A)	**634.47**	**685.91**	**1,177.52**	**1257.91**
Current Liabilities				
Trade Payables	305.15	254.95	391.11	455.16
Other Current Liabilities & Short Term Provision	28.78	38.36	72.68	78.37
Total (B)	**333.93**	**293.31**	**463.79**	**533.53**
Total Working Capital (A)-(B*)*	**300.54**	**392.60**	**713.73**	**724.38**
Funding Pattern				
I) Borrowings for meeting working capital requirements				
-Short-term borrowings	181.42	205.41	525.36	548.22
-Long-term borrowings	112.07	109.91	188.37	176.16
II) Networth / Internal Accruals	7.05	77.28	-	-

**As Certified by the M/s Devang Kuamr Dand & Associates., Chartered Accountants pursunat to their certificate dated December 23, 2022*

Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated 19th December, 2022 has approved the business plan for the Fiscal 2023. The estimated and projected working capital requirements for Fiscal 2023 is stated below:

(₹ in lakhs)

Particulars	Fiscal 2023 (Projected)
Current Assets	
Inventories	
- Raw Materials	230.79
- Finished Goods	459.94
Trade Receivables	650.00
Cash and Bank Balance	2.62
Short term loans & advances	7.00
Other Current Assets	10.00
Total (A)	**1,360.35**
Current Liabilities	
Trade Payables	215.88
Other Current Liabilities & Short Term Provision	49.00
Total (B)	**264.88**
Total Working Capital (A)-(B)	**1,095.47**
Funding Pattern	
I) Borrowings for meeting working capital requirements	
-Short-term borrowings	528.93
-Long-term borrowings	105.70
II) Networth / Internal Accruals	60.84
III) Proceeds from IPO	Upto 400.00

**As Certified by the M/s Devang Kuamr Dand & Associates., Chartered Accountants pursunat to their certificate dated December 23, 2022*

Assumption for working capital requirements:

(In days)

Particulars	Holding Level for year/period ended				
	March 31, 2020 (Restated)	March 31, 2021 (Restated)	March 31, 2022 (Restated)	For the Period Ended on June 30, 2022 (Restated)	March 31, 2023 (Projected)
Inventories	85	117	88	82	60
Trade Receivables	254	202	118	105	90
Trade Payables	473	319	140	138	90

**As Certified by the M/s Devang Kuamr Dand & Associates., Chartered Accountants pursunat to their certificate dated December 23, 2022*

Justification for "Holding Period" levels

The justifications for the holding levels mentioned in the table above are provided below:

Current Assets	
Inventories	The historical holding days of Inventories has been in range of 82 to 117 days in the last three financial years, and 88 days in the last financial year. Our Company estimates inventory holding days to be 60 days in FY 2022-23. The same seems to be reasonable in

	view of lead time for procurement of raw materials as well as nature & volume of business activity of the company.
Trade receivables	The historical holding days of trade receivables has been 254 to 118 days in the last three financial years, with an average Trade receivables days for the last three financial years is 191.33 days. As per the current credit terms of the company & prevalent trend in business of the company, the holding level for debtors anticipated at 90 days of total gross sales during FY 2022-23.
Current Liabilities	
Trade Payables	We intend to decrease the credit period expected from our creditors due to fulfilment of our working capital requirements through our proposed initial public Issue. This would help us in maintaining good relations with our creditors.

Our Company proposes to utilize upto ₹ 400 lakhs of the Net Proceeds in Fiscal 2023 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2023 will be arranged from borrowings and internal accruals/net worth.

2) General corporate purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for General corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

a) strategic initiatives, partnerships, joint ventures and acquisitions;

b) brand building and strengthening of promotional & marketing activities; and

c) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "Utilization of Net proceeds" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●] lakhs, which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in lakhs)

S. No.	Particulars	Amount	% of total expenses	% of total issue size
1	Issue Management fees including Merchant Banking fees, Underwriting fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	[●]	[●]	[●]
2	Advertising and Marketing Expenses	[●]	[●]	[●]
3	Fees payable to the stock exchange(s)	[●]	[●]	[●]
4	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
5	Brokerage and Selling Commission(1)(2)(3)	[●]	[●]	[●]
6	Other Expenses (Banker's to the Issue, Auditor's Fees etc.)			

S. No.	Particulars	Amount	% of total expenses	% of total issue size
Total Estimated Issue Expense		[●]	[●]	[●]

(1)The SCSBs and other intermediaries will be entitled to a commission of ₹ 10 per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

(2)The SCSBs would be entitled to processing fees of ₹ 10 per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

(3)Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

Proposed Schedule of Implementation:

Our Company plans to deploy the funds towards the above stated Objects during FY 2023, depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization out of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year.

Funds Deployed and Source of Funds Deployed:

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (₹ in lakhs)
Issue Expenses	[●]
Total	**[●]**

Sources of Financing for the Funds Deployed

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (₹ in lakhs)
Internal Accruals	[●]
Total	**[●]**

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Bridge Financing Facilities

As on the date of the Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

There is no material existing or anticipated transactions with our Promoters, our Directors and our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is Rs.10/- and Issue Price is Rs. 10/- per Equity Shares and is [•] times of the face value. Investors should read the following basis with the sections titled "Risk Factors" and "Restated Financial Statements" and "Our Business" beginning on pages 26,161 and 116 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

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

- Experienced Management team having domain knowledge to scale up and expand into new opportunities;
- Wide product portfolio addressing the needs of varied customers across the industry;
- Dedicated technical & functional team to provide solutions to our customers;
- Extensive Sales and distribution network;
- Experience of handling large & complex projects;
- Multi-year relationships with most customers;
- Improving operational efficiency.

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer chapter titled "*Our Business"* beginning on page 116 of this Draft Prospectus.

Quantitative Factors

The information presented in this section for the audited financial statements of the Company for the period ended on 30th June, 2022 and financial year ended March 31, 2022, 2021 and 2020 prepared in accordance with IND AS, the Companies Act and Restated in accordance with SEBI ICDR Regulations. For more details on financial information, investors please refer the chapter titled "*Restated Financial Statements*" beginning on page 161 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

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

	Basic & Diluted	
	EPS (in Rs.)	**Weights**
March 31, 2020	0.32	1
March 31, 2021	1.25	2
March 31, 2022	2.96	3
Weighted Average	1.95	
For the period ended on June 30, 2022	1.56	

Notes:

a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated,attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated,attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 "Earnings per Share", notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014.

d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in the section titled "*Restated Financial Statements*" beginning on page 161 of this Draft Prospectus.

2. Price Earnings Ratio ("P/E") in relation to the Price of Rs. [•]/- per share of Rs. 10/- each

Particulars	P/E*
P/E ratio based on Basic and Diluted EPS as at March 31, 2022	[●]
P/E ratio based on Weighted Average EPS	[●]
P/E ratio based on Basic and Diluted EPS as at June 30, 2022	[●]

**The same shall be updated once IPO Price is finalised and updated in the Prospectus prior to opening of the Issue.*

3. Industry Price / Earning (P/E) Ratio

Particulars	Industry P/E
Highest	201.34
Lowest	85.27
Average	143.31

Note:

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

4. Average Return on Net worth (RONW)

Period / Year ended	RoNW (%)	Weight
March 31, 2 2020	3.27	1
March 31, 2 2021	10.47	2
March 31, 2 2022	20.06	3
Weighted Average	**14.07**	
For the period ended on June 30, 2022*	**9.59**	

* *Not Annualised*

Note: Return on Net worth has been calculated as per the following formula:

$$\text{RONW} = \frac{\text{Net profit/loss after tax,as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

5. Net Asset Value Per Share (NAV)

Financial Year	NAV (in Rs.)
NAV as at March 31, 2022	14.75
NAV as on June 30, 2022	16.32
NAV after Issue – at Issue Price	[●]
Issue Price (in Rs.)	[●]

Note: Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

6. Comparison with Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

Name of the Company	CMP*	EPS (₹)	Face Value (₹)	P/E Ratio*	RoNW (%)	NAV Per Share	Total Income (₹ in crores)
Peer Group							
Asian Paints Limited	3070.95	18.57	1.00	165.37	13.19%	142.37	15,161.52
Pidilite Industries Limited	2655.75	13.19	1.00	201.34	10.43%	128.12	5,543.97
Kansai Nerolac Paints Limited	443.40	5.20	1.00	85.27	6.54%	81.61	3766.76
Our Company	[●]	1.57	10.00	[●]	9.59%	16.31	6.54

**Source: All the financial information for listed industry peers mentioned above is on consolidated basis, sourced from the filings made with stock exchanges, available on www.bseindia.com for the six months ending September 30, 2022. The current market price and related figures are as on December 21, 2022.*

The Company in consultation with the Lead Manager believes that the Issue price of ₹ [●] per share for the PIssue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Restated Financial Information of our Company including important profitability and return ratios, as set out in the Restated Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value i.e. Rs. [●] per share.

STATEMENT OF SPECIALTAX BENEFITS

To,
The Board of Directors
Mcon Rasayan India Limited
(Formerly known as "Mcon Rasayan Private Limited")

Dear Sirs,

Sub: Statement of possible special tax benefits available to Mcon Rasayan India Limited ("Mcon Rasayan Private Limited") and its shareholders under direct and indirect tax laws

We refer to the proposed initial public offering of equity shares (the "Offer") of the Company. We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, 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, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act"), the Customs Act, 1962 and the Customs Tariff Act, 1975, (collectively the **"Taxation Laws"**) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2023-2024 relevant to the financial year 2022-23 for inclusion in the Prospectus for the proposed offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of taxation laws. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and 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 issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company or its Shareholders 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.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the Prospectus for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views is based on the 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 the interpretation of the existing tax laws in force in India 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. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).

For DEVANG KUMAR DAND & ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM'S REGISTRATION NO. – 135250W)

Sd/-
DEVANG KUMAR DAND
(PROPRIETOR)
(M. No.- 151990)
(UDIN – 22151990BGBVQJ2081)

PLACE: MUMBAI

DATE: 23RD DECEMBER, 2022

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Direct Taxation

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the Act'), as amended by Finance Act, 2022 i.e., applicable for Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India

A. SPECIAL TAX BENEFITS TO THE COMPANY

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax 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 or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year 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 represented to us that it has not applied section 115BAA for the assessment year 2023-24.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

Indirect Taxation

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 ("FTP") (collectively referred as "Indirect Tax").

A. SPECIAL TAX BENEFITS TO THE COMPANY

There are no special tax benefits available to the Company under GST law.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

*The information contained in this section is derived from the report titled"Industry Research Report on Construction & Construction Chemicals" dated June 2022, ("**CareEdge Report**") prepared by CARE Advisory Research and, Training Limited (**CareEdge Research**) and has been exclusively commissioned and paid for by our Company in connection with the Issue and for purposes of inclusion of such information in this Draft Prospectus. CareEdge Research is an independent agency and has no relationship with our Company, our Promoter, Directors, or the Lead Manager as on the date of this Draft Prospectus. For risks in relation to commissioned reports, see "Risk Factors – Industry information included in this Draft Prospectus has been derived from an industry report commissioned and paid by Company for such purpose. There can be no assurance that such third party statistical, financial and other Industry Information is either complete or accurate." on page 42.*

1. Economic Outlook

1.1 Global Economy

As per the latest International Monetary Fund's (IMF) World Economic Outlook growth projections released in April 2022, the world economy grew by 6.1% in CY21[1]. For CY22, projection for global economic growth slashed to 3.6% citing disruptions due to the Russia-Ukraine conflict and inflationary concerns. It further added that emerging economies are expected to underperform than the advanced economies in CY22 and CY23 as they were hit harder by higher energy and food prices.

Table 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)

Country/Group	2021	2022P	2023P
World Output	6.1	3.6	3.6
Advanced Economies	5.2	3.3	2.4
United States	5.7	3.7	2.3
Euro Area	5.3	2.8	2.3
Japan	1.6	2.4	2.3
United Kingdom	7.4	3.7	1.2
Canada	4.6	3.9	2.8
Remaining Advances Economies	5.0	3.1	3.0
Emerging Market & Developing Economies	6.8	3.8	4.4
Emerging and Developing Asia	7.3	5.4	5.6
China	8.1	4.4	5.1
India*	8.9	8.2	6.9
ASEAN**	3.4	5.3	5.9
Emerging and Developing Europe	6.7	-2.9	1.3
Latin America and the Caribbean	6.8	2.5	2.5
Middle East and Central Asia	5.7	4.6	3.7
Sub-Saharan Africa	4.5	3.8	4.0

Notes: P-Projection

*For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP atmarket prices with fiscal year 2011/12 as a base year.

**Includes Indonesia, Malaysia, Philippines, Thailand and Vietnam

Source: IMF – World Economic Outlook, April-2022

With the geopolitical tension between Russia-Ukraine, the economic consequences are anticipated to beserious in near to medium term. Surge in Energy and commodity prices have added pressure to the existing global inflation. In Asia, the biggest impact is expected to be felt among oil importers of Association of Southeast Asian Nations (ASEAN) economies, India and frontier economies including somePacific Islands. The other impact is likely to be seen in the neighboring economies due to disrupted tradeand supply chains. Further, the reduced business confidence and higher investor uncertainty will weigh

[1] CY – Calendar Year

on asset prices, tightening financial conditions and potentially spurring capital outflows from emerging markets.

Advanced economies group

Advanced economies group made growth by 5.2% in CY21 and 3.3% projected growth in CY22. In CY23,the advanced economies are projected to grow by 2.4%.

The forecast for the United States was already downgraded in January, largely reflecting non-passage ofthe Build Back Better fiscal policy package and continued supply chain disruptions. The additional 0.3% point forecast markdown for CY22 in the current round reflects faster withdrawal of monetary support than in the previous projection—as policy tightens to rein in inflation—and the impact of lower growth intrading partners because of disruptions resulting from the war.

The forecast for Canada is marked down 0.2% point, reflecting the withdrawal of policy support and weaker external demand from the United States.

Emerging market and developing economies group

The growth of emerging market and developing economies group is evaluated as 6.8% in CY21. While, in CY22 the estimated growth is 3.8% which is 1% lower than the previous estimation made in January,2022. In emerging market and developing economies, increases in food and fuel prices could significantlyincrease the risk of social unrest.

The war and the impending increase in global interest rates will further reduce fiscal space in many countries, especially oil and food-importing emerging market and developing economies. Moreover, withcontinued tight policies toward the real estate sector and the possibility of more widespread lockdowns as part of the strict zero-COVID strategy, China's economy could slow more than currently projected— with consequences for Asia and beyond. It has induced a downgrade to 4.4% growth for China in CY22.This could further set back the recovery, particularly in emerging market and developing economies.

The estimates for India has been lowered to 8.2% in CY22 by 0.8% point, while for CY23 the projectionhas been released at 6.9%. The downgrade is reflecting in part weaker domestic demand—as higher oilprices are expected to weigh on private consumption and investment and a drag from lower net exports.Despite, these estimates project India as the fastest growing major economy in the world.

Impact of Covid-19 on Global Economy

During the Pandemic in CY20, the global economy faced disruption in supply chain due to temporary trade restrictions and shortages of pharmaceuticals, critical medical supplies, and other products. As a consequence of all this, manufacturers worldwide felt greater political and competitive pressures to increase their domestic production, grow employment in their home countries, reduce or even eliminatetheir dependence on sources.

Worker shortages and mobility restrictions compounded supply disruptions and bottlenecks early in CY22, constraining activity and adding to inflation. Restrictions have begun to ease as the peak of the Omicronwave passes and global weekly Covid-19 deaths decline.

With continued global effort to ensure widespread vaccination, testing, and access to therapeutics, including the newly developed anti-viral medications, world economy will be able to break the hold of thepandemic.

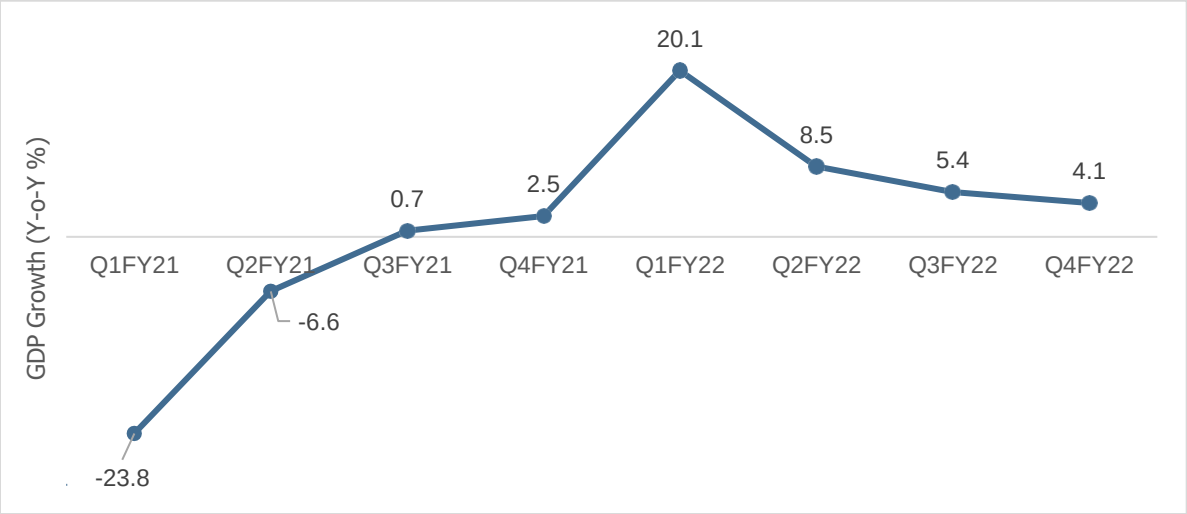
1.2 Indian Economy

1.2.1 GDP growth and Outlook

FY22 started with the country being hit by the second wave of the pandemic which saw lockdowns andrestrictions being re-imposed across states for 2 - 3 months. This impeded economic output in Q1FY21 and led to a year-on-

year (Y-o-Y) decline of 23.8% in GDP. By the end of Q4FY21, the economy paved its way to recovery. The Indian economy bounced back strongly in Q1FY22 with 20.3% Y-o-Y growth due to low base. The easing of lockdowns and restrictions across states since June coupled with the decline in Covid-19 cases and higher vaccination rate facilitated higher economic activity at a faster thanexpected and this was reflected in the GDP for the Q2FY22 which grew annually by 8.5%. The dip in Q3FY22 of 5.4% can be attributed to fading base effect. India's economy recorded modest growth at 4.1% in Q4FY22, down from 5.4% in the previous quarter. The economy was hit by the third wave of Covid-19 during the quarter.

Chart 1: Growth in GDP at constant prices (Y-o-Y in %)



Source: Ministry of Statistics and Programme Implementation (MOSPI) (Government of India – GOI)

As the economy was getting back on its feet, global supply bottlenecks due to the Russia-Ukraine war and higher input costs again slowed the pace of recovery. The contraction in the manufacturing sector,which struggled with supply bottlenecks and high input prices, in the last quarter of FY22 is a cause ofconcern. The other worrying aspect is the reduction in consumption to GDP ratio in Q4FY22, even while the investment to GDP ratio has bounced back. The slowest quarterly growth in FY22 was also partly because of the unfavorable base effect.

Apart from this, the announcements in the Union Budget 2022-23 on boosting public infrastructure through enhanced capital expenditure are expected to augment growth and crowd in private investment through large multiplier effects.

Table 2 : RBI's GDP Growth Outlook (Y-o-Y %)

Month	Q1FY23	Q2FY23	Q3FY23	Q4FY23	FY23
June'22 Outlook (April'22 Outlook - Retained)	16.2	6.2	4.1	4.0	7.2
Feb'22 Outlook	17.2	7	4.3	4.5	7.8

Source: RBI press release dated June 08, 2022; April 08, 2022 and February 28, 2022

With the ebbing of the third wave and expanding vaccination coverage, the pick-up in contact-intensiveservices and urban demand is expected to be sustained. The escalation of the geopolitical situation andthe accompanying surge in international crude oil and other commodity prices, tightening of global financial conditions, persistence of supply-side disruptions and significantly weaker external demand pose downside risks to the outlook. Taking all these factors into consideration, the real GDP growth for2022-23 is pared down at 7.2% by RBI in April'22 Outlook from 7.8% estimated in Feb'22 Outlook. In the recent June'22 Outlook, the RBI retained its GDP growth projection at 7.2% for FY23, with risks broadly balanced.

1.2.2 Gross Value Added (GVA)

Gross value added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of supply side whereas GDP represents consumption.

The gap between GDP and GVA growth has turned positive in FY22 (after a gap of two years) as a resultof robust tax collections.

- **Agriculture sector** recorded robust growth of 4.1% in Q4FY22, which was over a low base of 2.8% growth in the same period last year. The sector was hit by heatwaves in many parts of India that has impacted the production of several crops including wheat, coarse cereals and pulses. However, the totalfood grain production is still at an all-time high of 314.5 million tonnes, as per the third advance estimate.Anticipation of a normal monsoon, coupled with high prices for agri products and subsidy support from the government, is expected to bode well for the sector.

- **Industrial secto**r grew modestly by 1.3% in Q4FY22 due to negative growth in the manufacturing segment. High commodity and input prices have been a pain point for the manufacturing sector. The construction segment benefitted from a rebound in economic activity post the third wave.

- **Services sector** recorded a growth of 5.5% in Q4FY22, primarily led by trade, hotels, transport, communication and services related to broadcasting and finance, real estate & professional service. Theeasing of restrictions has aided a fast rebound in this sector.

Table 3 : Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

At constant Prices	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY20	FY21	FY22
Agriculture, forestry & fishing	**2.8**	**2.2**	**3.2**	**2.5**	**4.1**	**5.5**	**3.3**	**3**
Industry	**13.4**	**46.6**	**7**	**0.3**	**1.3**	**-1.4**	**-3.3**	**10.3**
Mining & quarrying	-3.9	18	14.5	9.2	6.7	-1.5	-8.6	11.5
Manufacturing	15.2	49	5.6	0.3	-0.2	-2.9	-0.6	9.9
Electricity, gas, water supply & other utility services	3.2	13.8	8.5	3.7	4.5	2.2	-3.6	7.5
Construction	18.3	71.3	8.1	-2.8	2	1.2	-7.3	11.5
Services	**2.1**	**10.5**	**10.2**	**8.1**	**5.5**	**6.3**	**-7.8**	**8.4**
Trade, hotels, transport, communication & broadcasting	-3.4	34.3	9.6	6.3	5.3	5.9	-20.2	11.1
Financial, real estate & professional services	8.8	2.3	6.1	4.2	4.3	6.7	2.2	4.2
Public administration, defence and other services	1.7	6.2	19.4	16.7	7.7	6.3	-5.5	12.6
GVA at Basic Price	**5.7**	**18.1**	**8.3**	**4.7**	**3.9**	**3.8**	**-4.8**	**8.1**

Source: MOSPI (GOI)

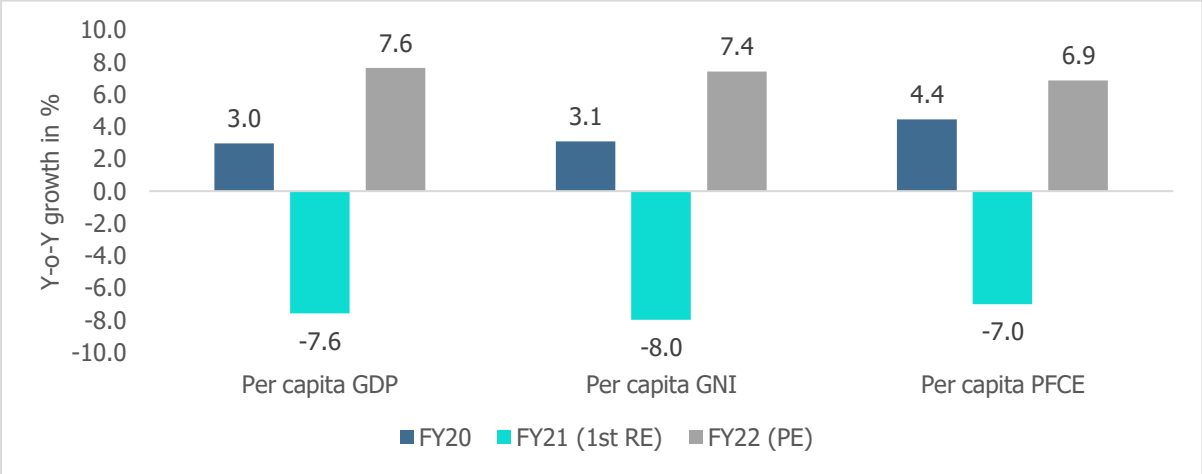
Per Capita GDP, Income and Final Consumption

India has a population of about 1.3 billion with a young demographic profile. The advantages associatedwith this demographic dividend are better economic growth, rapid industrialization and urbanization.

Gross Domestic Product (GDP) per capita is a measure of country's economic output per person. FY21 witnessed a significant de-growth due to the pandemic. However, in FY22 the economy is on path of recovery and the per capita GDP is estimated to grow by 7.6%. The Gross national income (GNI) is alsoestimated to increase by 7.4%

in FY22. The per capita private final consumption expenditure (PFCE), that represents consumer spending, is likely to increase by 6.9% in FY22. Majorly, the FY22 reflects percapita growth due to a lower base.

Chart 2: Growth in Per Capita GDP, Income and Final Consumption (Y-o-Y growth in %)

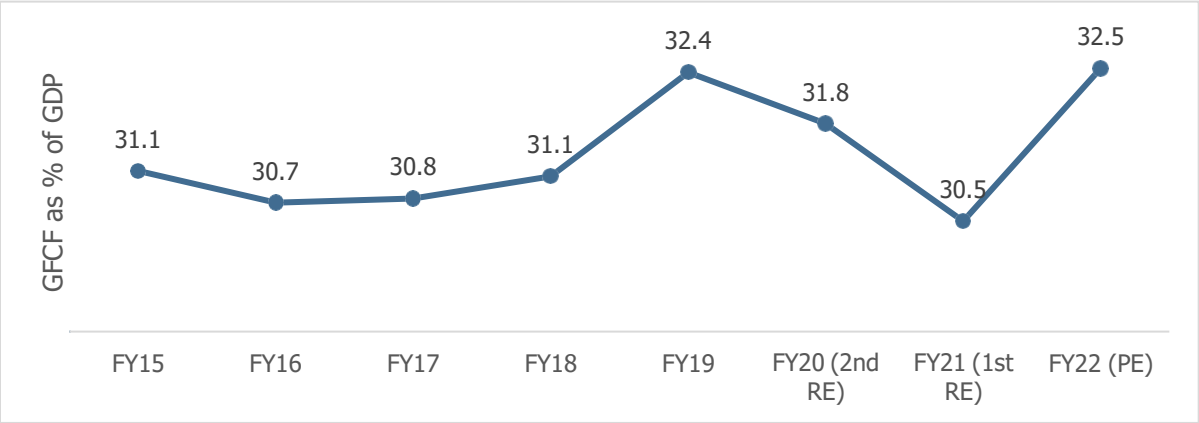


Source: MOSPI (GOI)

1.2.3 Investment Trend in infrastructure:

Gross Fixed Capital Formation (GFCF) which is a measure of the net increase in physical asset, is projectedto see an improvement in FY22. As a proportion of GDP it is estimated to be at 32.5%, which is the second highest level in 7 years (since FY 15).

Chart 3: Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices):



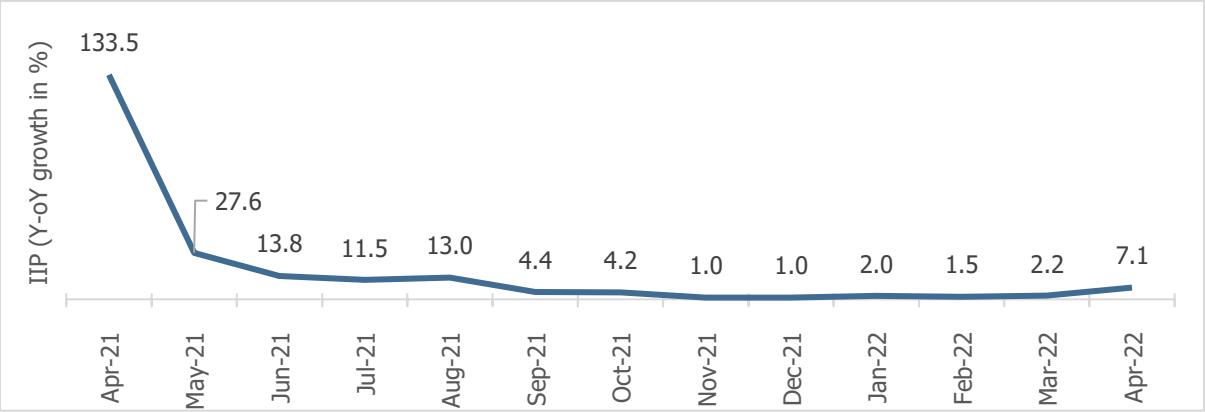
PE: Provisional Estimates, AE: Advanced Estimate; Source: MOSPI (GOI)

Overall, support of public investment in infrastructure is likely to gain traction from the ethos of Atmanirbhar Bharat.

1.2.4 Industrial Growth

The IIP growth has surprised on the upside accelerating to an eight-month high of 7.1% in April 2022supported by a broad-based improvement across sectors with strong growth recorded in the manufacturing and electricity sector. The improved performance of industrial activity is also in line with the rise in the core sector output to a six-month high in April 2022.

Chart 4 : Y-o-Y growth in IIP (in %)



Source: MOSPI (GOI)

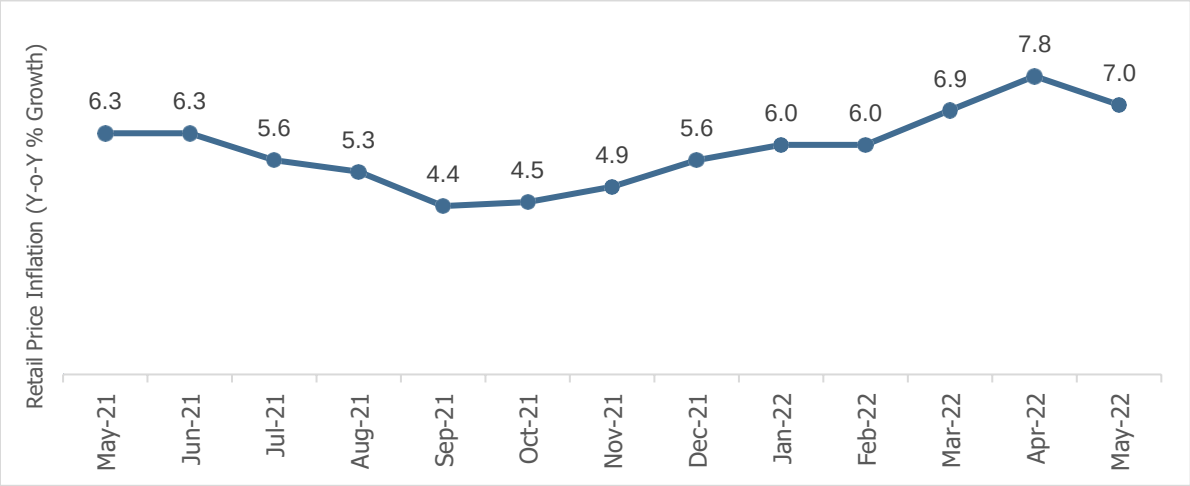
The challenges for the industrial sector in the form of high commodity prices continues to be. However,a gradual pick-up in consumption and investment demand would be supportive of the sector, going forward.

On a cumulative basis, IIP grew by 11.4% in FY22. However, this high growth is mainly backed by a low base of FY21. The index of industrial production is higher by 2.0% when compared with the pre-pandemic level of FY20, suggesting that while economic recovery is underway, it is still very nascent.

1.2.5 Consumer Price Index

India's retail inflation softened marginally to 7.04% in May 2022 from an eight-year high of 7.79% in April, aided by a favourable base.

Chart 5: Retail Price Inflation (Y-o-Y Growth in %)



Source: MOSPI (GOI)

Consumer inflation has been on the upward trend since October 2021 and has reversed its trajectory inMay 2022 after a gap of seven months. Despite the slight moderation, it remained sharply above the RBI's tolerance level for the fifth straight month, driven by elevated food and fuel prices.

Table 4: Component wise retail inflation (Y-o-Y growth in %)

	Food and Beverages	Pan, tobacco and intoxicants	Clothing & footwear	Housing	Fuel & light	Miscellaneous
Weight	**45.9**	**2.4**	**6.5**	**10.1**	**6.8**	**28.3**
May-21	5.2	10.0	5.3	3.9	11.6	7.5
Jun-21	5.6	4.0	6.2	3.8	12.7	7.3
Jul-21	4.5	4.7	6.5	3.9	12.4	6.7
Aug-21	3.8	4.0	6.8	3.9	13.0	6.4
Sep-21	1.6	4.2	7.2	3.6	13.6	6.4
Oct-21	1.8	4.3	7.5	3.5	14.4	6.8
Nov-21	2.6	4.1	7.9	3.7	13.4	6.8
Dec-21	4.5	3.2	8.3	3.6	11.0	6.7
Jan-22	5.6	2.5	8.8	3.5	9.3	6.5
Feb-22	5.9	2.4	8.9	3.6	8.7	6.5
Mar-22	7.4	2.9	9.4	3.3	7.5	7.0
Apr-22	8.1	2.7	9.9	3.4	10.8	8.0
May-22	7.8	1.2	8.9	3.7	9.5	6.8

Source: MOSPI (GOI), CareEdge Advisory and Research

- **Food** continues to remain the main driver with a nearly 50% contribution to total inflation. At 7.84% in May, food inflation witnessed a moderation from 8.1% last month. However, sequentially food prices gained momentum on account of rising price pressures for items like cereals, vegetablesand edible oils.

  - **Cereals** inflation at 5.3% in May was primarily because of the rise in wheat and rice prices. Retail wheat prices have been trending upwards because of production shortfall due to heatwave conditions while rice prices also increased mirroring wheat price rise on solid demand.

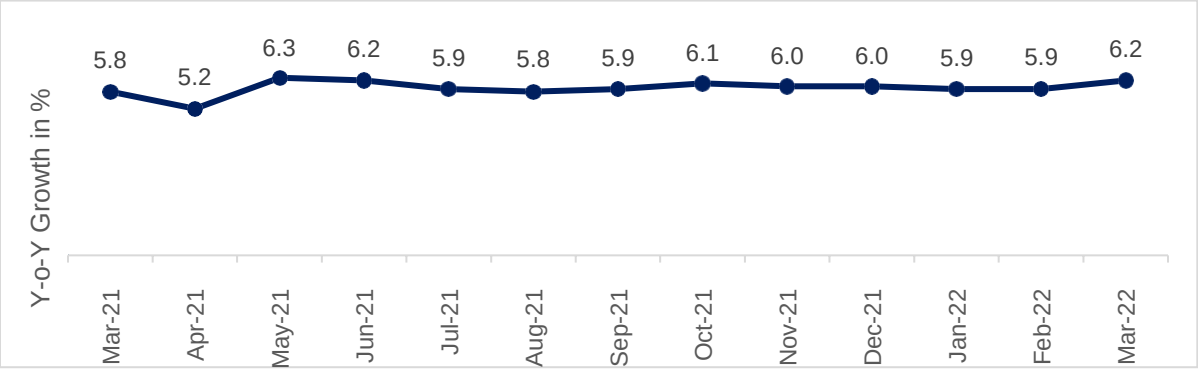
  - **Vegetable inflation** accelerated to 18.2% in May compared with 15.3% last month. Among key vegetables, tomato prices rose sharply in May owing to less production due to heatwaves conditions prevailing in key supplier states and high fuel prices. Potato prices also hardened inMay. Prices of meat and dairy were higher driven by higher feed costs. Going ahead, expectations of a normal monsoon and the recent supply-side measures taken by the government may help to ease the food price pressures to some extent.

- **Fuel and light inflation** remained elevated at 9.5% in May as a result of a hike in LPG cylinder prices (Domestic: Rs. 53.5/cylinder; Commercial: Rs 102.5/cylinder) during the month and electricity tariff revisions by many states. Coal and natural gas prices have skyrocketed in the pastfew months and have prompted domestic players to raise rices to maintain their margins. Rising fuel inflation has a cascading effect on inflation as it feeds into other categories due to higher transportation and logistics costs.

Core CPI

Core inflation (which excludes volatile components such as food and energy prices) eased out but was still close to 6.0% mark indicating that inflation has become broad-based.

Chart 6: Core CPI (Y-o-Y Growth in %)



Source: MOSPI (GOI) and CareEdge Economic Research Report

1.2.6 Concluding Remarks

The Reserve Bank of India (RBI) at its monetary policy meeting for FY23 concluded on 04th June 2022,increased the repo rate from 4.4% to 4.9%. The Monetary Policy committee changed it stance to 'focuson withdrawal of accommodation'. These decisions are made by RBI to front-load the rate hikes to tacklethe concerns about inflation getting broad-based and deeply entrenched in the system.

The major headwinds to economic growth are escalating geopolitical tensions, elevated global commodityprices and shortages of key inputs. However, the bright spots for the economy are improving demand conditions, support from government capital expenditure and improving business confidence.

The prospects for economic growth in the coming quarters are contingent on multiple factors such as progress on the Russia-Ukraine war front, the pace of monetary tightening by central banks globally andthe overall global economic growth trajectory.

Consumption demand is yet to see a durable pick-up in the domestic economy. Rural demand recovery has also been bleak. High food and fuel inflation pressure is further likely to adversely impact consumption spending. But with the economy opening up, the employment situation is expected to improve providing some support to consumption expenditure.

Public investment is expected to exhibit healthy growth as the government has budgeted for a strong capital expenditure growth in FY23. The private sector's intent to invest is also showing improvement as per the data on new investment projects announced. However, the sharp rise in commodity prices and the economic uncertainties emanating from global turbulence is likely to slow down the pick-up in the private investment cycle.

Among sectors, the Industry will continue to be negatively impacted due to high input prices. Services are expected to see a bounce back in FY23 with a return to economic normalcy. However, in the servicessector, some segments like Information Technology would feel the pinch of slowing in US economic growth.

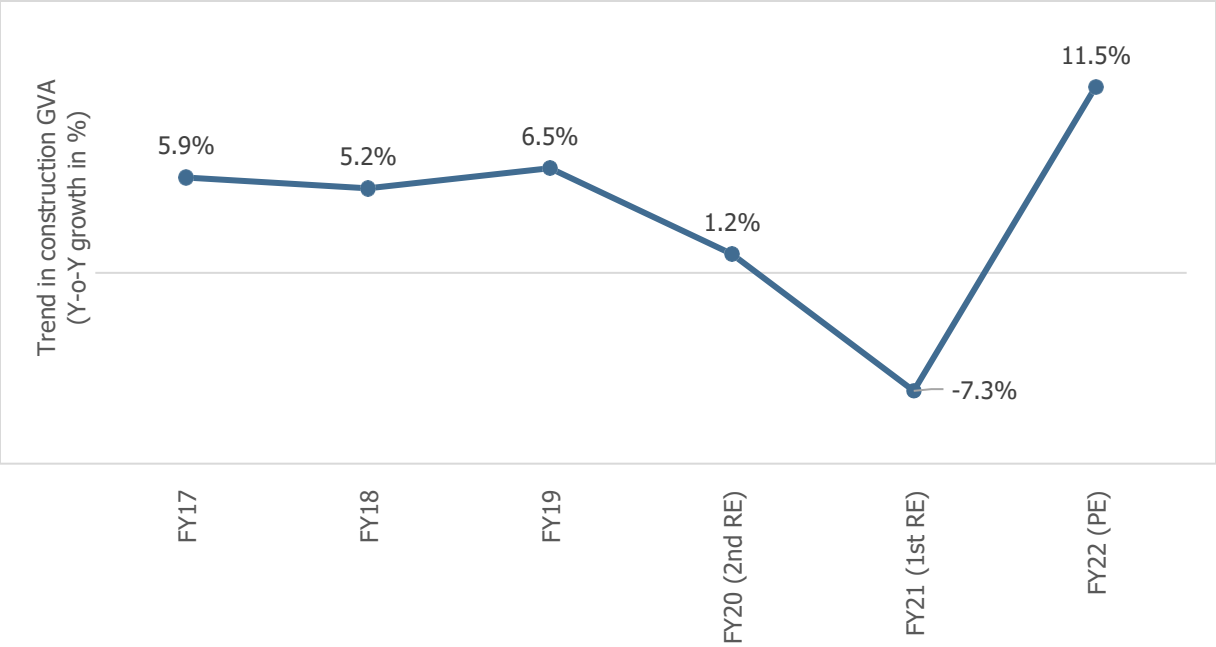
2. Construction Industry in India

2.1 Overview of Construction Industry

The construction industry is a vital indicator of development for an economy as it creates investment opportunities

across various sectors. With a share of around 7.9% in, the construction industry has beenestimated to make contribution of Rs. 10.73 trillion to total Gross Value Added (GVA) in FY22.

Chart 7: Trend in construction GVA at current prices



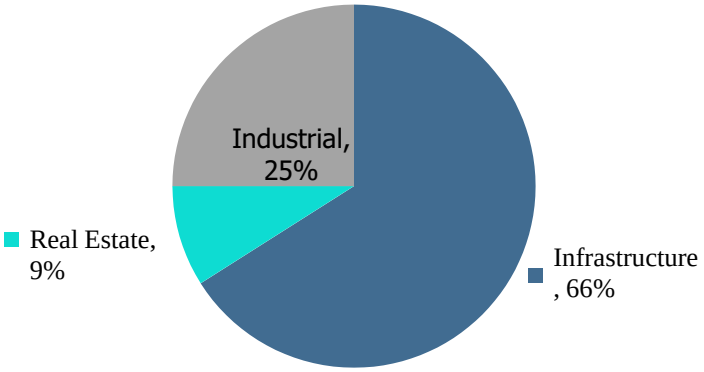
RE – Revised Estimates; PE – Provisional Estimates
Source: MOSPI (GOI)

In last decade, Indian Construction Industry has witnessed unparalleled growth. The construction industry is expected to remain upbeat due to growing demand from real estate and infrastructure projects. The GVA of construction segment had experienced slowdown since the start of FY20 due to factors such as general elections, extended monsoon. Slowdown got severe from March 2020 as a resultof the restrictive measures and lockdowns imposed by the Government to contain the spread of the COVID-19 pandemic, that led to a halt of economic activities and business operations. Thus, in FY21, Construction sector GVA (at basic price) fell by a sharp 7.3%.

The growth was amplified in Q1FY22 because of a favorable base effect (low growth in Q4FY21) which aided the growth in the construction segments growing by 71.3% in Q1FY22 in contrast to a growth rateof 18.3% recorded during the previous quarter. Q2FY22 also witnessed a growth of 8.1%. Even thoughthe sector witnessed a considerable growth in the last two quarters, the GVA levels were still low compared to the pre-pandemic levels. The second half of FY22 the construction segment benefitted fromrebound of economic activity.

The order book of construction companies is dependent upon the capital expenditure in the economy. Broadly, the investments can be classified into infrastructure, real estate and industrial construction. Historically, infrastructure creation, spread across sectors such as roads and highways, telecom, airports,ports, power, oil and gas and railways has dominated the investments. Increase in Infrastructure demand & government initiative shows the potential for catapulting India to the third largest construction marketglobally. The sector is expected to contribute more than 10% to the Indian economy by 2030.

Chart 8: Share of key segments that contribute to construction spending



Source: Department of Industrial Policy and Promotion (DIPP) (GOI)

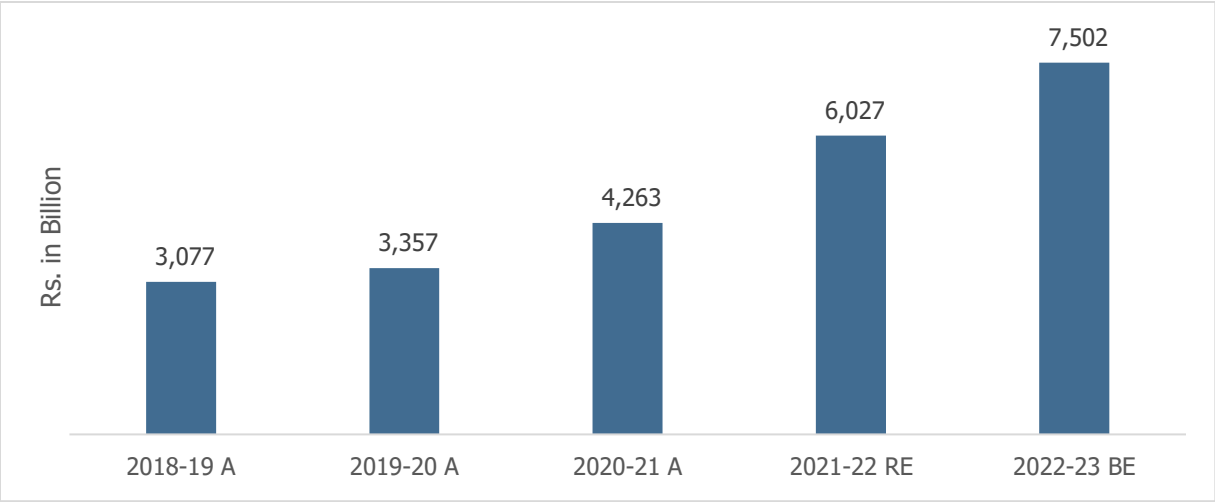
One of the major drivers of the infrastructure sector in India is the infrastructure related investment by the government of India. The government of India has pushed massive investment in the infrastructuresector through various means since it is a core sector for driving the economy.

The construction industry in India is expected to soar high with increased demand from real estate and infrastructure projects. Also, the booming industrial development augurs well for growth of constructionsector.

2.2 Trend of Capital Expenditure

In the past few year, government spending has increased significantly towards capital expenditure as such spending help to push growth and employment. This also has multiplier effect on economy, therebyincreasing consumption and demand in the economy. In the Union Budget 2022-23, the government continued to provide thrust to infrastructure development. Major allocation has been made towards Defence followed by Consumer Affairs, Food and Public Distribution and Road Transport and Highways.

Chart 9: Trend of Capital Expenditure in the Union Budget (Rs. in Billion)



A – Actuals; RE – Revised Estimates; BE – Budgeted Estimates
Source: Union Budget 2022-23; PRS

Budget Estimates of Capital Expenditure for 2022-23 show an increase of Rs. 1,475 billion (24.5% increase) over Revised Estimates 2021-22. The increase in capital expenditure is due to substantial increase in loans and advances to state governments followed by higher investments in National HighwayAuthority of India, capital expenditure of Bharat net and capital infusion in BSNL and higher requirementsfor railway capital works are some of the reasons.

In the budget 2022-23, PM Gati Shakti was launched by the Prime Minster, it is a National Master Plan for Multi-modal Connectivity which is essentially a digital platform to bring 16 Ministries including Railways and Roadways together for integrated planning and coordinated implementation of infrastructure connectivity projects.

In the Infrastructure Sector, projects under the **National Infrastructure Pipeline scheme** which waslaunched year and is linked to transportation and logistics infrastructure, will be integrated with the PM Gati Shakti framework. The North-Eastern Council will implement the Prime Minister's Development Initiative for the North-East (PM-DevINE) to fund development initiatives in the region.

Table 5: Capital expenditure in budget 2022-23 for infrastructure sector (Rs. in Billion)

Ministry	FY21 (Actual) (Rs. in Billion)	FY22 (RE) (Rs. in Billion)	FY23 (BE) (Rs. in Billion)
Road Transport and Highways	892	1,212	1,877
Railways	1,093	1,171	1,371
Housing and Urban Affairs	103	259	273

Source: Union Budget 2022-23 Analysis, PRS

For Roadways, in 2022-23, the PM Gati Shakti Master Plan for Expressways will be developed. In 2022-23, the National Highways network will be extended by 25,000 kilometres. There has been an increase in investment in National Highway Authority of India from Rs. 650 billion in 2020-21 to Rs. 1,340 billion in 2022-23. This has led to an increase in allocation to the Ministry of Road Transport and Highway (MoRTH) by Rs. 679 billion in 2022-23 over the revised estimates of 2021-22. Budgetary allocation of Rs. 2,000 billion to MoRTH, increase by 69% to MoRTH on y-o-y basis.

- **For Railways**, to assist local firms and supply chains, the one-station-one-product idea will be applied. During the following three years, 400 new Vande Bharat trains will be built and manufactured. Further, 100 cargo terminals for multimodal logistics facilities will also be developed during the next three years.

- **For Housing,** 80 lakh houses to be completed in FY23 under **PM Awas Yojana scheme** with an allocation of Rs. 480 billion. In addition, states will receive one lakh crore rupees in the form of 50- year interest-free loans to help catalyse investment.

FDI in Construction Development Sector

The Department for Promotion of Industry and Internal Trade (DPIIT) includes townships, housing, built- up infrastructure and construction-development projects like housing, commercial premises, hotels, resorts, hospitals, educational institutions, recreation facilities, city and regional level infrastructure underconstruction development sector. According to DPIIT, Foreign Direct Investment (FDI) in the constructiondevelopment sector stood at USD 27,969 million between April'00 and March'22. In FY22, infrastructuredevelopment accounted for 5% share of the total FDI inflows of USD 58,773 million.

3. Overview of construction chemicals

3.1 Introduction

Construction chemicals, as the name suggests, are chemicals formulation used to hold construction materials at the time of construction. These formulations are used with construction materials like cement, concrete and other construction materials. The construction could be residential, non-residential or non-building. These chemical compounds are sub-category of speciality chemicals.

The main purpose of construction chemicals is to improve quality of building materials and add more sustainability and strength to the structures. The cost of construction chemicals imparts minimal percentage of total project costs, but the benefits realised are for more. Some of these chemicals help inminimizing the quantities of cement and water used in the construction and can be used for cross-linkingor liquid to solid phase change application.

With gradual increase in contribution by construction industry in global GDP, the construction industry isexpected to represent a bigger part of the global economy in the medium-long term. Surging populationand urbanization are the key driver for the need of sustainable infrastructure and environment friendly products which makes infrastructure the most attractive market for construction chemicals globally. Themarket size of global construction chemical sector is expected to reach near to the USD 70 billion by FY26with CAGR of approximately 7%.

The construction chemical market in Asia-Pacific region has been fastest growing in the global market. This region is estimated to generate revenue of ~USD 11 million by FY26. With increase in average ageof the population and urbanization, significant growth can be foreseen for the construction chemical sector, especially in the Asian countries such as India and China.

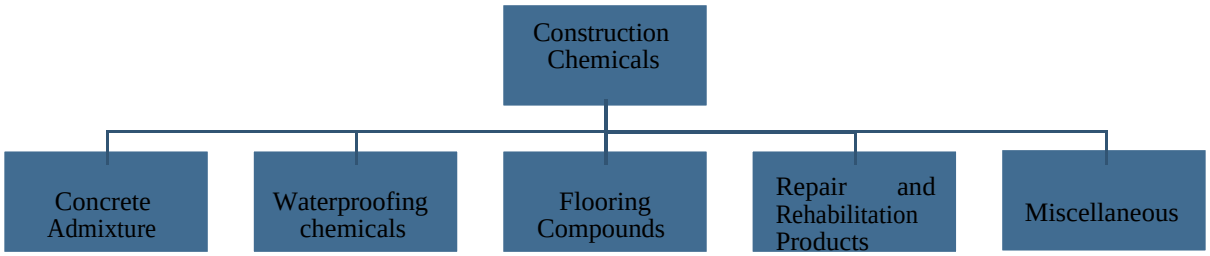
Over the few years, investment in commercial and residential housing and renovation activities of historical monuments, water retention structure, bridges, and other civil structures have led to significantconsumption of construction chemicals across India. The Indian market is still small when compared withglobal market, but the growth prospects are very bright. With increase in construction spending, the Indian construction chemical market is estimated to grow at the CAGR of ~13% by FY29.

3.2 Key segments of construction chemicals

The Indian Construction chemicals market majorly consists of admixtures, flooring chemicals, waterproofing compounds, adhesives & sealants and repair and rehabilitation. The adhesives, sealants and admixtures segment own the majority of the share in this market, preceded by repair and rehabilitation segment.

Based on the end use applications, the construction chemicals compounds can be broadly classified intothe following five categories:

Figure 1: Key segments of construction chemicals



3.2.1 Concrete Admixture

Cement which is a widely used non-metallic material in construction, is mixed with crushed rock, sand and water in specific proportion to produce concrete. For better workability and more strength, admixtures are added to the mix immediately before or during mixing. Admixtures are chemicals or additives added during concrete mixing to enhance the properties of the concrete. The benefits of concrete admixtures are:

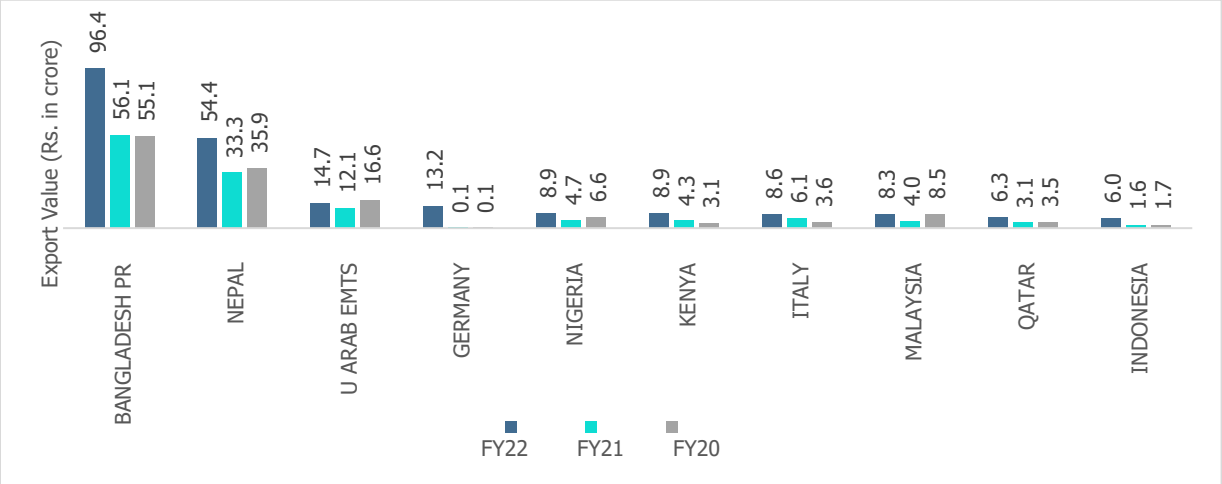
- Reduce the cost of concrete construction
- To modify the concrete properties
- Offer high comprehensive strength, durability, water tight and better finish
- Ensure quality of concrete during mixing, transporting, placing, and curing in adverse weathercondition
- To slow the corrosion of reinforcing steel in the concrete

The concrete admixture segment is projected to occupy major share in the construction chemical industrywith revenue generation of ~USD 12 million by FY26 at CAGR of ~4%.

Export trend

In FY22, total exports of prepared admixture are valued at Rs. 307 crores. The largest share of preparedadmixture export in FY22 has been Bangladesh with ~31%. With opening up of cross country trade afterthe pandemic, the admixtures have witnessed significant growth in terms of exports. Over the years, theconstruction chemical industry has been modernizing through new molecules, innovations in technology,product profile which is likely to gain traction in the global market.

Chart 10: Export of Prepared admixture for Cements-Mortars (Rs. in crore)



Source: Department of Commerce (GOI)

Usually, Admixtures are selected based on the site condition and desired strength characteristics. TheVarious types of concrete admixtures are as follow:

a) Air-Entraining Admixtures

As the name suggests, air-entraining admixtures entrains the air bubble inside the concrete and gives high resistance to freezing and thawing action. The air-entraining admixture uniformly distribute airbubbles. During the event when the surrounding temperature drops below 0C, the entrain bubble in the concrete act as expansion chambers against the increase in volume experienced by the transformation of water into ice. Thus, the frost-resistance characteristic makes air-entraining admixtures suitable for use in cold climates.

b) Superplasticizer

Superplasticizer are additives used for water reduction for high strength concrete. Plasticizer are chemical compounds that enable the production of concrete with ~15% less water content. The superplasticizer allow ~30% or more reduction in water content. This improves workability and performance of the concrete structure.

c) Corrosion Inhibitors

Corrosion Inhibitors are used to prevent the risk of corrosion in steel bars used in the structure. These inhibitors either extend time to corrosion initiation or reduce the extent of corrosion. Corrosioninhibitors slow down corrosion by increasing anodic or cathodic polarization. Thus, this admixture can be used in extending life of concrete structures such as highways, multi-storey car parks, jetties,wharves, mooring dolphins, and sea walls.

d) Accelerators

Accelerators are added to a concrete batch either immediately before mixing or during mixing. Thisadmixture causes an increase in rate of hydration which means it helps in make concrete set faster. At the same time, it also increases early strength of concrete.

e) Retarders

Retarders are admixtures which delay the setting of cement paste. When retarders are used in the concrete, it temporarily slows down hydration process. Due to this, the concrete remains in plastic stage and remains workable for a longer time.

Compressive Strength of Concrete

Compression strength of concrete is a measure of the concrete's ability to resist loads without any crackor deflection with passing days. Inclusion of the admixture in concrete adds to the compressive strengthof concrete notably. Concrete with admixture showcase remarkable resistance ability. Thus, application of concrete admixture is important for enhancing the durability and strengths of the concrete mix.

3.2.2 Waterproofing Chemicals

Out of some of the natural factors like air, water, climate, wind and humidity that govern deterioration of structure, water is a prime cause of such degrading. For which, waterproofing chemicals are used to stop water infiltration. These compounds or membranes can be extremely effective when applied at theexterior or at the foundation. Water proofing compounds are available in liquid, solid, slurry and two- component coating forms. These products could be urethane based, modified asphalts, clay based or rubber polymers.

These chemicals cater to various end use of application products such as polymer modified cementitiouscomposites, elastomeric polyurethane, water proofing concrete, polysulphide sealants, polyurethane systems, water repellents, and butyl & acrylic sealants, depending on the need or damage to the structure.

Below are some of the benefits of using waterproofing chemicals:

- Helps in improving durability of different type of surfaces by preventing unwanted moisture
- Prevention of damaged caused due to seepage which may ruin the structural strength

- Prevents rusting of metals and decay of wood

Waterproofing chemicals products

a) Polyurethane based

Polyurethane based waterproofing materials can be used for different functions such as membrane, coating, mastic and sealant. These materials are durable, long-lasting and they provide high performance.Polyurethane is a rather popular choice due to its ease of installation. This is one of the most expensivechemical waterproofing methods available in the industry.

b) Bitumen based

Bitumen which is typically known as asphalt, is used as foundation for bituminous paints which are coating products. These are highly effective as sealants, corrosion prevention and hold strong adhesive properties. Thus, these products make best waterproofing material choice due to its versatility.

c) Polymer based

Usually, polymer based chemical products includes Styrene butadiene rubber (SBR) and acrylic polymers. These are waterproofing agents for application requiring in Flat Roof concrete, Kitchen Balconies, Chajjas, Slope roofs and wet areas like Bath-rooms, Canal linings, Swimming pools, Water tanks etc.

3.2.3 Flooring Compound

Flooring adds warmth and charm to the structure and considered vital component for structures aesthetic. There are chemicals added in floor concrete in order to render it denser and more durable.

The flooring compounds are used to meet various industrial needs such as abrasion, load impact, chemical attack, moisture penetration, strengthening of damaged floors, as well as improving the aesthetic appeal of the floor. They are also used to provide certain special features such as slip resistance,static resistance, fire resistance, antibacterial properties, and so on. These are also used in levelling andcreating even floor surface.

Flooring compounds are largely included in application at the finishing stage of the construction. Major commercial complexes and shopping malls prefer these flooring compounds. Flooring compounds are mostly epoxy and polyurethane based.

Epoxy flooring

Epoxy floor systems are mostly used in heavy-duty industries such as general as well as machinery manufacturing, warehouses and logistics etc.

These industries often involve heavy vehicle movements like the use of forklifts and thus, epoxy floor coatings are considered as they are harder. These provide higher durability and compressive strength.

Polyurethane flooring

Polyurethane flooring are considered to be more flexible. These are more scratch-resistant compared toepoxy. With respect to chemical exposure, these are preferred options for food industries which have exposure to lactic and other fruit acids.

3.2.4. Repair and Rehabilitation Products

Repair and Rehabilitation is highly unexplored and under developed market. The main rehabilitation methods are concrete jacketing, Steel Jacketing and Fiber Reinforced Polymer (FRP) wrapping.

Jacketing is the process whereby a section of an existing structure is restored to original dimensions or increased in size by encasement using suitable materials. Wherein, weak reinforced concrete columns deteriorated over some time due to adverse atmospheric conditions or due to poor maintenance of the structure are strengthened.

FRPs are simply defined as high-strength and lightweight reinforcements created by combining carbon or E-glass fibres with a polymer material. These are used to create an externally bonded reinforcing system that is ideal for application to existing structural elements.

To carry on repair and rehabilitation methods, the products involved are:

a) Cementitious repair mortars

Cementitious mortar is a cement-based binding material used to stick building blocks such as bricks, stones and other similar building materials together. These are also used with additives that contribute to important qualities for efficient concrete repair, including anti-corrosion.

b) Epoxy-based resin mortars

Epoxy-based resin mortars are popular for use in repairing concrete as they can be layered up to fill cracks and gaps with more than 50mm depth. Epoxy concrete repair mortars are used to provide new strength to damaged concrete. Most of the times, these offer a permanent repair that is tough enough to stand up to overall heavy use.

Some other types of repair and rehabilitation products are moisture insensitive epoxies, structural additives, synthetic adhesives, rust removers, corrosion inhibitors and so on.

3.2.5 Miscellaneous

The residual category of construction chemicals includes – Sealants, Protective coatings and resins, Grouts and Tile Adhesives.

- The **sealants** are used to seal expansion joints, holes, concrete road joints, and to fill concrete gaps. In constructions, the sealants are used to prevent fluid and other substances from passing through the joints and gaps. The different types of sealants are Polysulphide sealants (used as expansion joints for concrete roads, structural joints etc), Polyurethane sealants (for high flexibilityand bonding strength), Silicone sealants (for bonding between two dissimilar surfaces) and Acrylic sealants (for day-to-day applications of gap/crack filling)

- **Protective coatings** are mainly applied for corrosion protection. It also includes waterproofing andepoxy resins. It emphasis more on protective properties than the esthetic properties. Epoxy resins is known for its adhesive as well as corrosion protective properties.

- Grouting is the process of injecting material into cracks or gaps in concrete structure to increase itsload bearing capacity and the materials used in this process are called **grout.** Grouts are used to give extra strength for the load bearing structures.

- **Tile Adhesives** are special type of glue used for fixing tiles on the floors, walls, swimming pools etc.

4. End user Industry – Construction Chemicals

The construction chemicals industry is growing at significant rate majorly due to increasing governmentinvestments in infrastructural projects, rising construction spending, increasing government initiatives towards urbanization and housing for all and improving focus on repair and rehabilitation. However, theconstruction chemicals still have low consumer recognition and with proper understanding and user benefits, the construction chemicals are expected to contribute significantly towards growth and buildingof Indian Economy. Some of the key end user industry of construction chemicals are:

- Construction and infrastructure (including roads, railways and real-estate)
- Repair and rehabilitation
- Retail Segment

4.1 Construction and Infrastructure

Infrastructure is the back bone for any economy. The extent and quality of infrastructure determines theability of the country to utilize its comparative advantage and enables cost competitiveness. Given the strong backward and forward linkages and the positive externalities that infrastructure generates, it canbe a vehicle for social and economic transformation.

The growth drivers of the Indian Infrastructure se78ctors that maintain the demand for construction chemicals are - growing better infrastructure needs, government initiatives, international investments and public private partnership projects. With increasing market size of construction sector, growth of itsrelated sectors like construction chemicals is likely to follow the similar trends.

The Construction sector was hit hard during the pandemic, because of the lockdown, labor migration leading to logistical challenges. There were supply side issues such as problems in raw material procurement, increase in the prices and manpower mobilization, but these were addressed. The sector has witnessed a growth in FY22, supported by unlock measures and significant infrastructure investmentsmade by the Government of India (GoI) resulting in recovery of order book execution. Meanwhile, the sector is facing the challenge of record increase in the prices of construction materials such as cement and steel which could affect the profitability of industry players going forward as prices of inputs are likely to continue to remain at elevated levels in the near to medium term.

Going forward, the outlook for construction sector is favorable supported by continued government spending on infrastructure.

4.1.1 Roads Transport

India has the second largest road network in the world after USA, spanning a total of 62.18 lakh kilometers (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. The Indian road network comprising of National Highways, Expressways, State Highways, Major District Roads, Other District Roads and Village Roads. While development of National Highways has been the key area of focus, the largest proportion of roadscontinues to be state highways, district and rural roads.

Table 6: Breakup of Road Network

	lakh kms	%
National Highways	1.41	2%
State Highways	1.71	3%
Other Roads	60.59	95%
Total	**63.71**	**100%**

Source: Ministry of Road Transport and Highways (MoRTH), CareEdge Research

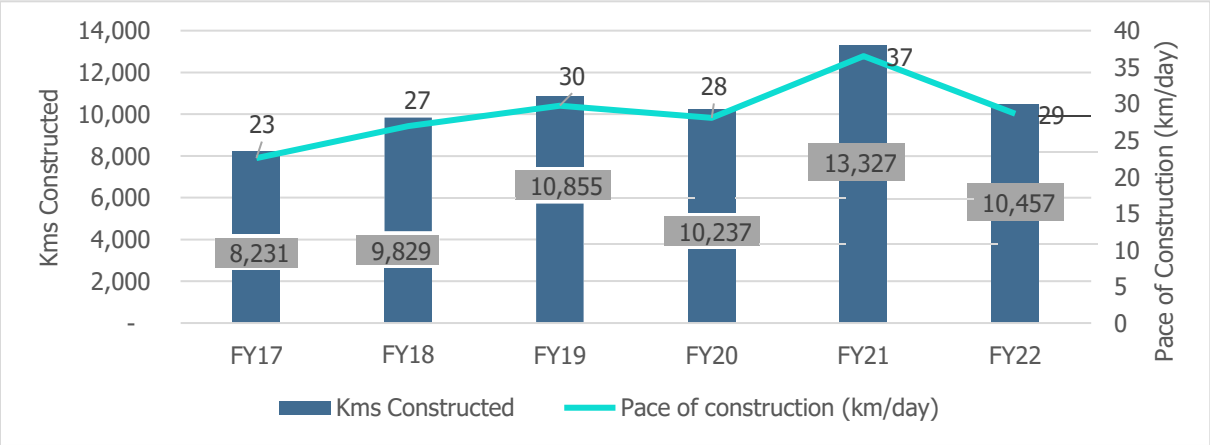
Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country. The development and maintenance of roads in India are undertaken by various agencies of both Central and State Governments. The Ministry of Road Transport& Highways is primarily responsible for the development and maintenance of National highways and executes the same through the agency of National Highways Authority of India Ltd, National Highway Infrastructure Development Corporation Ltd (NHIDCL), and State PWDs & Border Roads Organizations etc.

India's road infrastructure has seen consistent improvement in the last few years. Connectivity has improved and road transportation has become a focus of rapid development. Roads are providing better access to services, ease of transportation and freedom of movement to people. Recognizing the significance of a reliable and swift road network in the country and the role it plays in influencing its economic development, the Ministry of Road Transport and Highways (MORTH) has taken up the responsibility of building quality roads and highways across the country.

Road construction trends in recent years also give optimism of achieving high targets during next few years in spite the sector badly hit by the Covid-19 pandemic and partial lockdown at various states acrossIndia. In the FY22 10,457 kms of road network were constructed as compared to 13,327 km in the FY21.The FY21 had witnessed a 30.4% increase in road construction with record high 36.5kms per day construction in the month of March 2021. This is due to a significant increase of 29.5 % of public expenditure compared to previous year. The FY22 exhibited slowdown by 21.5% due to factors such as extended monsoon, pandemic related disruptions and localized

restrictions.

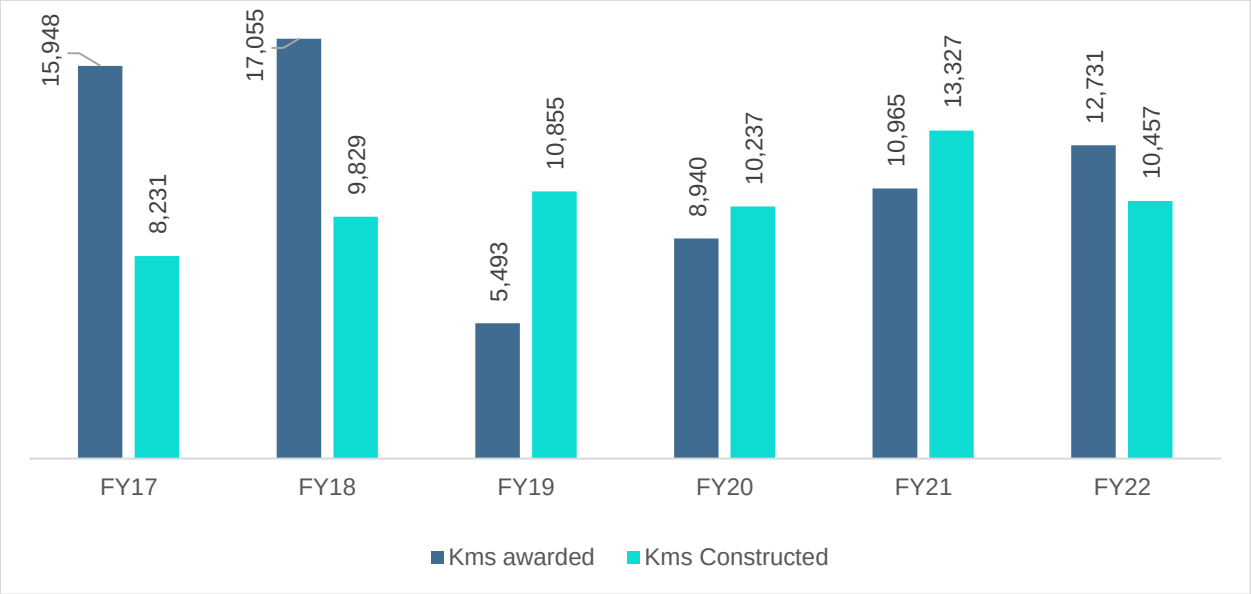
Chart 11: Length and Rate of Highway construction in India



Source: MoRTH, CareEdge Research

The previous highs of project awards until FY18 waned due to reduced private sector participation. However, with increased focus towards EPC and Hybrid Annuity Models (HAM), the pace of awards of National Highway projects grew at a strong pace of ~32% CAGR over the past 4 years (Refer chart below). Along with strong targets for the FY22 ha continued to be seen from the chart below:

Chart 12: NHAI – Projects Awarded and Completed (in kms)



Source: MoRTH submissions and CareEdge Research

Further, as part of the PM Gati Shakti National Master Plan, the MoRTH plans to develop 22 Greenfield Expressways, 23 other key infrastructure projects & other highway projects and 35 Multi-Modal LogisticsParks (MMLPs), as part of the Bharatmala Pariyojana and other schemes of the Ministry.

National Highways under the Bharatmala Pariyojana Scheme

Under Bharatmala Pariyojana Phase-I, projects comprising length of 19,265 km have been awarded withcost of Rs. 5.6 trillion. Currently, a total length of about 6,750 km has been completed. The governmentaims to construct 12,000 km of National Highway during the current fiscal year out of which 5,118 km has been constructed as on 30th

November 2021.

Year	Target (Km)	Achievement (Cumulative)			
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
FY22	12,000	2,284	3,824	5,518 (till, Nov 2021)	NA
FY21	11,000	1,823	3,950	7,767	13,327

Source: MoRTH

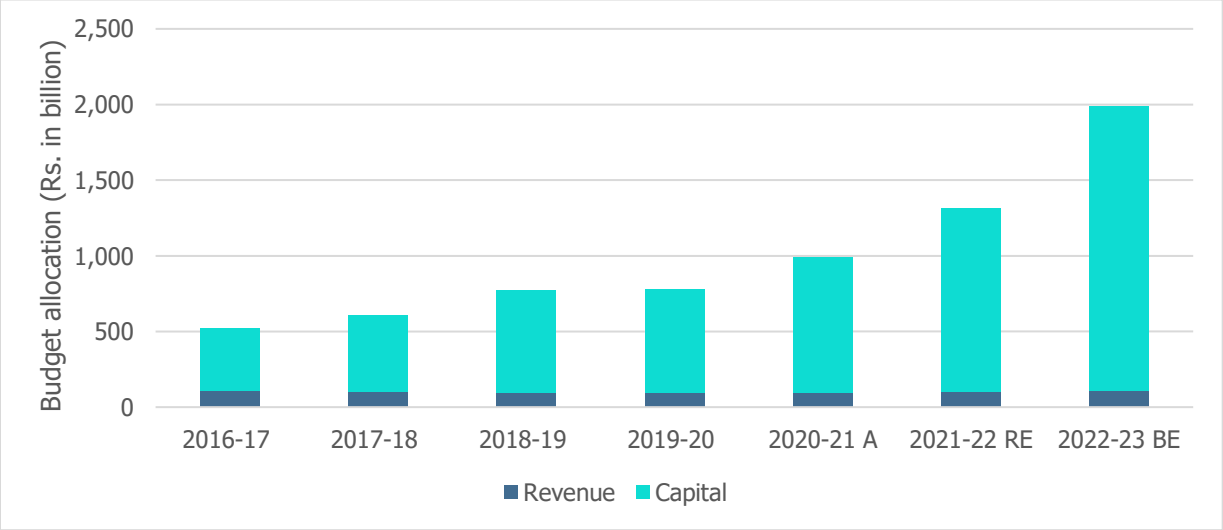
For Phase 2, the planning has already been started. The NHAI has identified that 5,000 kilometers will be covered under phase 2 of the Bharatmala.

With added stress on multimodal integration, road safety, increasing use of Information Technology applications, augmentation of existing funding sources and emphasis on green initiatives, the Ministry istaking steps to further intensify the efforts to realize the vision of the Prime Minister of providing seamlessconnectivity across India so that it becomes USD 5 trillion economy by FY25.

Infrastructure Development to support growth in the medium term to long term

With all time high budget allocation in FY23 towards capital expenditure, ~Rs. 2 Lakh crores has been allocated for development of road network in the Union Budget 2022-23. The outlay on road infrastructure is 58% more than in FY22.

Chart 13: Budget Allocation for the Ministry of Road Transport and Highways (Rs. Billion)



A-Actual, RE- Revised Estimate; BE - Budgeted Estimate
Source: MoRTH and Rajyasabha

The budget plan aims for multi-modal logistics facilities and connectivity systems under the PM Gati Shakti. For infra push, financial assistance of Rs. 1 Lakh Crore has been allocated to states from centre.Through this, the Government is planning to generate employment opportunities and augur well for theRoads sector.

With increasing government support for development of road sector and modernized approach, thegrowth of construction chemical industry is aligned with progress of road sector.

4.1.2 Real Estate

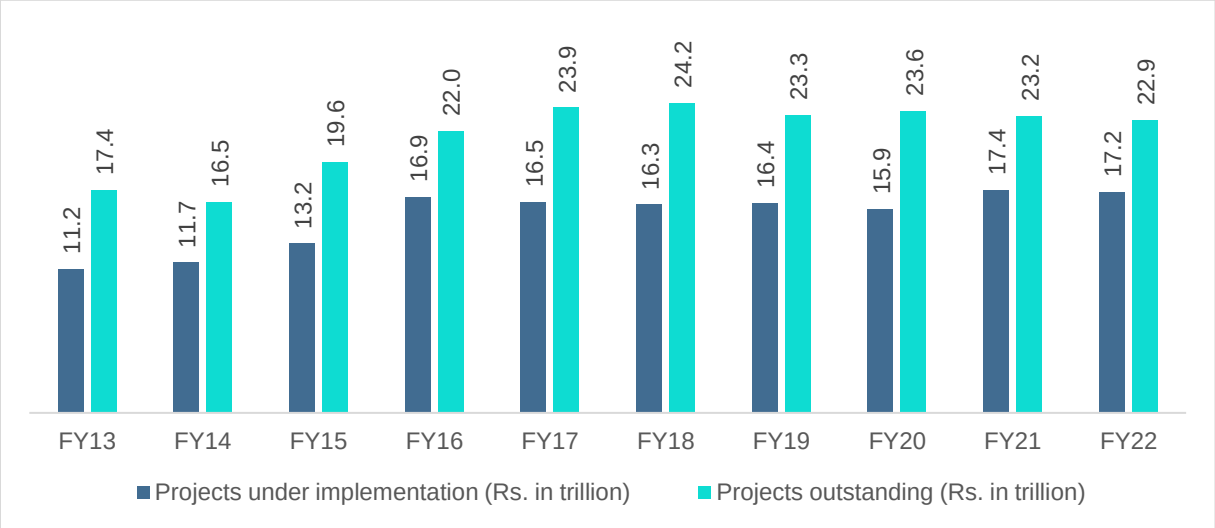
The real estate industry is one of the most crucial and recognized sectors across the globe. In India, it isone of the major sectors in terms of its direct, indirect and induced effects on the economy. Broadly, thereal estate industry can be classified into residential and commercial real estate. The commercial real estate segment can be further

segmented into office, retail and hospitality.

The residential real estate accounts for nearly 80 per cent of the total real estate market in India as it ismore end-user driven. The commercial segment depends on employment opportunities in the country, particularly for the office space. Along with this, discretionary spends determine the growth of the hospitality and retail segments. With increased population and urbanization, there is consistent demand for residential and commercial buildings. Construction chemicals are widely used in residential infrastructure and commercial infrastructure, owing to the rise in demand for housing, domiciliary and office buildings in urban areas.

Around three houses are built per 1,000 people per year as against the required construction rate of fivehouses per 1,000 individuals per year, as per industry estimates. This indicates that there is significant untapped potential for growth in the sector. While the current shortage in housing in urban areas is pegged at around 10 million units, the shortage in the affordable housing space is expected to be muchhigher considering the population belonging to that strata. Along with this, increased economic growth and the uptick in India's service sector has created additional demand for office space, which in turn is likely to result in greater demand for housing units in nearby vicinity.

Chart 14: Trends in Real estate projects



Source: CMIE

The significant increase in new real estate projects in past 10 years exhibits growth in the demand for real estate in India. With about Rs. 22.9 trillion of projects outstanding as on FY22 and 227 new projects launches during the FY21, the dire need to complete the construction can be foreseen in the coming years. The new project launches may be subdued in FY22 as realty developers will focus on clearing existing housing inventory and completing pending projects. Hence, the improvement and gradual movetowards completion of real estate projects bodes well for construction chemical industry. Factors such as increased government budget on housing schemes and development of townships also augurs for the growth of construction chemical industry. Adding to this 100% FDI in real sector would also significantlydrive the growth of construction chemicals.

India is in the top 10 price appreciating housing markets internationally. Therefore, it is also expected that this sector will incur more non-resident Indian (NRI) investment, both in the short term and the longterm. The growing flow of funds through the FDI route in Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and managementsystems to meet due diligence standards.

Foreign investments continue to pour in this sector and returning to offices have also boosted the leasingbusiness. The office and retail sectors are stabilizing and showing improvements after being heavily disrupted by the pandemic.

The commercial real estate segment was one of the worst hit segments by the pandemic. Demand took a severe hit due to retrenchment of workers, work-from-home system which made companies rethink their need for leasing or buying commercial real estate. The demand for commercial real estate dipped in the first half of CY20 on account

of the coronavirus pandemic. However, a resumption to normalcy and improved vaccinations enabled unit sales to increase gradually from H2CY20 to H2CY21.

The commercial real estate segment, which includes industrial, retail and warehousing is projected to dowell on account of a rapid growth of the warehousing segment and a gradual pick up in the office segment.

In Q4FY22, the pace of growth in the commercial leasing space is recovering despite the emergence of the omicron wave. The volumes of the leasing activities have improved by 11% to 14% in this quarter and are expected to continue to grow given the "Back to office" trend and hybrid working model. Also, with the growing start-ups the need for co-working space is increasing. The co- working space has alsocontributed to a favorable 20% to 22% in the total transaction space growth. Apart from this, the hybridmodel of working is creating the demand closer to home. Big conglomerates and multinationalcorporations have closed some large-ticket lease deal in the recent past after the Covid-19.

The retail and warehousing segment witnessed boost due to the increase in preference for e-commerceand an online presence of most retailers. This is going to lead towards greater demand for warehousingdue to a need to store agricultural produce and e-commerce products near major consumption centers.

The residential real estate segment made a quick turnaround post the first wave of the pandemic and remained by the second wave which was more severe in terms of intensity. The residential real estate segment remains poised for growth in the future on account of relatively better economic momentum, mass vaccination drives and better preparedness to deal with newer variants of the virus orany lockdowns. The resumption in sales and launches indicates that consumer sentiment surrounding investing in a property is picking up. The perception of owning a house is more lucrative now due to anamalgamation of factors such as low home mortgage rates, competitive prices and flexible payment schemes rolled out by developers.

The residential sector is expected to grow significantly with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan MantriAwas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Along with this, the growing flow of FDI in Indian real estate is encouraging increased transparency. In order to attract morefunding, developers have revamped their accounting and management systems and are meeting due diligence standards. This will help increase confidence of prospective buyers too.

Additionally, with increased penetration of property technology, virtual reality, interior design and property management through prop-tech are likely to be key growth drivers of residential space.

Conclusively, under infrastructure segment, the increased urbanization schemes such as the Revolutionary Smart City Mission are expected to improve the lifestyle through modernized and technology driven urban planning. The increasing demand for urbanization bodes well for the development of construction chemical industry.

4.1.3 Railways

Investments in the railways have remained subdued in comparison with the power and road sectors, though it picked up pace since 2016. The key focus areas have been decongestion of over utilized rail network, construction of new lines, doubling, tripling, quadrupling of rail lines and purchase of rolling stock such as wagons, locomotives, coaches, etc.

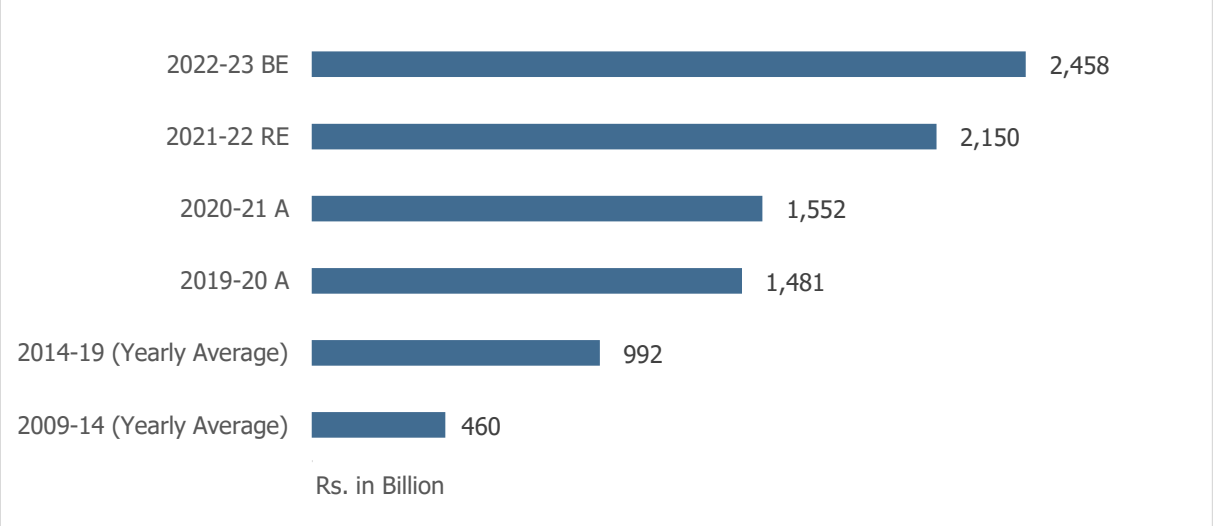
The Union Budget 2022-23 has focused on 'One Station-One Product' to help local businesses and supplychain. Plans of development of 400 new Vande Bharat trains in the next 3 years along with developmentof 100 Cargo Terminals over next few years. 2,000 kms of network to be bought under Kavach for safetyand capacity augmentation in 2022-23.

Under NIP, total capital expenditure of Rs. 13.68 trillion by both Centre and States would be made between FY20 to FY25. About 724 identified projects will be implemented in the period 2020-25. Out ofthe 724 projects, 697 projects worth Rs. 11.97 trillion will be implemented through EPC mode, while 27projects worth Rs. 1.61 trillion will be implemented through PPP mode.

Capital expenditure has been increased substantially for Indian Railways from an average Capital expenditure

during 2009-14 of Rs. 460 billion to 2,458 billion during 2022-23 (BE).

Chart 15: Major Capital Expenditure in Indian Railways



RE- Revised Estimate; BE - Budgeted Estimate; A- Actuals
Source: Economic Survey Report 2021-22; Union Budget 2022-23; CareEdge Research

Since, construction of new lines and decongestion of over utilized railway tracks are key focus areas of the government, demand for construction chemicals indicate signs of growth.

4.1.4 Other Industrial Sectors

The manufacturing companies as well aim at expanding their manufacturing capacity at different parts of the country to cater their expanded product line. For which, the companies demand construction whichare durable, efficient and require less maintenance. With growing industrialization and gradual shift towards domestic manufacturing, the growth of construction chemical market is supported by these factors as well. Thus, the industrial infrastructural development also assists in raising the demand for construction chemicals.

4.2 Repair and rehabilitation

- There is a growing global concern about the premature deterioration of building or structures. Thoughconcrete is quite mechanically strong, it is highly susceptible to deterioration and thus gets damaged& sometimes collapses ultimately, unless some measures are adopted to counter deterioration. Measures like repairs, maintenance and rehabilitation aim to enhance the durability of the structure. With growing awareness about new technologies and new repair material, the repair and rehabilitation segment is considered to be fastest segment of the construction chemicals industry.

- For repair of any concrete structures, construction chemicals are very much commonly used in advanced countries for obtaining long term results. India is yet to completely adapt to usage and application of construction chemicals. The adaption of new technologies and materials is required onlarge scale to attain durable structures on long term basis. Often, the normal periodical maintenanceis being ignored and very much lacking. This originate increase in the requirement of repairs and rehabilitation.

- The Repair and Rehabilitation market includes a number of chemical compounds which are used in each stage of construction activity, i.e. right from foundation to finishing and also repairs. The rehabilitation and repair segment of construction chemicals make up a significant volume of total share of construction chemicals. These construction chemicals help to safeguard the infrastructures against extreme environmental calamities. As eco-friendly construction has become one of the emerging needs in the 21st century, the demand for new eco-friendly repair and rehabilitation chemicals has been hitting new positive fronts. Thus, any advancement in the construction techniquesor processes is bound to exhibit direct effect on the market fundamentals of construction chemical.

- With growing travel and tourism in India, the government is showing gradual interest in restoration of monuments in India. The demand for construction chemical is related to the restoration projects as well.

  Not only for tourism, the repair and rehabilitation can be undertaken for variety of projects – like smallresidential society, high rise Residential Buildings, Commercial Buildings, Cement Chemical Plants, Bridges, Power Plants, Jetties, Five Star Hotels etc. Each structure would require different types of work based on the structural needs. For instance, rehabilitation work is required for civil constructionwork & old building structure, Structural Strengthening work is required for heavy industries, Waterproofing is needed for old & New Buildings and Repairs contractor's work is required for waterproofing, roofing, flooring, plumbing & painting.

- Construction Repair and Rehabilitation chemicals are divided into concrete floor repairing chemicals, rust removers, corrosion inhibitors, repair mortars, moisture insensitive epoxies etc. Some of the typeof services relating to repair and rehabilitation are:

  - Micro concrete and repairs mortar
  - Carbon fiber strengthening and wrapping
  - Retrofitting service
  - Heritage building repairs and restoration
  - Railway bridges repairs
  - Roads repair
  - Structural strengthening
  - Dam repair and rehabilitation
  - Grouting service
  - Column Jacketing
  - Gunitings & Shotcreting

- Repair and rehabilitation sector have considered to be largely unorganized. Issues relating to climate change and poor quality of concrete mixed are some of the factors for deterioration of infrastructure. The increase in seismic activities or any other natural calamities also result in major structural damages.These factors lead to early distress sign in a structure and hence lead to more demand for the repair industry. The growth in repair sector is continuous which require more awareness due to increase in distress scenarios likes cracks, delamination or even sudden collapses. Such events may lead to alarming possibilities as this is associated with risk of loss of life. Rehabilitation embroils contribution of high end technology and advanced skills. To cater to these challenges, construction chemicals play significant role in providing sustainability and longevity to the structure.

4.3 Retail segment

With the economy recovering from the pandemic, the retail industry has resumed sprouting. The retail segment is driven by consumption and the growth in consumption of construction chemicals by households is likely to witness growth due to some of the factors such as increasing urbanization, increase in disposable income, favourable demographics, change in lifestyle, brand consciousness and growth ofe-commerce. In recent years, with growing awareness about the benefits, construction chemicals are often being used in day-to-day household activity. Majorly, the construction chemical used by householdsare adhesives, sealants and waterproofing solutions.

For the short term fixes like fixing the tap leakage, filling up the minor cracks on walls or tiles, filling thegaps in antiques or for fixable broken objects, demand for construction chemical continues to remain.

Thus, the key drivers in retail segment for construction chemicals are:

- **Growing awareness for the use and application of construction chemicals through effective marketing and training**

  To make user aware of their application and benefits, effective marketing of product is important. Spreading awareness through advertisement and campaigns about usage of the chemical for correctapplication and better results will reinforce the customer’s belief in the utility of construction chemical.Adding to this, to be able to deliver the product at the consumer’s doorstep is can be another successfactor.

- **Increase in Disposable income**
  The demographic structure of the country has witnessed change in the past few years. Along with this, there has been increase in disposable income and growth aspiration for better living and amenities. The shift in aspiration for better standard of living is another key driver for renovation andproperty upgrade. Hence, this factor is also likely to cater growth for construction chemicals.

- **New product innovations and technologies**
  Focus on development and marketing of innovative product which are expected to outgrow traditionalproducts is one of the another important key factor. Necessary innovation for quick fixes which ultimately targets the retail consumer segment can also lead to growth in construction chemical market.

- **Low product costs**
  With problems like the low awareness and price sensitive nature of the market, it is bit challenging toget consumers to accept more expensive products. Thus product innovation must also focus on creating affordable products with wide applications. Cheaper adhesives and waterproofing solutions can also be a good strategy to gain traction in terms of sales.

5. Challenges faced by the industry

The construction chemicals market in India can considered to be under-developed when compared globally. Even though the opportunities for the construction chemical markets outweigh the challenges, the biggest challenge for this industry in recent years have been product pricing and low awareness. Onthe basis of values, Construction chemicals have limited demand, which are mostly used in premium construction projects. Some of the segments in the construction industry are still not wholly aware aboutthe benefits of various construction chemicals, and consequently, tend to use substitutes at low costs. Following are few key challenges faced by the industry:

- **Price sensitivity**

In Indian construction chemical market, the demand of customers is to receive best quality at very low price. However, this market is still very cost-conscious. Due to limited awareness, customer prefer usageof low-cost substitutes. This further adds the requirement for research and development to maintain balance between quality and price.

- **High competition**

Due to low entry barriers, the market comprises of large MNCs as well as small manufacturers both. Which is a core reason for high competition in the construction chemical market as the manufacturer tend to sell low value products by sacrificing on quality element of the product.

- **Lack of awareness**

Due to lack of awareness about the usage and application of construction chemicals, the benefits of construction chemicals is not well recognized to the user group. Since, the construction chemicals need to be used in an appropriate way and at the right time, the value addition made to construction works are not fruitfully realized if the technicalities are incorrectly followed. Hence, there is need for technical guidance which is fairly lacking.

- **Lack of skills among laborers**

By nature, Construction chemicals are sensitive in nature and require some basic technical expertise andtraining. Due to limited access of this expertise and training, the workers employed in construction lack the skills to effectively use the construction chemicals.

- **Absence of quality standards**

The absence of quality standard and stringent regulation creates multiple challenges in terms of price and quality for manufacturers. This effectively distorts the market and may create price wars. Further, introduction of sub-standard products manufactured for maximizing profit has ruined the industry growth. Consumers using sub-standard products don't get the results by the applications, which in turn developadverse insight for the customers as well as end users.

6. Government Initiatives

The government of India's commitment to increase spending on infrastructure development bode well for the expansion of the construction chemicals market in the country. Some of these government initiatives are:

- **'Make in India'** initiative supports facilitation of investments, fostering innovation, enhance skill development and built best in class manufacturing infrastructure in the country. Which eventually promotes infrastructural development. This initiative mainly focuses on 25 sectors. Chemicals and construction being one of these sectors, the growth momentum is likely to witness significant growthand optimism which can potentially be a growth driver for construction chemical industry.

- **'Pradhan Mantri Awas Yojna' (PMAY)** which support industrial as well as infrastructural development create long term growth opportunities for construction chemical market. Under PMAY,the target of 'Housing for all' by the year 2024 is set at 2.95 crore houses. The total number of sanctioned houses under PMAY(U) is 114.04 Lakh; of which around 93.25 Lakh have been groundedfor construction and around 54.78 Lakh have been completed and delivered to the beneficiaries ason 15th February 2022. This initiative is leading to significant opportunities for construction sector as well as for its sub-sectors like construction chemical industry.

- The **'Smart City Mission' (SCM)** initiative focuses mainly to drive economic growth and improve the quality of life of people by enabling local area development and harnessing technology, especially technology that leads to Smart outcomes. Of the total proposed projects under SCM, 7,905 projects worth Rs 193 billion (94% by value) have been tendered so far, work orders have been issued for 7,692 projects worth around INR 180.5 billion (88% by value). 3,830 projects worth Rs. 609 billion (33% by value) have also been fully completed and are operational as on 10th April 2022. Such scheme bodes growth in urbanization and technical advancement which is good indicator of development and will lead to increase in overall market size of construction chemical industry.

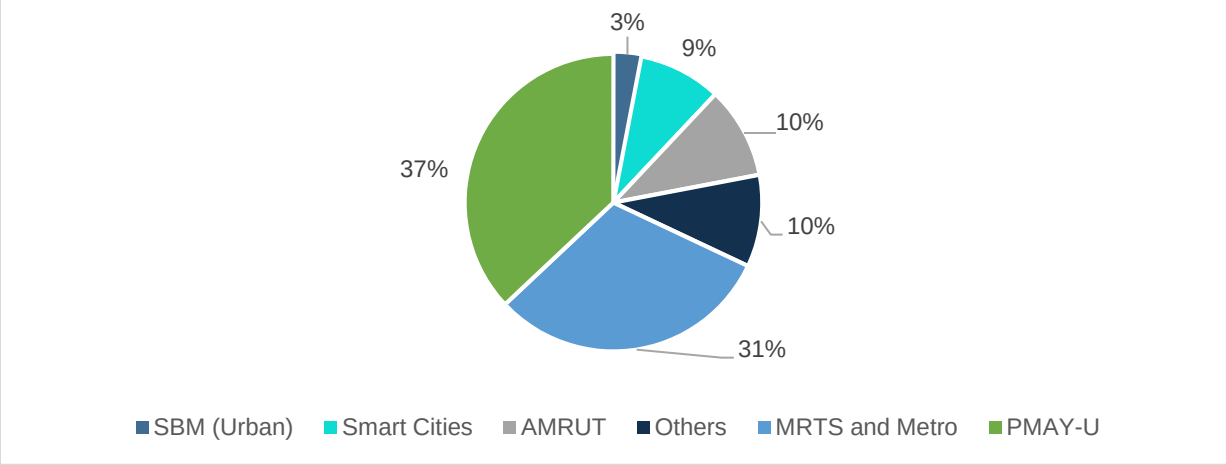
- In the Union Budget for FY23, the government promoted **PM Gati Shakti initiative** for multi- modal connectivity, wherein the allocation made of Rs. 200 billion will play a key role in developmentof efficient logistics in the country. The budget also laid down targets to expand National Highwaysnetwork and lay down conventional roads in hilly areas and enhance metro projects financing. Suchannouncements made by the government augurs well for construction chemical industry.

- **Budgetary Allocation**

  - In the recent Union budget, the total budgetary allocation for FY23 towards the **Ministry of Housing and Urban Affairs** is Rs. 0.77 trillion. This is an increase of 4% over the revised estimates for FY22.
  - The Ministry implements several centrally sponsored schemes, and a few central sector schemes.These include:
    (i) Pradhan Mantri Awas Yojana – Urban (PMAY-U)
    (ii) Atal Mission for Rejuvenation and Urban Transformation (AMRUT)
    (iii) 100 Smart Cities Mission
    (iv) Swachh Bharat Mission – Urban (SBM-U), and
    (v) Deendayal Antyodaya Yojana-National Urban Livelihood Mission (DAY-NULM).

    The Ministry also develops and manages metro rail projects across the country.

Chart 16: Key allocation by Ministry of Housing and Affairs for FY23



Note: MRTS - Mass Rapid Transit System.
Source: Demand No. 60, Ministry of Housing and Urban Affairs, Union Budget 2022-23

Of the expenditure allocated to the Ministry in FY23, the highest allocation is towards PMAYU at 37 % ofthe total Ministry's budget followed by allocation to Metro projects at 31%.

This way, the increasing government spending on housing and infrastructure augurs well for theconstruction chemical industry.

- The National Heritage City Development and Augmentation Yojana (HRIDAY), a central sector scheme launched on 21st January, 2015 and was implemented in 12 cities of Ajmer (Rajasthan), Amaravati (Andhra Pradesh), Amritsar (Punjab), Badami (Karnataka), Dwarka (Gujarat), Gaya (Bihar), Kancheepuram and Velankanni (Tamil Nadu), Mathuraand Varanasi (Uttar Pradesh), Puri (Odisha), and Warangal (Telangana). The mission has ended on 31st March, 2019 and no new projects/cities were taken up after 31st March, 2019.

  Under the HRIDAY Scheme, funds were not allocated to the cities year wise but for the entire Missionperiod and directly released to the cities.

  From the total fund allocation amounting to Rs. 453.90 crore, the utilized fund amounted as Rs. 322.74 crore as on 31st January 2022.

This scheme exhibits importance given to preserve and revitalize the soul of Indian heritage cities toreflect the city's unique character by encouraging aesthetically appealing, accessible, informative anda secure environment.

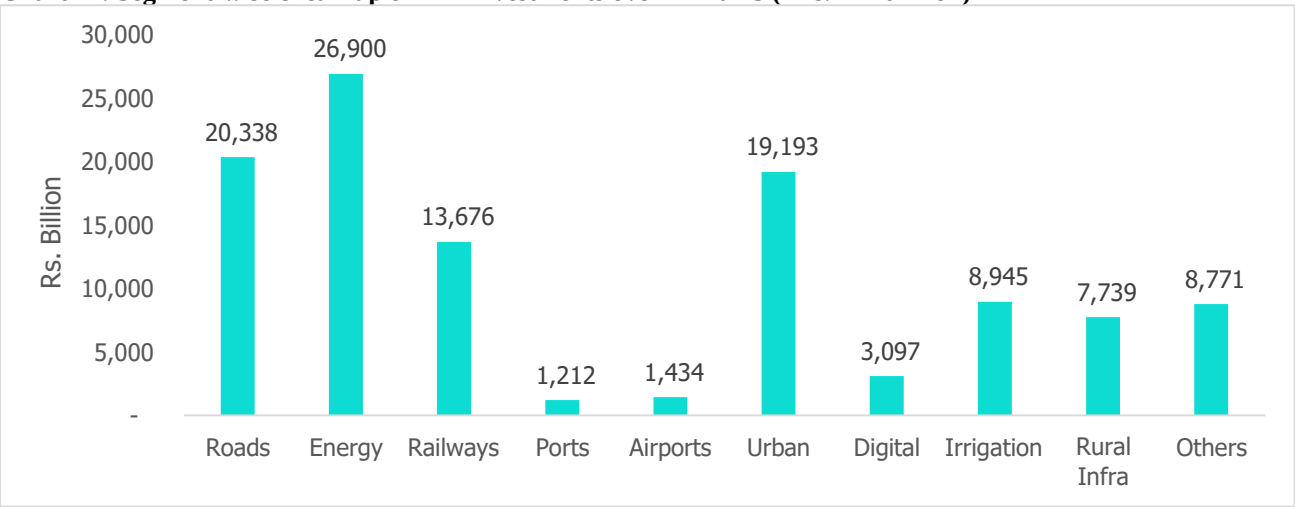
- **National Infrastructure Pipeline (NIP)**

Before the onset of the pandemic the Government of India had unveiled the National Infrastructure Pipeline (NIP) covering various sectors and regions indicating that it is relying on an 'infrastructure creation' led revival of the country's economy. The NIP which covered rural and urban infrastructure entailed investments to the tune of Rs. 111 trillion to be undertaken by the central government, state governments and the private sector during FY20-25.

This in turn is expected to offer significant opportunities to Engineering, Procurement and Construction (EPC) players in India. Significant investment in infrastructure development, real estate will boost construction activities and act as a catalyst for growth of EPC companies in India.

Segment wise construction opportunity in NIP

Chart 17: Segment-wise break-up of NIP investments over FY20-25 (~Rs. 111 trillion)



Source: Report of the Task Force, NIP

7. Key players

Following are some of the key players of construction chemicals market:

- **Asian Paints Ltd.**

Incorporated in the year 1945, Asian Paints Ltd. is engaged in manufacturing of a wide range of paints for decorative and industrial use and also offers Wall Coverings, adhesives and services under its construction chemicals and waterproofing service portfolio. The company is also present in Home Improvement and Decor segment and offers bath and kitchen products. The company also introduced lightings, furnishings and furniture in its portfolio. In the Health and Hygiene segment, Asian Paints offers range of Sanitizers and Surface Disinfectants.

- **Astral Adhesives Ltd.**

The company Astral Adhesives was founded in 1987 as a company manufacturing epoxy resins, adhesives were added to product range in 1993. The company is engaged in manufacturing of a diversified range of adhesives, sealants, putties and construction aids.

- **Ultratech Cement Ltd. (Building Material Division).**

Ultratech Cement Ltd is the largest manufacturer of cement in India and ranks among the world's leadingcement maker. It started its retail format of Ultratech Building Solutions in 2007 and today it offers a wide range of products, services and solutions through our network of 2500+ stores across India UltraTech Building Products division manufactures and markets technologically re-engineered products for construction and infrastructure industry. Product range includes Tiles Adhesives (TILEFIXO-CT, TILEFIXO-VT, TILEFIXO-NT, and TILEFIXO-YT), Repair Products (MICROKRETE and BASEKRETE), Waterproofing Products (SEAL & DRY, FLEX, HIFLEX, and MYKROFILL), Industrial and Precision Grout (POWERGROUT NS1, NS2, and NS3), Plasters (READIPLAST, SUPER STUCCO), Masonry Products (FIXOBLOCK), Light Weight Autoclaved Aerated Concrete Block (XTRALITE).

- **Mcon Rasayan Pvt. Ltd.**

Mcon Rasayan Pvt. Ltd. (Mcon Rasayan) was incorporated in the year 2016, the company is engaged in manufacturing of construction chemicals and building finishing products. The product/service range of the company include waterproofing products, concrete admixtures, ready to use tile adhesive, ready to use products like ready mix mortar, wall finishing coat, concrete repair, floor furnishing and surface treatment. Mcon Rasayan is a supplier of construction chemicals and building finishing products to Indianas well as overseas market.

- **Pidilite Industries Ltd.**

The company Pidilite Industries Ltd. was incorporated in the year 1969, and it is engaged in the businessof Industrial Adhesives, Art & Craft Materials, Construction and Paint chemicals, Adhesives & Sealants, Industrial resins and polymers etc. The company owns various brands such as Fevicol, Fevicol MR, Mr. Fixit, Fevikwik, M-seal, Fevistik, Fevicryl, Hobby ideas etc. Overall, the company operates in 8 countries globally and offers more than 600 products.

8. Outlook

- The construction chemical market is considerably fragmented. Going forward, the industry is expected to maintain its momentum of growth driven by its untapped potential and growth of construction industry in coming years. With increasing new construction activities and repair andrehabilitation technologies, the demand for construction is likely to make parallel growth.

- The high import cost of construction chemicals brings opportunity for the domestic industry to expand and manufacture greater and more advanced products and solution. This will also help in growth in demand for construction chemicals.

- The 100% FDI in infrastructure sector is likely to boost the construction chemical industry growth.The increased inflow of FDI would certainly help in development, expansion, and growth of theindustry. This would eventually lead towards enhancement of quality products and expansion ofthe industry.

- Government spending has been one of the key drivers of construction industry. The financial constraint of the government has been reduced by several public-private partnerships. This assistin increasing focus on overall infrastructural development. Also, the government policies in support of boosting domestic manufacturing augurs well for industrial development. An all-timehigh budget allocation towards capital expenditure in FY23 sets a benchmark for government's thrust towards infrastructural development. With such infrastructural as well as industrial development, market for construction chemical is expected to expand.

- With ~Rs. 2 trillion allocations for development of road network in the FY23 and target of expanding national highway coverage upto 25,000 kms, the demand for construction chemical based solutions and ready-mix-concrete can be foreseen to shoot up.

- Growing construction activities triggered by urbanization and development of rural areas is still an untapped area. As per census of India 2011, the urbanization level in India is ~30%. Unitednation estimates that about 416 million people will be added as urban dwellers between the years2018 and 2050. Hence, with progressing urbanization and development activities, usage of construction chemicals is very likely to upswing.

- With growing concern about climate change, its environmental impact on concrete structures generates needs for repairs and renovation solutions. The increase in seismic activities and several occurrence of natural calamities results in major structural damages. Not only this, premature deterioration of building or structures has also raised alarming concern for dire needfor repairs and rehabilitation. Thus, generating modernized and innovative construction chemicalsolution would capture high traction in the coming years for the purpose of longevity and sustainability of the structures.

- Increase in disposable income, rising aspiration of large middle income group and changing demographic provide boost to the demand for construction chemicals from the retail segment.

OUR BUSINESS

To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", and "Management's Discussions and Analysis of Financial Condition and Results of Operations" as well as the financial, statistical and other information contained in this Draft Prospectus.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year", "Fiscal" and "Fiscal Year" are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Prospectus. For further information, see "Restated Financial Statements" on page 161. We have, in this Draft Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Prospectus.

*The industry and market information contained in this section has been derived from a report titled Report on Construction & Construction Chemicals industry dated June 2022, prepared by Care Advisory Research and Training Limited which was appointed by our Company vide engagement letter dated May 11, 2022 and has been exclusively commissioned and paid for by our Company in connection with the Issue. ("**CareEdge Report**")*

OVERVIEW

We are in the business of manufacturing, marketing and selling of modern building materials and construction chemicals with a suite of more than 80 products which includes a range of construction materials and construction chemicals in both powder and liquid forms. Our powder products such as ready mix plaster, tile adhesives, block adhesives, wall putty, micro concrete & polymer mortar, engineering non shrink grouts and floor hardeners are widely used in the building construction segment. Our liquid portfolio having products such as poly-urethane (PU) based liquid membrane, bonding agents, paints, anti-corrosive coatings, concrete admixtures and curing compounds. Our products are marketed and sold under the "MCON" brand.

We have two manufacturing plants in Valsad and Navsari, Gujarat. Our plant at GIDC Sarigam, Valsad, Gujarat mainly manufactures admixtures, wall putty, tile adhesives, paints, concrete repair systems and waterproofing systems and has an installed capacity of 2,500 MTPA. Our other plant at Chikli, Navsari, Gujarat mainly manufactures readymix mortars, block adhesives and tile adhesives and has an installed capacity of 12,500 MTPA. Our third plant is a greenfield project under-construction at Ambethi, Valsad and is expected to be operational by the end of FY 2023. Our total installed manufacturing capacity will be 36,000 MTPA for powder products and 6,000 MTPA for liquid products by the end of FY 2023. Our manufacturing plants are situated at Valsad being the border of Maharashtra and Gujarat which is strategic location with respect to serving the western regional markets of the country. We have obtained certifications viz. ISO 9001:20152 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) for manufacture and supply of construction & water proofing chemicals and paints in respect of our Unit I. We have also obtained IS 15477:2019 for Adhesive for use with ceramic, mosaic and stone tiles and IS 2645:2003 for Integral waterproofing compounds for cement, mortar and concrete. Further, we have obtained the Certificate of Compliance for our products, MCON Mortar, MCON NSA Grey Gold, MCON NSA Grey No Limit, MCON NSA White, MCON NSA White Gold, MCON NSA White No Limit and MCON LW, identified by the symbol "CE".

We supply our products to more than 100 distributors and dealers which in turn supply them to more than 1300 retailers based in the States of Maharashtra, Gujarat and Rajasthan who serve various developers, contractors and architects in these western regional markets. Our top 10 products which are widely sold and distributed through the above channels are as under:

Sr. No.	Name of Product	Application of the Product
1.	MCON Magic Coat WP	Single component acrylic based waterproofing cementitious coating.
2.	MCON Magic Coat PU White	Single component polyurethane based 400% flexible waterproof liquid membrane in white colour.
3.	MCON Mortar/NSA Grey	Ready to use waterproof tile adhesive for floors/wall tiles.
4.	MCON Micro Mortar	High strength micro concrete for repair works.
5.	MCON Polymer Mortar EP	Ready to use repair mortar with blended polymers to give perfect repairs of small sections with smooth finish.
6.	MCON Block Fix /Block Mortar	Ready to use AAC block joining adhesive to give waterproof and strong bond block fixing.
7.	MCON Readyplaster	Ready mix waterproof plaster with polypropylene fibers to prevent cracks.
8.	MCON Ultra Gyp Bond	High viscous bonding agent to give superior grip to gypsum plasters.
9.	MCON Wall Putty	Cement based polymer modified white wall putty for internal walls.
10.	MCON Hard/Top Floor Metallic	Metallic floor hardner for abrasion resistant tough floors.

We undertake in-house research and development from our Navi Mumbai, Maharashtra based R&D facility. This facility is equipped with modern equipment and research personnel from the modern building materials and chemical industry are working with us. Some of the equipment installed by us include weighing scale, weighing balance, water bath, vernier caliper, thermometer, themohygrometer, SS scale, shear & adhesion test machine, spectrophotometer, measuring tape, hot air oven, external micrometer and digital stopwatch.

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various tests like compressive strength test, alkali content test, harden concrete permeability test, water retention efficiency and currying efficiency test, special gravity test and solid content test. These tests ensure that our products meet the industry standards required by our clients for safety, durability, and consistency.

The financial performance of our Company for the period June 30, 2022, and Fiscals 2022, 2021 and 2020, is as follows:

(₹ in lakhs, except for percentage)

Particulars	For the period ended June 30, 2022	Fiscal 2022	Fiscal 2021	Fiscal 2020
Revenue from operations	654.21	1,921.65	897.77	896.62
EBITDA(1)	52.34	128.04	91.38	65.41
EBITDA margin (%)(2)	8%	6.66%	10.18%	7.30%
PAT	23.47	44.40	18.68	3.61
PAT Margin (%)	3.59%	2.31%	2.08%	0.40%
Net Debt(3)	752.33	740.85	346.58	321.61
Total Equity	244.76	221.29	178.40	110.72
ROE (%)(4)	9.59%	20.06%	10.47%	3.26%
ROCE (%)(5)	4.5%	9.93%	12.12%	7.90%
EPS (Basic & Diluted) (6)	1.56	2.96	1.25	0.32

(1)EBITDA = Profit before tax + depreciation & amortization expense + finance cost.
(2)EBITDA Margin = EBITDA/ revenue from operations.
(3)Net debt = non-current borrowing + current borrowing - Cash and Cash Equivalent, Bank Balance, and Investment in Mutual Funds.
(4)ROE = Net profit after tax /Total equity.
*(5)ROCE = Earnings before interest and taxes (EBIT) / Capital employed**
**Net worth = Equity +Non-current borrowing + current Borrowing + Deferred Tax Liabilities – Intangible Assets*
(6)EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period.

Our Strengths:

Comprehensive product portfolio

The construction chemical market is considerably fragmented. As per the CareEdge Report, the industry is expected to maintain its momentum of growth driven by its untapped potential and growth of construction industry in coming years. With increasing new construction activities and repair and rehabilitation technologies, the demand for construction is likely to make parallel growth. The high import cost of construction chemicals brings opportunity for the domestic industry to expand and manufacture greater and more advanced products and solution. This will also help in growth in demand for construction chemicals.

We are engaged in the business of manufacturing and sales of modern building materials and construction chemicals. From the development of new buildings by developers to repair of existing buildings by contractors, our products provide a wide range of solutions for modern living. Innovative materials that provide strength, stability, durability and resistance to dampness and water is the ultimate objective of any modern building material. Our modern building materials and construction chemicals portfolio has more than 80 products which are manufactured to provide strength and stability, resistance to dampness and water, durability, comforts and conveniences. Our suite of products includes a range of construction materials and chemicals such as concrete admixtures, tile adhesives & grout, waterproofing system/products, concrete repairs, ready mix mortar, wall finishes and paints, anti-corrosive system/products, engineering grouts & industrial floors and concrete essentials. Our products are marketed and sold under the "MCON" brand.

Diverse customer base

We cater to modern building and development requirements of our clients like developers, civil contractors and architects. We have over the years established relationships with various clients and continue to serve them with our product offerings. We supply our products through market intermediaries like dealers and distributors to institutional customers like builders & developers and large civil & engineering contractors involved in the construction of civil, commercial and infrastructure projects. We play an important role in the entire life cycle of any construction whether it is a new construction where our products such as readymix plasters, tile adhesives, paints, wallputty and block adhesives used for development or in an old and dilapidating building or structure which requires re-enforcements like our micro concrete, polymer mortar, liquid polymers, epoxy mortars, crack fillers and corrosive protection to provide strength and stability to the existing structure.

In-house research and development of products

We undertake in-house research and development for innovative products which help our clients in solving issues faced by them. We have created eight (8) innovative products in the past three (3) years either independently or in consultation with our clients.

- Plaster Bond – A ready to use anti-hacking product which aids in bonding of cement plaster to RCC walls and ceilings.
- Self-cure ready plaster – A ready to use cementitious plaster which doesn't require water curing.
- Ready plaster Render – An easy to apply rendering mortar for thin set plastering on AAC block walls.
- Magic Coat PU – A polyurethane based liquid membrane which helps in giving the perfect solution and replacement for membrane waterproofing systems.
- Polymer Mortar EP – Ready to use polymer mortar with excellent bonding and great strength which gives high class finish.
- Magic Coat Flexi – Fiber reinforced poly-acrylic coating for waterproofing of external slabs and walls with 150% elongation.
- Magic Seal PU – Polyurethane based structural sealant for construction joints and glass/aluminum gaps.
- Steel 2K – two component polymer based anticorrosive coating for steel reinforcement.

In the current financial year we have launched the following new products to our existing line of products:

- MCON CI 300: Corrosion Inhibiting Concrete Admixture - Bipolar corrosion inhibiting admixture in liquid form for reinforced concrete and mortar.
- MCON EPOXY SBA: Epoxy Adhesive for Segmental Bridge – This is a solvent free thixotropic two-part epoxy adhesive for bonding prefabricated concrete bridge segments.
- MCON 2K EPOXY PRIMER: Epoxy Primer - This is a two component, epoxy-based primer is suitable for priming concrete / metal surfaces, including walls, prior to the application of any epoxy flooring, epoxy coating and epoxy repair mortar.

Strategic location of manufacturing units

We have two (2) manufacturing units out of which one is situated at GIDC Sarigam, Valsad, Gujarat which are industrial belts which is a manufacturing hub for various industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food, edible oil, etc. Our other plant is situated at Chikli, Navsari, Gujarat. Our third plant is a greenfield project under-construction at Ambethi, Valsad, Gujarat and will be operation by the end of FY 2023. We intend to cease operations at the Chikli plant once our Valsad plant reaches its full operational potential. In addition to being in or around industrial belts, we are close to the Maharashtra-Gujarat border and being close to our end-user market provides various advantages including lower freight costs and improved customer relationships. The location of these units with proximity to Gujarat and Maharashtra and has good connectivity to ports, airports and highways/expressways which enhances our capability of supplying our products in time and on a cost-effective basis to our clients. Further, we procure sand used for our products from areas near our factory locations which enhances the cost-effective manufacturing of our powder products.

Quality Standard Certifications & Quality Tests

We have obtained ISO 9001, ISO 14001 and ISO 45001 for the management systems at our manufacturing facility at GIDC Sarigam, Valsad, Gujarat. Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various strength tests for the determination of pH of materials, viscosity of high viscous material, specific gravity of material, bulk density, Solid%/NVM% of the material, film properties, slump of cementitious material, compressive strength, shear adhesion and sand /powder size of the material. Wherever required by our clients, we obtain industry standard tests certificates from our suppliers for the raw materials used by us for specific products. Some of our products in the tile adhesive and water proofing segment are ISI certified and comply with these Indian quality standards for use in the construction industry. We have also obtained "CE" certification from Geotech Global Certification Private Limited for our tile adhesive range of products.

Experienced Promoter and senior management team

Our Promoter, Mahesh Bhanushali has vast knowledge and experience of more than twelve years in the modern building materials and construction chemicals manufacturing and sales. He has been the driving force in developing and growing our business. His understanding of the industry requirements, intuitive entrepreneurship and involvement in key aspects of our business has helped accelerate and drive our profitable growth. Our Promoter is complemented by a professional management team which shares the same vision and values as them to drive our growth. For further details please see *"Our Management"* on page 142. We believe that we have attracted and retained experienced senior management team with operational and technical capabilities, management skills, business development experience and financial management skills.

We believe that the combined strength of our Promoter, Directors and senior management team help us to implement our business strategies in an efficient manner and to continue to build on our track record of successful product offerings. We will continue to leverage on the experience of our management team and their understanding of our business to take advantage of current and future market opportunities.

Strategies:

Greenfield project for increasing our manufacturing capacity near Ambethi, Valsad, Gujarat.

We continue to seek to increase our market and strengthen our position in the industry. We propose to achieve this by setting up a greenfield manufacturing plant at Ambethi, Valsad, Gujarat with a fresh capacity of 18,000 MTPA.

Our Company has already placed an order for the plant and machinery and other equipment required for this expansion. The civil construction required for this expansion is in progress and expected to be completed by Fiscal 2023. The funding requirement for civil construction, purchase of plant and machinery and other equipment for this expansion is Rs. 800 Lakhs and is being met through internal accruals and borrowings from banks.

Further developing our institutional sales business.

We intend to further expand our institutional sales business by developing relationships with large real estate developers, civil and infrastructure contractors and government bodies. We are already empanelled with MCGM, MHADA and CIDCO and we are also supplying our products for use in various projects of these government bodies. We intend to expand our project dealer network by developing relationships with project dealers who supply building materials for infrastructure projects like metro development, flyovers, bridges etc. Civil construction contractors developing projects for large developers have specific requirements for each stage of development. We have products for all stages from the laying of foundation of the building to finishing of the residential or commercial premises. Our suite of products, quality standards and brand MCON lead our efforts in expanding our institutional sales business on a pan-India basis.

Geographical expansion of our distribution network.

We supply our products to more than 100 distributors and dealers which in turn supply them to more than 1300 retailers based in the States of Maharashtra, Gujarat and Rajasthan who serve various developers, contractors and architects in these western regional markets. We intend to expand our product offerings across the country and the overseas markets like Bangladesh where economic development is happening at a fast pace. We have already initiated steps for domestic and overseas expansion and will be participating in an exhibition of building materials to be held in Surat in February 2023, Dhaka in March 2023 and Pune in April, 2023 to be organised by ACETECH REFLECT.

Enhancing the visibility and reach of our brand "MCON".

"MCON" as a brand has been used by us for most of our products like "MCON Magic Coat WP", MCON MORTAR/NSA Grey, MCON Block Fix /Block Mortar, MCON Wall Putty and others. We have a multi-pronged branding as well as marketing strategy covering both retail and institutional markets. Our technical team does shop meets outside the retail shops selling our products where contractors are invited so as to can spread the awareness of our products and their use. We conduct consultant and architect meets to make them aware about our products and their use. We participate in exhibitions like the recently concluded World of Concrete 2022 – one of the flagship shows of Las Vegas which was brought to Mumbai. We have generated more than 300 qualified leads from this event.

For better brand recall, we have created our brand mascot "Mr. M" and we market him as a solution provider for all construction related challenges. We use this mascot in most of our promotional campaigns as well as our advertising material.

To ensure our reach to the large customers and contractors, we advertise our products and also publish articles in certain construction industry related magazines. These magazines have a wide circulation and reach various construction professionals.

We will continue with our branding and marketing efforts to ensure that our brand is recognised amongst the leading brands in the modern building materials and construction chemicals space. Our branding and marketing efforts will complement the sales and distribution strategies on the ground to ensure maximum benefit from minimum resources.

Expanding our sales and distribution network.

Mcon Rasayan has created a strong foot hold in the western zone of India by its presence in the states of Gujarat, Maharashtra and Rajasthan. The journey to explore outside Mumbai began almost 6 years back when we launched our products in the Pune market. In the year 2021, we decided to penetrate into the north Gujarat territory as well as enter the State of Rajasthan and in a short span we have tied up with 7 distributors in this region and also supplied to

more than 100 contractors our products. Our next phase of expansion in our sales and distribution network is into the states in proximity to our existing network and the obvious choices are Madhya Pradesh as it is approachable from Gujarat as well as Maharashtra & Uttar Pradesh due to its cross-border trade relationship with Rajasthan, Karnataka & Goa as they share border with Maharashtra and Telangana due to the geographical distance advantage as well as the fast development happening in that state and Further, we proposed to expand our sales and distribution network after completion of setting of our proposed manufacturing plant at Ambethi, Valsad, Gujarat.

We have conducted an in-house survey of these markets and their potential for our products. We have also identified potential distributors in few targeted cities through our existing network as well as inquiries received through online platform. We shall soon enter into arrangements with them to enter these markets.

Improve operational efficiency and continue to implement measures to reduce costs.

We have implemented and will continue to implement measures to reduce our operating costs, which is critical in determining profitability. We have, at all times, endeavoured to maintain the price competitiveness of our products. We have and will continue to implement certain efficiency improvement projects, such as, improving utilization rate of our existing facilities and establishing Unit III that would further enhance our cost competitiveness and increase profitability. We intend to continue to focus on increasing our production capacity, improve utilization of our existing capacities and also improve our sales and distribution channels all over the country.

Our Business Operations:

Manufacturing Units

We presently have two (2) manufacturing units in operation situated near Valsad.

Unit I – GIDC Sarigam, Valsad, Gujarat

Our Company established Unit I for the manufacture of Liquid and Powder products in the year 2012. We manufacture admixtures, waterproofing products, concrete repair products, tile adhesives, tile grouts, machine foundation grouts, floor hardeners, wall putty, paint and bonding polymers. The current installed capacity at this unit is 2,500 MTPA.

Unit II – Chikli, Navsari, Gujarat

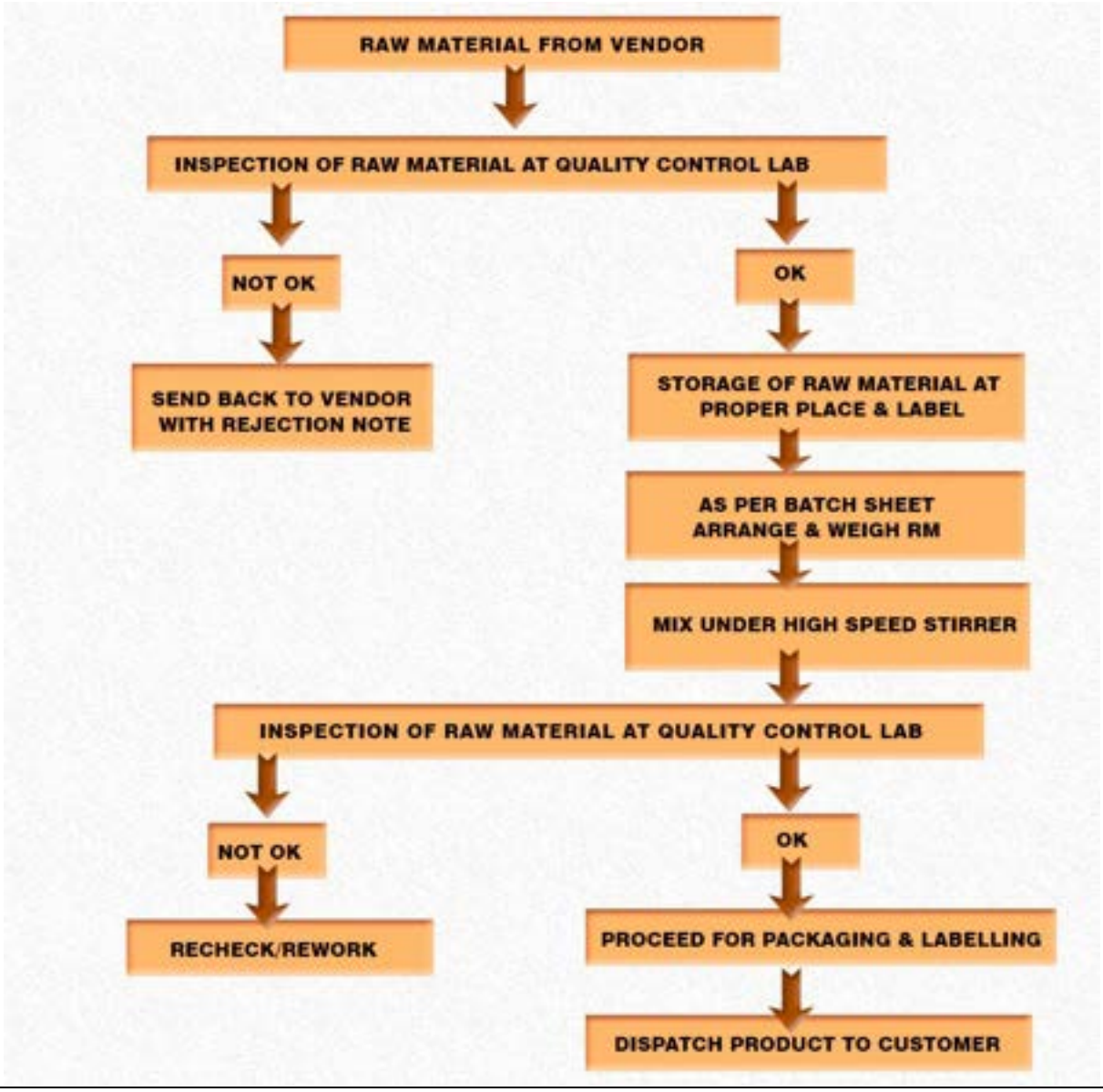
Our Company manufactures Powder Products at Chikli, near Valsad. Unit II manufactures only Powder products like readymix platers, block adhesives and tile adhesives. The current installed capacity at this unit is 12,500 MTPA. This unit has been taken on lease by us and once the Unit III at Ambethi, Valsad, Gujarat achieves full operational potential, we will cease to operate this unit.

Unit III – Ambethi, Valsad, Gujarat (Under construction)

We are expanded our manufacturing capacity by setting up a greenfield facility at Ambethi, Valsad, Gujarat. The land acquired by our Company is 14,729 sq. mtrs. (approx.) and will be developed into two manufacturing lines covering a total area of about 57,883 sq. ft. This unit will be dedicated to manufacture our entire range of Powder and Liquid products with an installed capacity of 18,000 MTPA.

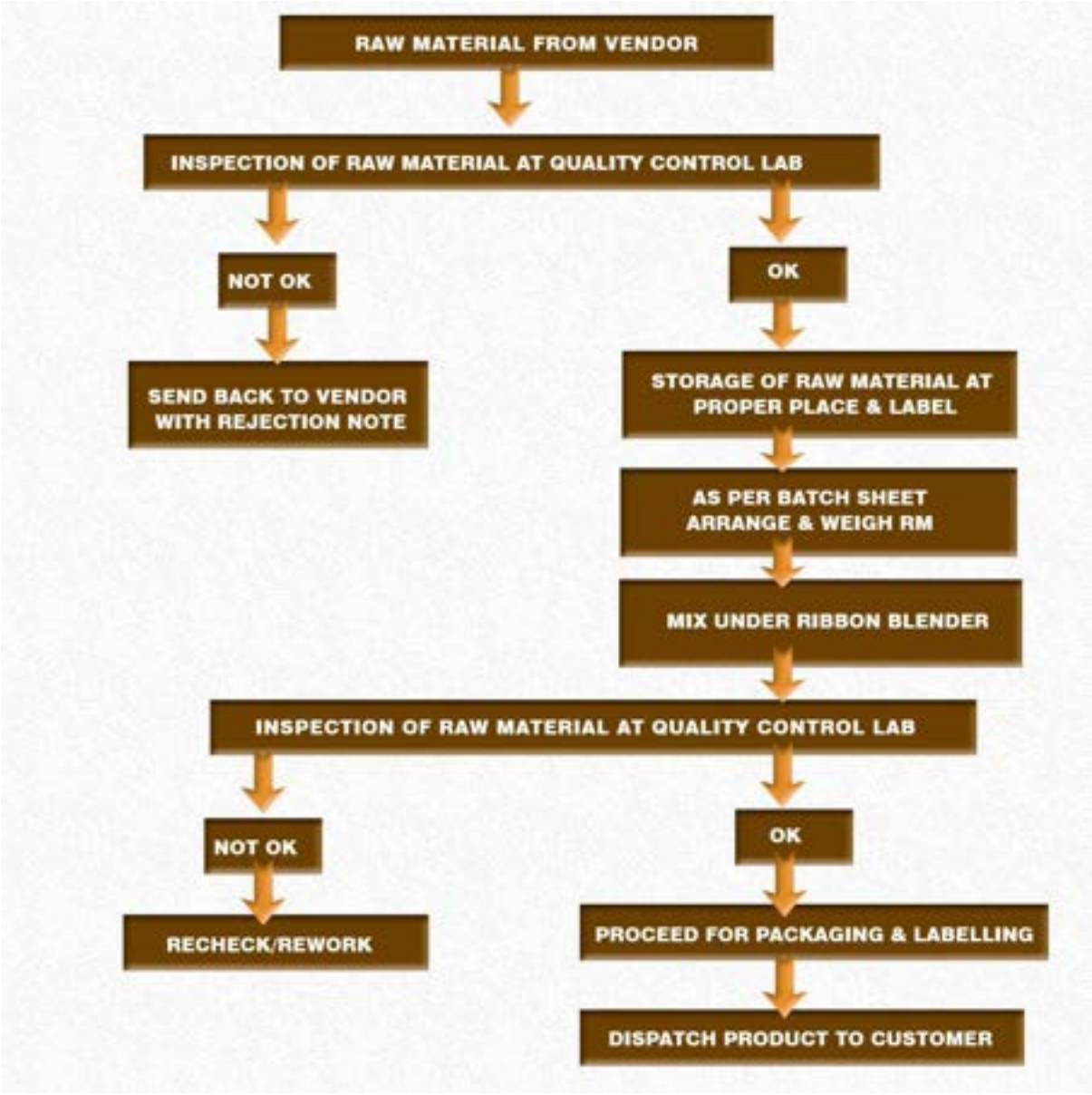
Manufacturing Process - Liquid Products

We have a monthly production plan for the liquid manufacturing. Based on the total quantity to be manufactured of each SKU (Stock Keeping unit), the production team will raise an indent on our purchase department. Our purchase team will procure the relevant raw material taking into consideration the stock in hand, total transit time and MOQ of the material. Once the material is received at our manufacturing unit, our quality control team will test the incoming raw material on parameters defined in the quality plan. The tested and accepted material by the quality control department is taken into stores and issued to our production team as per the batch sheet of the product to be manufactured. The manufacturing process for these products is set-out below:



Manufacturing Process – Powder Products

The major component for manufacturing the powder products like ready plaster, tile adhesives, micro concrete etc. is cement and sand. We ensure to purchase cement from branded cement companies which will ensure the consistent quality of the cement. For the sand, we have our own sand drying and sieving unit to ensure high quality, silt free dry river sand. The right proportion of well graded sand is necessary for manufacturing the right quality product. Once all the raw materials are checked by the quality control team then we follow this flow chart for manufacturing the powder products:



Our Products

Our Company manufactures various modern building materials and construction chemicals like the following:

Product	Use of the Product
Admixtures	For modifying and improving the properties of Concrete/Mortars
Tile Adhesives & Tile Grouts	For fixing of ultra-modern tiles and tile joint filling
Waterproofing Systems	Multiple waterproofing product combos to deliver leakage free structures

Wall Finishing Products	To improve the quality of external and internal surfaces
Readymix Mortars	Easy to use ready mix products for plastering and bonding
Concrete Repairs	High strength products to bring the structure back in shape
Industrial Flooring	Metallic and Non-metallic floor hardeners with patch repair products
Engineering Grouts	Special high strength grouts with dual expansion for machine and injection grouting
Anti-Corrosive Systems	Comprehensive systems to rehabilitate the reinforcement in the old structures

Liquid Products

Our top 10 Liquid Products are as under:

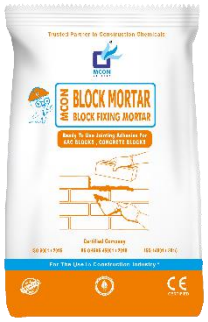
Name of Product	Description	Image
MCON LW	ISI marked integral waterproofing admixture	
MCON Magic Coat WP	Single component high polymer based waterproofing coating	

Name of Product	Description	Image
MCON Magic Coat 2K	Two component Polymer Modified Waterproof Coating	
MCON Magic Coat PU	Single Pack Polyurethane Based 400% Flexible Waterproof Liquid Membrane in White Colour	
MCON Magic Coat Flexi	Single Pack White Poly Acrylic Based Flexible Waterproof Liquid Membrane	
MCON Ultra Gyp Bond	High Viscous Bonding Agent To Give Superior Grip To Gypsum Plasters	

Name of Product	Description	Image
MCON Plaster Bond	Special Polymer Bonding Agent To Give Superior Grip To Cement Plasters	
MCON Super Hack	Specialty Polymer Latex that Eliminates Need For Hacking	
MCON Bond URP	Latex Polymer For Repair Works And Waterproofing	
MCON - Maarvel Carnival Distemper	Acrylic based high build Distemper paint	

Powder Products

Our top 10 Powder Products are as under:

Name of Product	Description	Image
MCON Ready Plaster	Ready Mix Waterproof Plaster With Polypropylene Fibres To Prevent Cracks	
MCON Block Mortar/Block Fix	Ready To Use AAC Block Joining Adhesive To Give Waterproof And Strong Bond Block Fixing	
MCON NSA Grey	Tile on Tile Grey Adhesive For Ceramic & Vitrified Tiles	
MCON Micro Mortar	High Strength Micro Concrete for Repair Works	

Name of Product	Description	Image
MCON Polymer Mortar	Ready to use repair mortar with blended polymers to give perfect repairs of small sections with smooth finish	
MCON Wall Putty	Cement Based Polymer Modified White Wall Putty for Internal Walls	
MCON Hard Floor/Top Floor	Non-Metallic/Metallic Floor Hardener For Abrasion Resistant Tough Floors	
MCON NSA Grey Gold	Grey Adhesive for Large Format Tiles for wall & Floor	

Name of Product	Description	Image
MCON NSA White	Ready To Use Super White Tile Adhesive for Marble fixing	
MCON NSA Grey No Limit	High Polymerized Cementitious Tile Adhesive in Grey Colour for Large Format Stones & Marble on Internal & External Surface	

Research & Development

We undertake in-house research and development from our Navi Mumbai, Maharashtra based R&D facility. This facility is equipped with modern equipment and research personnel from the modern building materials and chemical industry are working with us. Some of the equipment installed by us include weighing scale, weighing balance, water bath, vernier caliper, thermometer, themohygrometer, SS scale, shear & adhesion test machine, spectrophotometer, measuring tape, hot air oven, external micrometer and digital stop watch.

We have a new product development team which comprises of members from our sales team, on-site technical team, production team and of course the R&D team. On this platform, we discuss the challenges faced by the construction industry and try to figure out a product within our production capability which can satisfy their need. This need based solution ensures a great acceptance in the market of the newly launched products and also gives us recognition in the eyes of our customers. The R&D team has got internal members from construction chemicals background who have done thorough research on the products and hold master's degree.

We have created eight (8) innovative products in the past three (3) years either independently or in consultation with our clients.

- Plaster Bond – A ready to use anti-hacking product which aids in bonding of cement plaster to RCC walls and ceilings.
- Self-cure ready plaster – A ready to use cementitious plaster which doesn't require water curing.
- Ready plaster Render – An easy to apply rendering mortar for thin set plastering on AAC block walls.
- Magic Coat PU – A polyurethane based liquid membrane which helps in giving the perfect solution and replacement for membrane waterproofing systems.
- Polymer Mortar EP – Ready to use polymer mortar with excellent bonding and great strength which gives high class finish.
- Magic Coat Flexi – Fiber reinforced poly-acrylic coating for waterproofing of external slabs and walls with 150% elongation.

- Magic Seal PU – Polyurethane based structural sealant for construction joints and glass/aluminum gaps.
- Steel 2K – two component polymer based anticorrosive coating for steel reinforcement.

In the current financial year we have launched the following new products to our existing line of products:

- MCON CI 300: Corrosion Inhibiting Concrete Admixture - Bipolar corrosion inhibiting admixture in liquid form for reinforced concrete and mortar.
- MCON EPOXY SBA: Epoxy Adhesive for Segmental Bridge – This is a solvent free thixotropic two-part epoxy adhesive for bonding prefabricated concrete bridge segments.
- MCON 2K EPOXY PRIMER: Epoxy Primer - This is a two component, epoxy-based primer is suitable for priming concrete / metal surfaces, including walls, prior to the application of any epoxy flooring, epoxy coating and epoxy repair mortar.

Testing and Quality Control

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various tests like compressive strength test, alkali content test, harden concrete permeability test, water retention efficiency and currying efficiency test, special gravity test and solid conte0nt test. These tests ensure that our products meet the industry standards required by our clients for safety, durability and consistency. We maintain high standards for quality control and have modern machines operated by skilled operators under proper quality control and strict supervision. We undertake the following tests on a sample basis on our products.

CAPACITY AND CAPACITY UTILIZATION

Capacity and capacity utilization for the period ended June 30, 2022 and Fiscals 2022, 2021 and 2020:

Details of manufacturing unit	Particulars	Fiscal 2020	Fiscal 2021	Fiscal 2022	For the Period ended June 30, 2022
Unit I (Powder)	Installed Capacity (in MTPA)	1,500	2,000	2,000	2,000
	Utilised Capacity (in MTPA)	1,484.00	1,745.60	2,344.00	2,051.40
	Utilised Capacity (%)	98.93	87.28	117.20	102.50*
Unit I (Liquid)	Installed Capacity (in MTPA)	200	250	350	500
	Utilised Capacity (in MTPA)	326.4	285.50	560.30	427.4
	Utilised Capacity (%)	163.20	114.20	160.10	85.48
Unit II (Powder)	Installed Capacity (in MTPA)	10,000	10,000	12,500	12,500
	Utilised Capacity (in MTPA)	7,420.10	8,182.70	16,408.20	8,206
	Utilised Capacity (%)	74.20	81.83	131.27	65.64

**The utilised capacity is calculated on the basis of manufacturing in double shifts per day.*

Raw Materials

The major raw materials required for our products is cement, sand and special chemicals which are procured from local distributors around our units.

Inventory Management

Our manufacturing team is assisted by our purchase team for the purpose of inventory management of raw material and finished goods. The inventory levels are planned based on historical trends and expected orders, which are confirmed due to our long-standing relationships with customers. Since, our finished goods have multiple variants, we generally manage and maintain adequate inventory level for our finished goods to ensure timely delivery to our customers.

Utilities

Power

All our manufacturing units have adequate power supply from the public / state supply utilities. The following is the details of electricity load for manufacturing units:

Details of manufacturing unit	Electricity load
Unit I	50 KVA
Unit II	65 KVA

Water

Our Unit I source their water supply from GIDC. Our Unit II does not require water for its manufacturing activities. Water requirements for our Unit III will be availed from the local gram panchayat once the plant is ready for operations.

Environment, Health and Safety

We are committed to following applicable environmental and occupational health and safety laws as well as industry best practices The personal health and safety of each employee of our organization is of primary importance. We believe that our employees are important assets and their safety at our worksite is our responsibility. Our Company provides the necessary equipment and facilities required for the personal safety and health of each employee, workers and contractors at our manufacturing units. We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our manufacturing units, accident reporting, wearing safety equipment and maintaining clean and orderly work locations.

We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations.

For information regarding applicable health, safety and environmental laws and regulations, see "*Key Regulations and Policies in India*" and "*Government and Other Approvals*" on pages 135 and 229, respectively.

Information Technology

We utilize Tally ERP for finance & accounting. We use Spine HR for human resources management across our offices and manufacturing units.

Sales and Marketing

Our Company has a centralised sales and marketing division garnering clients for its products and building strong relations with them. The division is controlled by one of our Executive Director.

We have an efficient sales & marketing team at our Registered Office and support teams at our Units. Our sales and marketing team consists well experienced and qualified people to develop, maintain and increase relations with our

customers. Our marketing team plays an important role in the development of new products based on their study and feedback on latest industrial needs. Our Registered Office and manufacturing units are well synchronised and we endeavour to keep the updated from time to time. We target our marketing activities towards the Contractors, Builders, Architects, Civil Engineers, Contractors and Building Material Shops. We maintain customer relations by attending local exhibitions and meetings in person. New customer as well as product development is mainly through participation in exhibitions to stay updated on industry trends, finding new products and customers. We also periodically advertise in industry specific magazine which showcases our products to the right clientele.

Our institutional sales business involves developers, civil and infrastructure contractors and government bodies. We are already empanelled with MCGM, MHADA and CIDCO and we are also supplying our products for use in various projects of these government bodies like metro rail development, flyovers, bridges etc. We have also recruited an experienced team of Civil Engineers for Technical back up and Sales Professionals for generating the sales. We mainly focus on the following steps to get the orders –

a) Generating Inquiries – The main sources are our project dealers, visits to the projects by our sales team and online inquiries generated due to digital marketing as well as premium registration on online markets.
b) Approaching the Project Customer – Our team then approaches the project customer with all the mapping of the project. They carry along with them the technical datasheets of the products, the relevant test certificates, approvals from government departments like CIDCO, MHADA and MCGM as well as the testimonials from other reputed institutional clients.
c) Sampling – Once the product need is established then we do the sampling at the customer's end and convince his quality control team on the parameter match of our product against their requirement.
d) Negotiation and Closure – Our sales leaders along with our project dealers meet the purchase team to close the orders and supply the material as per the purchase order raised.

Manpower

The detailed break-up of our employees is as under:

Department	Number of employees
Sales & Marketing	30
Technical	6
Administration	26
Others	43
Total	**105**

We also deploy casual labour at our manufacturing units as per requirements.

Exports and Export Obligations

There are no export obligations as on date of this Draft Prospectus.

Freight & Logistics

We own 4 (four) commercial vehicles which are used to deliver finished products to our customers. In addition to our own fleet of commercial vehicles, we also engage third party transport for delivery of our raw materials and finished products.

Competition

Modern building materials and construction chemicals is a competitive industry in India with various large and small domestic and manufacturers companies. The organised players in the industry compete with each other by providing high quality, consistent and time bound products and value-added services. We have a number of competitors offering products similar to us. We ensure the product quality, timely delivery, product innovation, customisation in products which helps us to maintain strong relationship with our customers. The major Competitors in our industry are Asian Paints, Pidilite, Astral and Ultratech.

Insurance

Our operations are subject to various risks in the manufacturing industry. Accordingly, we maintain insurance policies for our manufacturing units, Corporate Office, buildings, plant and machinery, electrical installation, and stocks due to fire and other perils. Further, we have also maintained fire and burglary policy for our raw material, semi-finished goods and finished goods stored at our manufacturing units. We have also maintained insurance policies for our vehicles.

We also have group medical claim policy for executive directors and some of our employees.

These insurance policies are reviewed periodically to ensure that the coverage is adequate. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurances. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

For further details, please see, "*Risk Factor – Our insurance cover may not adequately protect us against all material hazards and accidents.*" on page 41.

Corporate Social Responsibility

As on the date of this Draft Prospectus, our Company is not required to contribute towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013,

Intellectual Property

The following table sets forth the status and particulars of registered trademark and applications filed by our Company Trademark registry:

Particulars of Trademark/Logo	Type of Trademark	Application Number	Class	Status
	Wordmark	4266760	1	Registered
	Wordmark	2855616	1	Registered
	Wordmark	5072105	2	Objected
MCON- Maarvel	Wordmark	5072104	2	Objected
MCON LW	Wordmark	5561676	1	Marked for examination
MCON MAGIC COAT	Wordmark	5561675	37	Marked for examination
MCON SUPER HACK	Wordmark	5561678	37	Marked for examination
MCON SUPER TUFF	Wordmark	5561679	2	Marked for examination
MCON HARD FLOOR (NON-METALLIC)	Wordmark	5561680	19	Marked for examination

Particulars of Trademark/Logo	Type of Trademark	Application Number	Class	Status
MCON TOPFLOOR	Wordmark	5561677	1	Marked for examination
MCON NSG 60	Wordmark	5561681	19	Marked for examination
Trusted Partner in Construction Chemicals	Wordmark	5490028	1	Objected

For further details, please see "*Government and Other Approvals*" and "*Risk Factor – An inability to protect, strengthen and enhance our existing brands, and successfully launch and market new brands, could adversely affect our business prospects and financial performance.*" on pages 229 and 27, respectively.

Immovable Property

Our Company owns the following immovable properties:

Address of Premises	Purpose
New Survey No. 2084, 2086, 2087 at Village Ambethi, Taluka Kaparada, District Valsad 396 191, Gujarat.	Proposed Unit III

Our Company has taken the following immovable properties on leave & license basis:

Address of Premises	Name of Licensor	Term/ Tenure	Purpose
Plot No. 801, Gujarat Industrial Development Corporation, Sarigam, Valsad 396 155, Gujarat.	Gujarat Industrial Development Corporation	99 years with effect from January 27, 2010	Unit I
Plot No.1187, Survey No.1656, B/1, Beside Ankit Petrol pump, Vasda road, Chikhli, Navsari 396 521, Gujarat.	Minesh Damodarbhai Patel	November 9, 2022 to October 31, 2024	Unit II
Office No: 101/A, Maxheal House, Bangur Nagar, Goregaon West Mumbai 400 104, Maharashtra.	Sakhala Madanlal Mohanlal	3 years with effect from June 1, 2022 to May 31, 2025	Registered Office
Gala No. 6, Baradanwala Estate, Bandivali Hill Road, Jogeshwari West, Mumbai 400 102, Maharashtra.	Puja Mahesh Bhanushali	April 1, 2022 to March 31, 2025	Corporate Office
Gujarat Industrial Development Corporation, Sarigam Valsad 396 155, Gujarat.	Jayshreeben Dilipbhai Bhandari	11 months with effect from November 1, 2022 to September 30, 2023	Warehouse
Plot No. A – 373, Maharashtra Industrial Development Corporation TTC, Industrial estate, Mahape, Koparkhairane, Navi Mumbai 400 701, Maharashtra	Nayar Business Centre Private Limited	3 years with effect from August 1, 2022 to July 31, 2025	R&D Facility

KEY REGULATIONS AND POLICIES

Given below is a summary of certain relevant laws and regulations applicable to the business and operations of our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company are required to obtain, and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see "Government and Other Approvals" on page 229.

The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.

BUSINESS / TRADE RELATED

Legal Metrology Act, 2009 (the "Legal Metrology Act")

The Legal Metrology Act, 2009, as amended aims to establish and enforce standard 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. Any transaction/ contract relating to goofs/ class of goods or undertakings shall be as per the weight/ measurement/ numbers/ prescribed by the Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules by each state.

Environment Laws

The Environment (Protection) Act, 1986 ("EPA"), Environment Protection Rules, 1986 (the "EP Rules") and the Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EPA has been enacted for the protection and improvement of the environment. EPA empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing 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, prohibitions and restrictions on the location of industries as well as on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EPA or the rules framed thereunder, the punishment includes either imprisonment or fine or both. 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

The Water Pollution Act aims to prevent and control water pollution. This legislation provides for the constitution of a central pollution control board and state pollution control boards. The functions of the central board include Coordination of activities of the state boards, collecting data relating to water pollution and measures for the prevention and control of water pollution and prescription of standards for streams or wells. The state pollution control boards are responsible for planning for programmes for prevention and control of pollution of streams and wells,

collecting and disseminating information relating to water pollution and its prevention and control; inspection of sewage or trade effluents, works and plants for their treatment and reviewing of the specifications and data relating to plants set up for treatment and purification of water; laying down or annulling the effluent standards for trade effluents and for the quality of the receiving waters; and laying down standards for treatment of trade effluents to be discharged. If the required standards and conditions are not complied with, the relevant SPCB may serve a notice on the concerned person and cause the local magistrate to pass an injunction to restrain the activities of such person and impose fines.

The Water Pollution Act prohibits any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluent into a stream, well or sewer without taking prior consent of the state pollution control board. Under section 25 of the Water Pollution Act, the state board may give its consent for the establishment of the industry subject to conditions that it may impose and for a duration that it may specify. Having given consent, it can review its consent or the conditions imposed and revoke or alter any of them. Subject to the other provisions of the legislation, the state board may issue directions for the closure, prohibition or regulation of any industry.

The Water (Prevention and Control of Pollution) Cess Act, 1977

The Water Pollution Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries to augment the resources of the central pollution control board and state pollution control boards. The Water Pollution Cess Act also provides for a rebate to the extent of 25% of the cess payable, in favour of persons who, being liable to cess under the Water Pollution Cess Act, install any plant for the treatment of sewage or effluents. However, this rebate is not applicable to persons consuming water in excess of the maximum prescribed quantity or who fail to comply with the provisions of section 25 of the Water Pollution Act or who fail to adhere to standards laid down by the Central Government under the Environment Act. Penalties for noncompliance include imprisonment of any person in contravention of the provisions of the Water Pollution Cess Act for a period up to six months specified or both.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Wastes Rules")

The Hazardous Waste Rules define the term "hazardous waste" and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous or other waste is classified as an "occupier". In terms of the Hazardous Waste Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or similar activities in relation to hazardous waste. The Hazardous Waste Rules also prescribe the hierarchy in the sequence of priority of prevention, minimization, reuse, recycling, recovery and co-processing. Further, State PCBs are mandated to prepare an inventory of the waste generated, waste recycled, recovered and utilized including co-processed, re-exported and disposed, based on annual returns received from occupiers and operators, and submit it to the Central Pollution Control Board on an annual basis.

The Public Liability Insurance Act, 1991 ("PLI Act") & 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

Labour Laws

In addition to the aforementioned legislations which are applicable to our Company and Subsidiaries, other legislation that may be applicable to the operations of our Company and Subsidiaries include:

- The Contract Labour (Regulation and Abolition) Act, 1970
- The Employees' Compensation Act, 1923

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- The Employees' State Insurance Act, 1948
- The Child Labour and Adolescent (Prohibition and Regulation) Act, 1986
- Maternity Benefit Act, 1961
- The Apprentices Act, 1961
- The Payment of Gratuity Act, 1972
- The Payment of Bonus Act, 1965
- The Minimum Wages Act, 1948
- Payment of Wages Act, 1936
- The Equal Remuneration Act, 1976
- The Trade Unions Act, 1926
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Unorganised Workers Social Security Act, 2008

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The provisions of this code will be brought into force on a date to be notified by the Central Government.

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 will 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.

The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will 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.

The Government of India 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 will 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 (Regulation of Employment and Condition of Service) Act, 1996.

The Maharashtra Shops and Establishment (Regulation of Employment and Condition of Service) Act, 2017

The Maharashtra Shops and Establishments (Regulation of Employment and Condition of Service) Act 2017, which replaces the Maharashtra Shops and Establishments Act 1948, came into effect from 7 December 2017.

The act introduces significant reforms for the employment conditions of the workers in the areas particularly related to the time of operation, overtime, holidays and leave, welfare, health and safety of the workers. In line with the Equal Remuneration Act, 1976, this act brings the provision of no discrimination for women workers in matters like recruitment, promotion, training or transfer. The act has introduced facilitators who have dual roles; the main function being advising the employers and the workers towards a better compliance of the act and the inspection of the Establishments. Also, instead of inspection at any reasonable time based on the discretion of the labour authorities, inspections are allocated randomly through online portal.

In order to ensure Ease of doing Business the Labour Department, Government of Maharashtra, has simplified the process of issuing the registration certificate of shops and establishment under this act. Establishments employing 10 or more employees need to obtain the registration certificate (online) which will be valid for a lifetime. The Department has abolished the provisions for renewals which needed to be done from time to time. The firms employing less than 10 workers only need to intimate about the commencement of their shops/ establishments.

Miscellaneous Laws

Intellectual Property Laws

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for trademark protection under the Trademarks Act, 1999. The above enactment provides for protection of intellectual property by imposing civil and criminal liability for infringement.

Regulations Related to Foreign Trade

The foreign policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992 (the "Foreign Trade Act"). The Foreign Trade Act has empowered the Central Government to make provisions for the development as well as regulation of foreign trade by the way of facilitating imports into as well as augmenting exports from the country and in all the other matters related to foreign trade. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The Foreign Trade Act provides for certain appointments especially that of the Director-General to advise the Central Government in formulating import and export policy and to implement the same. Further, the act commands every importer as well as exporter to obtain a code number called the Importer Exporter Code Number (IEC) from the Director-General or the authorized officer. The act provides the balancing of all the budgetary targets in terms of imports and exports. The principal objectives here include the facilitation of sustain growth as to the exports of the country, the distribution of quality goods and services to the domestic consumer at internationally competitive prices, stimulation of sustained economic growth by providing access to essential raw materials as well as enhancement of technological strength, industry as well as services and improvement of their competitiveness to meet all kinds of requirement of the global markets.

Foreign Exchange Regulations

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended ("FEMA") read with the applicable Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 as amended ("FEM Rules"). FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The DPIIT makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEM Rules. In case of any conflict, the FEM Rules prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT issued the FDI Policy which consolidates the policy framework on FDI issued by DPIIT, in force on October 15, 2020 and reflects the FDI policy as on October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DPIIT. As per the FDI Policy, 100% FDI is permitted in our Company under the automatic route, subject to compliance with prescribed conditions. In this Issue, foreign investment is limited to investments by FPIs and NRIs. For further details, see "*Issue Procedure*" on page 252.

Laws in relation to Taxation

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

a. Income Tax Act 1961, and the Income Tax Rules, 1962, as amended by the Finance Act in respective years;
b. Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state-wise legislations made thereunder;
c. The Integrated Goods and Service Tax Act, 2017; and
d. State-wise professional tax legislations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as 'MCON Rasayan Private Limited' a private limited company under the Companies Act, 2013 at its registered office situated at Gala No.6, Bardanwala Estate, Opp. Malkani Tower, Near Dutt Mandir, Bandiwali Hill Road, Jogeshwari, Mumbai, Mumbai City, Maharashtra, India, 400102, pursuant to a certificate of incorporation dated September 22, 2016 issued by the Registrar of Companies Maharashtra at Mumbai("RoC"). Thereafter, the name our Company was changed from 'MCON Rasayan Private Limited' to 'MCON Rasayan India Private Limited', pursuant to a special resolution passed by the shareholders of our Company on September 23, 2022 and a fresh certificate of incorporation consequent to change of name was issued by the RoC on October 17, 2022. Thereafter, name of our Company was changed from 'MCON Rasayan India Private Limited' to Mcon Rasayan India Limited' consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on October 18, 2022, and a fresh certificate of incorporation consequent to change of name was issued by the RoC on December 12, 2022.The Company's Corporate Identity Number is U24304MH2016PLC286140

Change in the Registered Office of our Company

Except as provided below, there have been no changes in the registered office of our Company:

Effective Date	Details of change in the address of the Registered Office	Reason for change
June 06, 2022	The registered office of our Company was changed from Gala No. 6, Bardanwala Estate, Opp. Malkani Tower, Near Dutt Mandir, Bandiwali Hill Road, Jogeshwari, Mumbai, Maharashtra- 400102, India to 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon-West, Near Ayyappa Temple, Mumbai, Maharashtra-400090, India.	For operational efficiency.

Main objects of our Company

The main object of our Company as contained in our Memorandum of Association is to carry on the business of manufacturing and reselling of water proofing chemicals, construction materials and paints.

The main object as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out by it.

Amendments to our Memorandum of Association

Set out below are the amendments that have been made to our Memorandum of Association, in the last ten year preceding the date of this Draft Prospectus.:

Date of change/ shareholders' resolution	Nature of amendment
November 29, 2016	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 1,00,000/- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of ₹ 10 (Rupees Ten Only) each to ₹ 25,00,000/- (Rupees Twenty-Five Lakhs) divided into 2,50,000 (Two Lakh Fifty Thousand) Equity shares of ₹ 10 (Rupees Ten Only) each.
March 08, 2019	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 25,00,000/- (Rupees Twenty-Five Lakhs)

Date of change/ shareholders' resolution	Nature of amendment
	divided into 2,50,000 (Two Lakh Fifty Thousand) Equity shares of ₹ 10 (Rupees Ten Only) each to ₹ 75,00,000 (Rupees Seventy-Five Lakhs) divided into 7,50,000 (Seven Lakh Fifty Thousand) Equity shares of ₹10 (Rupees Ten Only) each.
March 16, 2020	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 75,00,000 (Rupees Seventy-Five Lakhs) divided into 7,50,000 (Seven Lakh Fifty Thousand) Equity shares of ₹10 (Rupees Ten Only) each to ₹ 1,50,00,000/- (Rupees One Crore Fifty Lakhs) divided into 15,00,000 (Fifteen Lakh) Equity shares of ₹10 (Rupees Ten Only) each.
August 20, 2022	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 1,50,00,000 (Rupees One crore Fifty Lakhs) divided into 15,00,000 (Fifteen Lakh) Equity shares of ₹10 (Rupees Ten Only) each to ₹ 7,00,00,000/- (Rupees Seven Crore) divided into 70,00,000 (Seventy Lakh) Equity shares of ₹10 (Rupees Ten Only) each.
September 23, 2022	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'MCON Rasayan Private Limited' to 'MCON Rasayan India Private Limited'.
October 18, 2022	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'MCON Rasayan India Private Limited' to 'MCON Rasayan India Limited' pursuant to conversion of our Company from a private limited company to a public limited company.

Corporate profile of our Company

For details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, location of manufacturing facilities, marketing and competition, please refer to the chapters titled "*Our Business*", "*Our Management*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 116, 142 and 214 respectively, of this Draft Prospectus.

Major events and milestones

The below table below sets forth some of the major events in the history of our Company:

Calendar Year	Details
2016	Incorporation of our Company.
2019	Launch of flagship product "MCON Magic Coat PU"
2019	Achieved turnover of ₹ 650 lakhs
2021	Launch of MCON NSA Grey No Limit
2022	Conversion of our Company from private limited to public limited
2022	Achieved turnover of ₹ 1900 Lakhs
2022	Obtained the certificate of conformity for Tile Adhesive identified by "CE"
2022	Renewed the IS certificate 15477: 2019 from the Bureau of Indian Standard
2022	Renewed the IS certificate 2645: 2003 from the Bureau of Indian Standard

Awards and Accreditations

The table below sets forth some of the awards and accreditations received by our Company:

Calendar Year	Details
2022	Awarded with "Iconic Brand of the year 2022" by Brand India

Our Holding Company

As on the date of this Draft Prospectus, our Company does not have a holding company.

Our Subsidiary, Associate or Joint ventures of our Company

As on the date of this Draft Prospectus, our Company does not have any subsidiary, Joint venture or associate companies.

Significant financial or strategic partnerships

Our Company does not have any significant financial and strategic partners as on the date of this Draft Prospectus.

Time/cost overrun

We have not experienced any time or cost overrun in setting up our projects as on the date of this Draft Prospectus.

Capacity/facility creation, location of plants

For details regarding capacity/facility creation and location of plants of our Company, *please refer chapter titled "Our Business"* beginning on page 116.

Defaults or rescheduling/restructuring of borrowings with financial institutions/ banks

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks or conversion of loans into equity in relation to our Company.

Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten (10) years.

Our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last ten (10) years.

Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

Summary of key agreements

Other material agreements

Our Company has not entered into any other subsisting shareholder's material agreements other than in the ordinary course of business of our Company, as on the date of this Draft Prospectus.

Agreements with our Key Managerial Personnel, Director, Promoter or any other employee

As on the date of this Draft Prospectus there are no agreements entered into by our Key Managerial Personnel or Directors or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Details of guarantees given to third parties by the Promoter

Other than the guarantees provided by our Promoter in relation to certain of our loans as and when required, our Promoter have not given any material guarantees to any third parties as on the date of this Draft Prospectus.

OUR MANAGEMENT

In terms of Companies Act and the Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Prospectus, our Company currently has Eight (8) Directors on our Board, out of which one (1) is Chairman and Managing Director, two (2) are Whole -time Directors, one (1) is Non-Executive Director being a woman Director and Four (4) are Independent Directors. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Board of Directors

The following table sets forth the details of our Board as on the date of filing of this Draft Prospectus:

Name, designation, date of birth, address, occupation, current term, nationality, period of directorship and DIN	Age (in years)	Other directorships
Mahesh Ravji Bhanushali ***Designation*:** Chairman and Managing Director ***Date of birth:*** October 4, 1983 ***Address***: B/34, Sai Baba Enclave, Tower Building No. 3. S. V. Road, Goregaon (W), Mumbai- 400 104, Maharashtra, India. ***Occupation*:** Business ***Current term:*** Five (5) years with effect from December 19, 2022 to December 18, 2027 ***Nationality:*** Indian ***Period of Directorship*:** Since September 22, 2016 ***DIN*:** 07585072	39	Nil
Puja Mahesh Bhanushali ***Designation*:** Non-Executive Director ***Date of birth:*** April 22, 1986 ***Address***: B/34, Sai Baba Enclave, Tower Building No. 3. S. V. Road, Goregaon (W), Mumbai- 400104, Maharashtra, India. ***Occupation*:** Business ***Current term:*** liable to retire by rotation. ***Nationality:*** Indian	36	Nil

Name, designation, date of birth, address, occupation, current term, nationality, period of directorship and DIN	Age (in years)	Other directorships
***Period of Directorship*:** Since September 22, 2016 **DIN**: 07586657		
Chetan Ravji Bhanushali ***Designation*:** Whole-time Director ***Date of birth:*** December 19, 1985 ***Address*:** B/34, Sai Baba Enclave, Bldg 3, S. V. Road, Motilal Nagar, Goregaon (W), Mumbai- 400 104, Maharashtra, India ***Occupation*:** Business ***Current term*:** Five (5) years with effect from December 19, 2022 to December 18, 2027 and liable to retire by rotation. ***Nationality:*** Indian ***Period of Directorship*:** Since September 30, 2021 ***DIN*:** 09341600	37	Nil
Nandan Dilip Pradhan ***Designation*:** Whole-time Director ***Date of birth:*** June 15, 1973 ***Address*:** Q 402, Shakti Enclave, Near Jankalyan Nagar, Marve Road, Malad- West, Mumbai - 400095, Maharashtra, India. ***Occupation:*** Service ***Current term*:** Five (5) years with effect from December 19, 2022 to December 18, 2027 and liable to retire by rotation. ***Nationality:*** Indian ***Period of Directorship*:** Since December 19, 2022 ***DIN*:**09828134	49	Nil
Tapas Bimal Majumdar ***Designation*:** Independent Director ***Date of birth:*** April 25, 1970	52	1. Niche Ninety-Nine Capability Andcertifications (Opc) Private Limited

Name, designation, date of birth, address, occupation, current term, nationality, period of directorship and DIN	Age (in years)	Other directorships
Address: A/504, Harivijay CHS LTD, Shimpoli Road, Opp. Shimpoli Telephone Exchange, Shimpoli, Borivali West, Mumbai -400092, Maharashtra, India ***Occupation*:** Professional ***Current term*:** Five (5) years with effect from December 19, 2022 to December 18, 2027 ***Nationality:*** Indian ***Period of Directorship*:** Since December 19, 2022 ***DIN*:**07609937		
Dilip Mangilal Jain ***Designation*:** Independent Director ***Date of birth:***September 3, 1968 ***Address***: B-204, Shraddha, Near Surbhi Hotel, Asha Nagar, Kandivali (East), Mumbai- 400101, Maharashtra, India. ***Occupation*:** Professional ***Current term*:** Five (5) years with effect from December 19, 2022 to December 18, 2027 ***Nationality:*** Indian ***Period of Directorship*:** Since December 19, 2022 ***DIN*:** 03569547	54	1. Hyphen Training & Consulting Private Limited
Dhara Haresh Thakkar ***Designation*:** Independent Director ***Date of birth:*** November 30, 1989 ***Address***: Opp. Navbharat School, 10/G Azad Bhuvan CHS, N.S Road, Mulund West, Mulund West, Mumbai -400080, Maharashra, India. ***Occupation*:** Professional ***Current term*:** Five (5) years with effect from December 19, 2022 to December 18, 2027 ***Nationality:*** Indian	33	

Name, designation, date of birth, address, occupation, current term, nationality, period of directorship and DIN	Age (in years)	Other directorships
***Period of Directorship*:** Since December 19, 2022 ***DIN*:**09785362		
Sonal Alok Doshi ***Designation*:** Independent Director ***Date of birth:*** September 20, 1979 ***Address***: Flat No -01 Siddharth Apartment, C.S Link Road, Oppoiste Anand Nursing Home Dahisar (East), Mumbai -400068, Maharashtra. ***Occupation*:** Professional ***Current term*:** Five (5) years with effect from December 19, 2022 to December 18, 2027 ***Nationality:*** Indian ***Period of Directorship*:** Since December 19, 2022 ***DIN*:** 03434461	43	1. Amazin Printerrs Private Limited 2. TathhastuEducare Private Limited

Brief profiles of our Directors

Mahesh Ravji Bhanushali is the Promoter of our Company and Chairman & Managing Director of the Company. He has been the main guiding force behind the growth and business strategy of our Company. He has more than 14 years of experience in dealing in business of construction chemical.

Puja Mahesh Bhanushali is a Non- Executive Director in our Company. She holds a master's degree in Commerce from University of Mumbai. She has been associated with our Company since incorporation. She looks after human resource related activity in our Company.

Chetan Ravji Bhanushali is an Executive director of the Company. He was appointed on the Board with effect from September 30. 2021 He has an experience of 11 years in construction & chemical industry. He looks after the sales and receivables of the Company.

Nandan Dilip Pradhan is the Whole time Director of our Company. He holds master's degree in Business Administration from North Maharashtra University and Bachelor's degree in Science from Maharaja Sayajirao University of Baroda. He was appointed on the Board with effect from December 19, 2022. he has an experience of more than two decades.

Tapas Bimal Majumdar is an Independent Director of our Company. He holds master's degree in Human Resources Development and Management, NarseeMonjee Institute of Management Studies Mumbai. He was appointed on the Board with effect from December 19, 2022. He is the founder of SustanbilityPractioners, an enterprising start up that is engaged in sustabbility practice and reporting related activities.

Dilip Mangilal Jain is an Independent Director of our Company. He holds bachelor's degree in science. He is also the member of The Institute of Cost and Works Accountants of India. He has an experience of more than three decades. He has worked with banks and financial institution. He is also founder director of Hyhen Training and Consulting

Private Limited. He was appointed on the Board with effect from December 19, 2022.

Dhara Haresh Thakkar is an Independent Director of our Company. She was appointed on the Board with effect from December 19, 2022. She is a member of the Institute of Chartered Accountants of India. She has an experience of more than 10 years in the field of auditing account and taxation. She is Currently associated as a Senior Manager in Drip Capital Inc.

Sonal Alok Doshi is an Independent Director of our Company. She was appointed on the Board with effect from December 19, 2022. She holds master's degree in business administration from The Institute of Chartered Financial Analysts of India University, Tripura. She is a director of CRE8 Medicart Private Limited.

Relationship between our Directors and Key Managerial Personnel

Except as mentioned below, none of our other Directors are related to each other or to any of our Key Managerial Personnel:

Name of the Director	Related	Nature of Relationship
Mahesh Ravji Bhanushali	Puja Mahesh Bhanushali	Spouse
Mahesh Ravji Bhanushali	Chetan Ravji Bhanushali	Brother
Puja Mahesh Bhanushali	Mahesh Ravji Bhanushali	Spouse
Puja Mahesh Bhanushali	Chetan Ravji Bhanushali	Brother-in-law
Chetan Ravji Bhanushali	Mahesh Ravji Bhanushali	Brother
Chetan Ravji Bhanushali	Puja Mahesh Bhanushali	Sister-in-law

Arrangement or understanding with major shareholders, customers, suppliers or others.

None of our Directors have been nominated, appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Terms of appointment of our Managing Director and Whole-time Directors

1. **Mahesh Ravji Bhanushali, Chairman and Managing Director**

   Our Board of Directors in its meeting held on December 19, 2022, and our Shareholders in their general meeting held on December 19, 2022, approved the appointment of Mahesh Ravji Bhanushali as the Chairman and Managing Director of our Company for a period of 5 years with effect from Decmember 19, 2022 upto December 18, 2027. Mahesh Ravji Bhanushali will be entitled to get remuneration as set out below:

   - Salary of ₹ 2.00 Lakhs per month;
   - Contributions to provident fund, leave enacashment and payment of gratutity as per the rules of the company;
   - Such other allowances, perquisites, amenities, facilities, and benefits asapproved by our Board.

2. **Nandan Dilip Pradhan, Whole-time Director**

   Our Board of Directors in its meeting held on December 19, 2022, and our Shareholders in their general meeting held on December 19, 2022, approved the appointment of Nandan Dilip Pradhan as a Whole -time Director of our Company for a period of 5 years with effect from Decmember 19, 2022 upto December 18, 2027. Nandan Dilip Pradhan will be entitled to get remuneration as set out below:

- Salary of ₹ 2.60 Lakhs per month;
- Contributions to provident fund, leave enacashment and payment of gratutity as per the rules of the company;
- Such other allowances, perquisites, amenities, facilities, and benefits asapproved by our Board.

3. Chetan Ravji Bhanushali, Whole-time Director

Our Board of Directors in its meeting held on December 19, 2022, and our Shareholders in their general meeting held on December 19, 2022, approved the appointment of Chetan Ravji Bhanushali as a Whole -time Director of our Company for a period of 5 years with effect from Decmember 19, 2022 upto December 18, 2027. Chetan Ravji Bhanushali will be entitled to get remuneration as set out below:

- Salary of ₹ 1.50 Lakhs per month;
- Contributions to provident fund, leave enacashment and payment of gratutity as per the rules of the company;
- Such other allowances, perquisites, amenities, facilities, and benefits asapproved by our Board.

Remuneration/ Compensation to our Directors from our Company

(a) Executive Directors

The following table sets forth the details of the remuneration/ compensation paid by our Company to our Executive Directors for the Fiscal 2022:

(in ₹ lakhs)

Sr. No.	Name of the Executive Director	Remuneration
1.	Mahesh Ravji Bhanushali	18.77
2.	Chetan Ravji Bhanushali	11.69
3.	Nandan Dilip Pradhan	31.20*

**Our Whole -time director, Nandan Dilip Pradhan has been paid ₹ 31.20 lakhs for Financial Year 2022 in the capacity of consultant to our Company.*

(b) Non-Executive Director and Independent Directors

Pursuant to a resolution of our Board dated December 19, 2022, our Non – Executive Director and Independent Directors are entitled to receive sitting fees of ₹ 5,000 for attending each Board meeting and ₹ 3,500 lakhs for attedending committee meeting Further, details of the sitting fees paid to our Independent Directors in the Fiscal 2022 are set forth below:

Sr. No.	Name of the Non – Executive Director and Independent Director	Remuneration
1.	Puja Mahesh Bhanushali	NIL
2.	Tapas Bimal Majumdar	NIL
3.	Dilip Mangilal Jain	NIL
4.	Dhara Haresh Thakkar	NIL
5.	Sonal Alok Doshi	NIL

Payment or benefit to Directors of our Company

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our directors.

Loan to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as of the date of this Draft Prospectus.

Bonus or profit-sharing plan for our Directors

There is no bonus or profit-sharing plan for the Key Management Personnel of our Company.

Shareholding of our Directors and Key Managerial Personnel in our Company

Our Articles of Association do not require our directors to hold any qualification shares.

Except as disclosed below, as on the date of this Draft Prospectus, none of our Directors and Key Managerial Personnel hold any Equity Shares in our Company:

Sr. No.	Name of the Director/ Key Managerial Personnel	Number of Equity Shares held
Director		
1.	Mahesh Ravji Bhanushali	35,00,285
2.	Puja Mahesh Bhanushali	1,13, 285
3.	Chetan Ravji Bhanushali	4,73,625
Key Managerial Personnel		
4.	Nandan Dilip Pradhan	17,589

Borrowing Powers

In accordance with our Articles of Association and subject to the provisions of the Companies Act, 2013, and pursuant to a resolution of the Shareholders of our Company passed in their extraordinary general meeting held on December 19, 2022, in accordance with Section 180 of the Companies Act, 2013, our Board is authorised to borrow such sums of money from time to time, with or without security, on such terms and conditions as it may consider fit notwithstanding that the amount to be borrowed together with the amount already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) exceeds the aggregate of the paid up capital and free reserves of our Company provided that the total amount borrowed by our Board and outstanding at any point of time shall not exceed ₹10,000 Lakhs.

Interest of Directors

All Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them, if any and the remuneration payable to such Directors as decided by the Board from time to time. Our Executive Directors are interested to the extent of remuneration, payable to them for services rendered as an officer or employee of our Company. Our Non-Executive and Independent Directors are interested to the extent of the sitting fees.

Our Directors, may also be regarded as interested in Equity Shares held by them, if any, or that may be subscribed by and allotted to their relatives, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, promoters, members, partners and trustees, pursuant to the Issue and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. Our Independent Directors are not holding any Equity Shares in our Company.

There is no material existing or anticipated transaction whereby Directors will receive any proceeds from the Net Issue.

Interest of Directors in the promotion and formation of our Company

As on the date of this Draft Prospectus, except for Mahesh Ravji Bhanushali, who is the Promoter of our Company, none of our other Directors and Key Managerial Personnel are interested in the promotion of our Company. For further details, see "*Our Promoter and Promoter Group*" on page 157.

Interest in property

Our directors do not have any interest in any property acquired or proposed to be acquired by or of our Company.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Further, Puja Mahesh Bhanushali Director of the Company has entered into leave and license agreement dated November 05, 2022 with the Company for taking our Corporate office located at 101/A, Maxheal House, Bangur Nagar, Goregaon West Mumbai 400 104, Maharashtra on leave and license bass, for rent ₹ 30,000 per month.

Business interest

Except as stated in *"Restated Financial Statements"* beginning on page 161 and as disclosed in this section, our Directors do not have any other interest in our business.

Confirmations

Our Directors are not, and have not, during the five years preceding the date of this Draft Prospectus, been on our board of any listed company whose shares have been or were suspended from being traded on the BSE or NSE during their term of directorship in such company.

None of our Directors have been or are directors on our board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.

None of our Directors have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

None of our Directors have been identified as Wilful Defaulters or a Fraudulent Borrower, as defined under the RBI guidelines/master circulars on Wilful Defaulters and Fraudulent Borrowers.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

The changes in our Board in the last three years immediately preceding the date of this Draft Prospectus are as follows:

Name of Director	Date of Change	Reasons
Mahesh Ravji Bhanushali	December 19, 2022	Change in designation From Director to Chairman & Managing Director
Puja Mahesh Bhanushali	December 19, 2022	Change in designation from Non-Exective Director to Director
Nandan Dilip Pradhan	December 19, 2022	Appointed as Additional Director
Nandan Dilip Pradhan	December 19, 2022	Change in designation from Additional Director to Whole -time Director
Chetan Ravji Bhanushali	December 19, 2022	Change in designation from Director to Whole-time Director
Tapas Bimal Majumdar	December 19, 2022	Appointed as Independent Director

Name of Director	Date of Change	Reasons
Dilip Mangilal Jain	December 19, 2022	Appointed as Independent Director
Dhara Haresh Thakkar	December 19, 2022	Appointed as Independent Director
Sonal Alok Doshi	December 19, 2022	Appointed as Independent Director

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of our Board and committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board of Directors

In addition to the committees of our Board of Directors detailed below, our Board of Directors may, from time to time constitute committees for various functions.

Audit Committee

The Audit Committee was constituted by a meeting of our Board held on December 19, 2022. The members of the Audit Committee are:

Name of Director	Position in the Committee	Designation
Mr. Dilip Mangilal Jain	Chairperson	Independent Director
Mr. Sonal Alok Doshi	Member	Independent Director
Mr. Mahesh Ravji Bhanushali	Member	Chairman and Managing Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The terms of reference of the Audit Committee are as follows:

A. Powers of Audit Committee

The Audit Committee shall have powers, including the following:
1. to investigate any activity within its terms of reference
2. to seek information from any employee
3. to obtain outside legal or other professional advice;
4. management discussion and analysis of financial condition and results of operations;
5. to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
6. to have full access to information contained in records of Company.

Role of Audit Committee

The role of the Audit Committee shall include the following:

1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2) Recommending to the Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;

3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
b. Changes, if any, in accounting policies and practices and reasons for the same;
c. Major accounting entries involving estimates based on the exercise of judgment by management;
d. Significant adjustments made in the financial statements arising out of audit findings;
e. Compliance with listing and other legal requirements relating to financial statements;
f. Disclosure of any related party transactions; and vii. Qualifications and modified opinions in the draft audit report.

6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7) Reviewing, 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 utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
9) Scrutiny of inter-corporate loans and investments;
10) Valuation of undertakings or assets of the Company, wherever it is necessary;
11) Evaluation of internal financial controls and risk management systems;
12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances; (m) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
13) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14) Discussing with internal auditors on any significant findings and follow up thereon;
15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16) 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;
17) 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;
18) Reviewing the functioning of the whistle blower mechanism;
19) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
20) 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;
21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹10,000 lakhs or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.
24) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the audit committee shall mandatorily review the following information:

1) management discussion and analysis of financial condition and results of operations;
2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
3) management letters / letters of internal control weaknesses issued by the statutory auditors;
4) internal audit reports relating to internal control weaknesses; and
5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6) statement of deviations:

a. 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 ICDR Regulations.
b. 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 ICDR Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a meeting of our Board held on December 19, 2022. The members of the Nomination and Remuneration Committee are:

Name of Director	Position in the Committee	Designation
Mr. Tapas Bimal Mujumdar	Chairperson	Independent Director
Mr. Dilip Mangilal Jain	Member	Independent Director
Ms. Puja Mahesh Bhanushali	Member	Non- Executive Director

The Company Secretary of our Company shall serve as the secretary of the Nomination and Remuneration Committee. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee are as follows:

1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2) For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   a. use the services of external agencies, if required,
   b. consider candidates from a wide range of backgrounds, having due regard to diversity, and
   c. consider the time commitments of the candidates;
3) formulation of criteria for evaluation of the performance of independent directors and the Board;
4) devising a policy on diversity of our Board;
5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8) 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;
9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11) engaging the services of any consultant/professional or other agency for the purpose of recommending

compensation structure/policy;

12) analyzing, monitoring and reviewing various human resource and compensation matters;
13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
    b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
15) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

Stakeholders' Relationship Committee

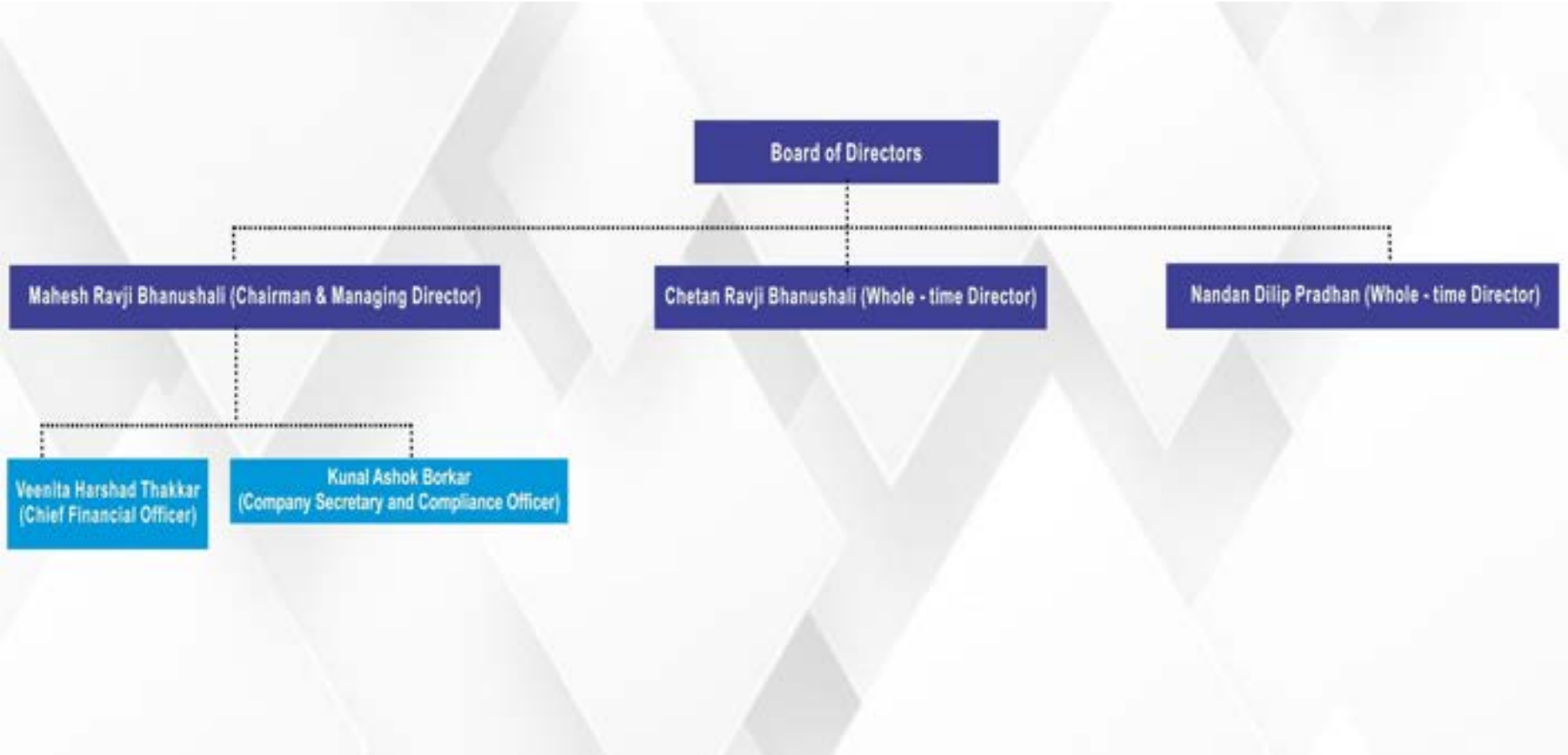
The Stakeholders' Relationship Committee was constituted by a meeting of our Board held on December 19, 2022. The members of the Stakeholders' Relationship Committee are:

Name of Director	Position in the Committee	Designation
Mr. Dilip Mangilal Jain	Chairperson	Independent Director
Ms. Puja Mahesh Bhanushali	Member	Non- Executive Director
Ms. Dhara Haresh Thakkar	Member	Independent Director

The Company Secretary of our Company shall serve as the secretary of the Stakeholders' Relationship Committee. The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee are as follows:

1) Resolving the grievances of the 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;
2) Review of measures taken for effective exercise of voting rights by shareholders;
3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4) Review of 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;
5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6) To approve, register, refuse to register transfer or transmission of shares and other securities;
7) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
8) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
9) To dematerialize or rematerialize the issued shares;
10) Ensure proper and timely attendance and redressal of investor queries and grievances;
11) Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
12) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).
13) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law

Management organisation chart



Key Management Personnel

For details in relation to the biographies of our Executive Directors, see "– *Brief profiles of our Directors*" on page145. The details of the Key Managerial Personnel of our Company are as follows:

Veenita Harshad Thakkar is the Chief Financial Officer of our Company. She has been appointed as the Chief Financial Officer with effect from December 19, 2022. She holds a master's degree in commerce from the University of Mumbai. She has an experience of over 7 years in finance, audit and accounts and has been associated with KPMG, Grant Thornton and Boston Consulting group.

Kunal Ashok Borkar is the Company Secretary and Compliance Officer of our Company. He has been appointed as Company Secretary with effect from December 19, 2022. He holds a master's degree in commerce from University of Mumbai. He is also a member of the Institute of Company Secretaries of India. He has an experience of more than 12 years in corporate advisory & secretarial compliance, data analysis and financial analysis.

All the Key Managerial Personnel are permanent employees of our Company.

Relationship among Key Management Personnel and Directors

None of our Key Managerial Personnel are related to each other or to the Directors of our Company.

Arrangements and understanding with major shareholders, customers and suppliers

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Management Personnel

Except as disclosed in "-*Shareholding of our Directors and Key Managerial Personnel in our Company*" on page 148, none of our other Key Management Personnel hold any Equity Shares in our Company.

Retirement and termination benefits

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

Contingent and deferred compensation payable to Key Managerial Personnel

As on the date of this Draft Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2021, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company has no bonus or profit-sharing plan in which the Key Managerial Personnel participate.

Interest of our Key Management Personnel

The Key Management 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 their service.

The Key Management Personnel may also be deemed to be interested in the Equity Shares, if any, held by them, and dividend payable to them and other distributions in respect of Equity Shares held by them, if any.

Further, our Key Management Personnel may be deemed to be interested to the extent as disclosed in "-*Interest of Directors*" on page 148.

Changes in the Key Management Personnel in last three years

Except as mentioned below, and as specified in "*Our Management - Changes to our Board in the last three years*" on page 149, there have been no changes in the Key Managerial Personnel in the last three years:

Name	Designation	Date of change	Nature of change
Mr. Kunal Ashok Borkar	Company Secretary	December 19, 2022	Appointment as Company Secretary
Ms. Veenita Harshad Thakkar	Chief Financial Officer	December 19, 2022	Appointment as Chief Financial Officer

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

Payment or benefits to the Key Management Personnel (non-salary related)

No non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company's officers and Key Management Personnel within the two preceding years from the date of filing of this Draft Prospectus, other than in the ordinary course of their employment.

Employees Stock Options

For details of the ESOP Plan of our Company, see "*Capital Structure*" on page 62.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

As on the date of this Draft Prospectus, the Promoter of our Company is Mahesh Ravji Bhanushali.

As on date of this Draft Prospectus, our Promoter in aggregate, hold 35,00,285 Equity Shares in our Company, representing 76.19 % of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of shareholding of the Promoter in our Company, see "*Capital Structure – History of the Equity Share capital held by our Promoter*" on page

Details of our Individual Promoter are as follows:

	Mahesh Ravji Bhanushali Mahesh Ravji Bhanushali, aged 38 years, is one of our Promoter and is also the Chairman and Managing Director of our Company. For the complete profile of Mahesh Ravji Bhanushali, i.e., his date of birth, residential address, educational qualifications, professional experience, business and other activities, positions / posts held in the past and other directorships, see "*Our Management*" on page 142. His permanent account number is AGAPB2831L

Our Company confirms that the permanent account number, bank account number, passport number, aadhaar number and driving license number of our Promoter shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus.

Our Promoter and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by RBI or as fugitive economic offenders under Section 12 of Fugitive Economic Offenders Act, 2018 or any other governmental authority.

No violations of securities laws have been committed by our Promoter or members of our Promoter Group or any Group Companies in the past or are currently pending against them.

None of (i) Our Promoter and members of our Promoter Group or persons (ii) the Companies with which our Promoter is or was associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Our Promoter or Promoter Group entities have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoter Group are not and have never been promoter, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

Change in control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

Interest of Promoter

Our Promoter is interested in our Company to the extent that he is the Promoter of our Company and to the extent of his respective shareholding directly or indirectly along with that of his relatives in our Company, his directorship in our Company (wherever applicable), interest payable on the loans provided to our Company and the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives in our Company. For further details of our Promoter's shareholding, see "*Capital Structure*" on page 62. For further details of interest of our Promoter in our Company, see "*Restated Financial Statements*" on page 161.

Our Promoter is also interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees andcommission payable to him and his relative by Company. For further details, see "*Our Management*" page 142.
No sum has been paid or agreed to be paid to our Promoter or to any firm or company in which our Promoter is interested as a member, in cash or shares or otherwise by any person either to induce our Promoter to become, or qualify them as a director, or otherwise for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company**.**

Our Promoter is not interested any interest in any ventures that is involved in any activities similar to those conducted by our Company.

As on October 31, 2022, our Promoter and member of promoter group Mr. Chetan Ravji Bhanushali and Ms. Puja Mahesh Bhanushali has extended an interest free unsecured loan of ₹ 79.88 lakhs to our Company. For further details, please see "*Restated Financial Statements*" and "*Financial Indebtedness*" on pages 161 and 212, respectively.

Except as stated in this section and the section titled "*Restated Financial Statements*" on page 161, our Promoter does not have any interest in our Company other than as a Promoter.

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Payment or benefits to our Promoter or our Promoter Group

Except as disclosed herein and as stated in "*Restated Financial Statements*" beginning on page 161, there has been no payment or benefits by our Company to our Promoter or any of the members of the Promoter Group during the two years preceding the date of this Draft Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Prospectus**.**

The remuneration to the Promoter is being paid in accordance with their respective terms of appointment. For further details see "*Our Management- Terms of appointment of our Executive Directors*," on page [●].

Litigations involving our Promoter

Except as disclosed under "*Outstanding Litigation and Material Developments*" on page 225, there are no litigations or legal and regulatory proceedings involving our Promoter as on the date of this Draft Prospectus**.**

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

Our Promoter has not disassociated himself from any company or firm in the three years immediately preceding the date of this Draft Prospectus.

Experience of our Promoter in the business of our Company

For details in relation to experience of our Promoter in the business of our Company, see "*Our Business*" and "*Our Management*" on pages 116 and 142, respectively.

Material Guarantees

Other than the guarantees provided by our Promoter in relation to certain of our borrowings as and when required, our Promoter have not given any material guarantees to any third parties as on the date of this Draft Prospectus. For details of our borrowings see, "*Financial Indebtedness*" and "*"Restated Financial Statements*" beginning on pages 212 and 161.

Confirmations

Our Promoter and members of our Promoter Group have not been declared wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.

Our Promoter and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter is not and has never been promoter, director, or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter Group

In addition to our Promoter, individual and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

A. Individuals forming part of our Promoter Group

The individuals forming a part of our Promoter Group are as follows:

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mahesh Ravji Bhanushali	Ravji Kalyanji Bhanushali	Father
	Vimla Ravji Bhanushali	Mother
	Puja Mahesh Bhanushali	Spouse
	Chetan Ravji Bhanushali	Brother
	Reena Vijay Bhanushali	Sister
	Kashika Mahesh Bhanushali	Daughter
	Tiara Mahesh Bhanushali	Daughter
	Mahendra Purushottam Chandra	Spouse's Father
	Hansa Mahendra Chandra	Spouse's Mother
	Kajal Mitul Mody	Spouse's Sister

B. The entities forming a part of our Promoter Group

Firms

- M/s. R. K. Traders
- Mahesh Ravji Bhanushali HUF
- Ravji Kalyanji Bhanushali HUF
- Chetan Ravji Bhanushali HUF
- Mahendra Purushottam Chandra HUF
- M/s Build arch construction

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, please see "*Financial Indebtedness*" on page 212. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

The details in relation to payment of dividend by our Company for the last three Fiscals and until the date of this Draft Prospectus are set out in the following table:

(₹ in lakhs unless otherwise stated)

Particulars	**For the financial year/ period ended**			
	From April 1, 2022 till this Draft Prospectus	**March 31, 2022**	**March 31, 2021**	**March 31, 2020**
Equity Share Capital	459.38	150.00	150.00	101.00
Face value per Equity Share (in ₹)	10.00	10.00	10.00	10.00
Amount of Dividend (in ₹ lakhs)	NIL	NIL	1.50	NIL
Dividend per Equity Share (in ₹)	NIL	NIL	0.10	NIL
Rate of Dividend (%)	NIL	NIL	1%	NIL
Corporate Dividend Tax (%)	NIL	NIL	NIL	NIL
Mode of Payment of Dividend	NIL	NIL	Bank transfer	NIL

The amount paid as dividends in the past is not necessarily indicative of any dividend declaration or the quantum of our Company's dividend, in the future. Please see, "*Risk Factors – Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements*" on page 41.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

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Independent Auditor's Report on Restated Financial Statements

To,
The Board of Directors
Mcon Rasayan India Limited
(Formerly known as "Mcon Rasayan Private Limited")
101/A, 1st Floor, Maxheal House,
Plot-169, CTS-104 Bangur Nagar,
Near Ayyappa Temple, Goregaon West,
Mumbai – 400090.

1. We have examined the attached restated financial information of **Mcon Rasayan India Limited (Formerly known as "Mcon Rasayan Private Limited")** (hereinafter referred to as "**the Company"**) comprising the restated statement of assets and liabilities as at June 30, 2022, March 31, 2022, 2021 and 2020, restated statement of profit and loss and restated cash flow statement for the financial period/year ended on June 30, 2022, March 31, 2022, 2021 and 2020 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "**restated financial information**" or "**restated financial statements**") annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on EMERGE Platform ("**IPO**" or "**EMERGE IPO**") of National Stock Exchange of India Limited ("**NSE**") of the company.

2. These restated summary statements have been prepared in accordance with the requirements of:

   (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the "**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations"**) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI"**);
   (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**Guidance Note**")

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Prospectus ("**Offer Document**") to be filed with Securities and Exchange Board of India ("SEBI"), NSE and Registrar of Companies (Mumbai) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in **Note 2** to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Financial Statements taking into consideration:

   (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed EMERGE IPO;

(ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

(iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;

(iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the period/year ended on June 30, 2022, March 31, 2022, 2021 and 2020.

6. Audit for the financial period/year ended on June 30, 2022, March 31, 2022, March 31, 2021 and March 31,2020 was conducted by us vide report dt. November 20, 2022, dt. September 05, 2022 ;November 20, 2021 and December 31, 2020. There are no audit qualifications in the audit reports issued by us in previous years which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these period/years is based solely on the report submitted by us.

7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial period/year ended on June 30, 2022, March 31, 2022, 2021 and 2020.

b) do not require any adjustment for modification as there is no modification in the underlying audit reports;

c) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.

d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.

8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:

(i) The "**restated statement of asset and liabilities**" of the Company as at June 30, 2022, March 31, 2022, 2021 and 2020 examined by us, as set out in **Note A** to this report read with significant accounting policies in **Note 2** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

(ii) The "**restated statement of profit and loss**" of the Company for the financial period/year ended on at June 30, 2022, March 31, 2022, 2021 and 2020 examined by us, as set out in **Note B** to this report read with significant accounting policies in **Note 2** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

(iii) The **"restated statement of cash flows**" of the Company for the financial period/year ended on at June 30, 2022, March 31, 2022, 2021 and 2020 examined by us, as set out in

Note C to this report read with significant accounting policies in **Note 2** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial period/year ended on at June 30, 2022, March 31, 2022, 2021 and 2020 proposed to be included in the Offer Document.

Notes to Restated Financial Statements of the Company:-

Note No.	Particulars
A	**Restated Statement of Assets & Liabilities**
1	Corporate information
2	Summary of significant accounting policies as restated and Notes to reconciliation of restated Profits and Net worth
3	Restated Statement of Share Capital
4	Restated Statement of Reserves & Surplus
5	Restated Statement of Long Term Borrowings
6	Restated Statement of Long Term Provision
7	Restated Statement of Short Term Borrowings
8	Restated Statement of Trade Payables
9	Restated Statement of Other Current Liabilities
10	Restated Statement of Short Term Provision
11	Restated Statement of Property, Plant & Equipment and Intangible Assets
12	Restated Statement of Non-Current Investments
13	Restated Statement of Deferred Tax Assets (Net)
14	Restated Statement of Long Term Loans & Advances
15	Restated Statement of Other Non-Current Assets
16	Restated Statement of Inventories
17	Restated Statement of Trade Receivables
18	Restated Statement of Cash & Cash Equivalents
19	Restated Statement of Short Term Loans & Advances
20	Restated Statement of Other Current Assets
B	**Restated Statement of Profit & Loss**
21	Restated Statement of Revenue from Operations
22	Restated Statement of Other Income
23	Restated Statement of Cost of Material Consumed
24	Restated Statement of Changes in Inventories of Manufactured Goods
25	Restated Statement of Employee Benefit Expenses
26	Restated Statement of Finance Costs
27	Restated Statement of Other Expenses
C	**Restated Cash Flow Statement**
Other Notes:	
28	Restated Statement of Disclosure under AS-15
29	Restated Statement of Related Party Transaction
30	Restated Statement of Significant Accounting Ratios
31	Restated Statement of Contingent Liabilities & Commitments
32	Restated Statement of Tax Shelter
33	Restated Statement of Dues of Small Enterprise and Micro Enterprise
34	Restated Statement of Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013
35	Restated Statement of Capitalisation as at June 30, 2022

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

11. We, **M/s. Devang Kumar Dand & Associates**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, NSE and Registrar of Companies (Mumbai) in connection with the proposed EMERGE IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. 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.

For DEVANG KUMAR DAND & ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM'S REGISTRATION NO. – 135250W)

Sd/-
DEVANG KUMAR DAND
(PROPRIETOR)
(M. No.- 151990)
(UDIN – 22151990BFUREH6864)

PLACE : MUMBAI

DATE : 13TH DECEMBER, 2022

MCON RASAYAN INDIA LTD
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
CIN: U24304MH2016PTC286140
NOTE A : STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Sr No.	Particulars	Note No.	As At 30th June, 2022 (₹ In Lakhs)	As At 31st March, 2022 (₹ In Lakhs)	As At 31st March, 2021 (₹ In Lakhs)	As At 31st March, 2020 (₹ In Lakhs)
A)	**EQUITY AND LIABILITIES**					
1	**Shareholders' Funds**					
	a) Share Capital	3	150.00	150.00	150.00	101.00
	b) Reserves & Surplus	4	94.76	71.29	28.40	9.72
2	**Non-current liabilities**					
	a) Long Term Borrowings	5	203.89	214.96	140.94	139.99
	b) Deferred tax liabilities (net)		-	-	-	-
	c) Other Long Term Liabilities		-	-	-	-
	d) Long Term Provision	6	20.33	20.38	13.52	9.76
3	**Current liabilities**					
	a) Short Term Borrowings	7	548.44	525.89	205.64	181.62
	b) Trade Payables	8				
	i)Due to Micro, Small and Medium Enterprises		195.15	191.15	94.50	55.00
	ii)Due to others		260.01	199.96	160.45	250.15
	c) Other Current Liabilities	9	51.09	55.10	31.88	27.35
	d) Short-Term Provision	10	27.28	17.58	6.48	1.43
		TOTAL	**1,550.95**	**1,446.31**	**831.81**	**776.02**
B)	**ASSETS**					
1	**Non Current Assets**					
	a) Property, Plant & Equipment and Intangible Assets					
	(i) Property, Plant & Equipment	11	126.78	128.87	129.06	127.01
	(ii) Intangible Assets	11	0.82	0.45	0.05	0.15
	(iii) Capital work-in-progress	11	138.15	116.57	-	-
	(iv) Intangible assets under development		-	-	-	-
	b) Non-Current Investments	12	0.05	0.05	0.05	0.02
	c) Deferred Tax Assets (Net)	13	12.36	11.99	8.17	5.73
	d) Long Term Loans & Advances	14	0.78	0.76	0.17	0.72
	e) Other Non-Currrent Assets .	15	14.09	10.08	8.38	7.90
2	**Current Assets**					
	a) Inventories	16	489.29	432.81	241.49	136.81
	b) Trade Receivables	17	478.88	516.19	361.36	315.25
	c) Cash & Cash Equivalents	18	10.75	8.79	5.43	2.56
	d) Short Term Loans & Advances	19	278.15	217.51	74.85	177.60
	e) Other Current Assets	20	0.84	2.22	2.78	2.25
		TOTAL	**1,550.95**	**1,446.31**	**831.81**	**776.02**

Notes on accounts and statement of accounting policies **1 & 2**

As Per Our Report of Even Date
For DEVANG KUMAR DAND & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No. 135250W

sd/-
(DEVANG KUMAR DAND)
PROPRIETOR
Membership No. 151990

For and on Behalf of the Board
For MCON RASAYAN INDIA LTD.

sd/-
(MAHESH BHANUSHALI)
MANAGING DIRECTOR
DIN: 07585072

sd/-
(NANDAN PRADHAN)
EXECUTIVE DIRECTOR
DIN: 09828134

sd/-
(VEENITA THAKKAR)
CFO

sd/-
(KUNAL BORKAR)
COMPANY SECRETARY

Place: **Mumbai**
Date: **13th December, 2022**

MCON RASAYAN INDIA LTD
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
CIN: U24304MH2016PTC286140
NOTE B : STATEMENT OF PROFIT & LOSS AS RESTATED

Sr. No.	Particulars	Note No.	For the Period ended 30th June, 2022 (₹ In Lakhs)	For the year ended 31st March, 2022 (₹ In Lakhs)	For the year ended 31st March, 2021 (₹ In Lakhs)	For the year ended 31st March, 2020 (₹ In Lakhs)
1	Revenue from Operations (Gross)	21	654.21	1,921.65	897.77	896.62
2	Other Income	22	0.07	0.71	2.01	0.33
3	**Total Revenue (1+2)**		**654.28**	**1,922.36**	**899.78**	**896.95**
4	**Expenses :**					
	Cost of Material Consumed	23	362.78	1,114.32	441.95	423.66
	Changes in Inventories of Manufactured Goods	24	(12.46)	(133.38)	(51.87)	(23.67)
	Employee Benefit Expenses	25	73.06	226.23	149.48	161.46
	Finance Costs	26	15.58	44.21	39.93	31.20
	Depreciation and Amortization expense	11	7.54	32.55	27.76	31.28
	Other Expenses	27	175.99	578.60	267.25	267.81
	Total Expenses		**622.49**	**1,862.53**	**874.50**	**891.74**
5	**Profit/(Loss) before Taxation**		31.79	59.83	25.28	5.21
6	**Tax Expense/ (benefit)**					
	(a) Current Tax Expense		8.69	19.26	9.03	4.80
	(b) Deferred Tax		(0.37)	(3.83)	(2.43)	(3.20)
	Net tax expense / (benefit)		8.32	15.43	6.60	1.60
7	Profit/(Loss) for the year		23.47	44.40	18.68	3.61
8	Earnings Per Share (of Rs. 10/- each):					
	Basic		1.56	2.96	1.25	0.32
	Diluted		1.56	2.96	1.25	0.32

Notes on accounts and statement of accounting policies **1 & 2**

As Per Our Report of Even Date
For DEVANG KUMAR DAND & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No. 135250W

sd/-
(DEVANG KUMAR DAND)
PROPRIETOR
Membership No. 151990

For and on Behalf of the Board
For MCON RASAYAN INDIA LTD.

sd/-
(MAHESH BHANUSHALI)
MANAGING DIRECTOR
DIN: 07585072

sd/-
(NANDAN PRADHAN)
EXECUTIVE DIRECTOR
DIN: 09828134

sd/-
(VEENITA THAKKAR)
CFO

sd/-
(KUNAL BORKAR)
COMPANY SECRETARY

Place: **Mumbai**
Date: **13th December, 2022**

MCON RASAYAN INDIA LIMITED
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTE C : STATEMENT OF CASH FLOW AS RESTATED

Particulars	As at 30th June, 2022 (₹ In Lakhs)	As at 31st March, 2022 (₹ In Lakhs)	As at 31st March, 2021 (₹ In Lakhs)	As at 31st March, 2020 (₹ In Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Net Loss) before taxation and extraordinary items:	31.79	59.83	25.28	5.21
Adjustments for:				
Depreciation	7.54	32.55	27.76	31.28
Provision for Gratuity	(0.02)	7.41	3.77	5.13
Finance Charges	15.58	44.21	39.93	31.20
Interest Received	(0.07)	(0.27)	(0.27)	(0.10)
Dividend Received	-	-	-	-
Gain on Sale of Fixed Assets	-	0.30	-	-
Cash generated from operations before Working Capital Changes	**54.82**	**144.03**	**96.47**	**72.72**
Adjustments for:				
Changes in Trade and Other Receivables	37.31	(154.83)	(46.11)	301.84
Changes in Trade and Other Payables	64.05	136.16	(50.20)	(240.11)
Changes in Inventories	(56.48)	(191.32)	(104.68)	(46.13)
Changes in Other Current Assets	(59.26)	(142.10)	102.22	(150.78)
Changes in Current Liabilities and Provisions	(4.01)	23.22	4.53	12.36
Changes in Non-Current Assets	(4.01)	(1.70)	(0.48)	(3.00)
Changes in Long Term Loans, Advances & Deposits	(0.02)	(0.59)	0.55	3.80
Cash generated from/(used in) Operations	**32.41**	**(187.13)**	**2.30**	**(49.27)**
Income Taxes paid (net)	0.98	(8.70)	(3.98)	(7.58)
Net Cash Flow from /(used in) Operating Activities	**33.39**	**(195.83)**	**(1.68)**	**(56.85)**
B. CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES				
Purchase of Fixed Assets	(27.40)	(150.24)	(29.72)	(11.89)
Sale of Fixed Assets	-	0.59	-	0.87
Interest Received	0.07	0.27	0.27	0.10
Dividend Received	-	-	-	-
Net Cash from / (used in) Investing Activities	**(27.33)**	**(149.38)**	**(29.45)**	**(10.92)**
C. CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES				
Proceeds from Issue of Shares/Share Application Money.	-	-	49.00	51.00
Proceeds/(Repayment) from/of Short Term borrowings (net)	22.55	320.25	24.02	50.01
Proceeds/(Repayment) from/of Long Term Borrowings (net)	(11.07)	74.02	0.95	(7.08)
Finance Charges Paid	(15.58)	(44.21)	(39.93)	(31.20)
Proceeds from Non-current Investments	-	-	(0.03)	-
Dividend Paid	-	(1.50)	-	-
Net Cash from / (used in) Financing Activities	**(4.10)**	**348.56**	**34.01**	**62.73**
Net increase / (decrease) in Cash and Cash Equivalents	**1.96**	**3.35**	**2.88**	**(5.04)**
Cash and Cash Equivalents at the beginning of the year	**8.79**	**5.43**	**2.56**	**7.61**
Cash and Cash Equivalents at the end of the year	**10.75**	**8.79**	**5.43**	**2.56**
Components of cash and cash equivalent				
- Cash and cheques on hand	3.87	5.89	4.09	1.53
- With banks				
- On current account	6.88	2.90	1.34	1.03

AS PER OUR REPORT OF EVEN DATE
FOR DEVANG KUMAR DAND & ASSOCIATES
(CHARTERED ACCOUNTANTS)
REGISTRATION NO. : 135250W

Sd/-
(DEVANG KUMAR DAND)
PROPRIETOR
Membership No. 151990
PLACE : MUMBAI
Date : 13th December, 2022

For and on Behalf of the Board
For MCON RASAYAN INDIA LTD.

Sd/-
(MAHESH BHANUSHALI)
MANAGING DIRECTOR
DIN: 07585072

Sd/-
(NANDAN PRADHAN)
EXECUTIVE DIRECTOR
DIN: 09828134

sd/-
(VEENITA THAKKAR)
CFO

sd/-
(KUNAL BORKAR)
COMPANY SECRETARY

NOTE 1 & 2: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH

NOTE 1: CORPORATE INFORMATION:

Mcon Rasayan India Limited is a Company incorporated on 22nd September, 2016 as "Mcon Rasayan Private Limited".

The Corporate identification number of the company is **U24304MH2016PTC286140.**

The Company has been converted from Private Company to Public Company on 12th December,2022.

The Company is engaged into the business of Manufacturing and Reselling of Water Proofing Chemicals, Construction Materials and Paints.

NOTE 2: RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

I. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at June 30, 2022, March 31, 2022, 2021 and 2020 and the related restated summary statement of profits and loss and cash flows for the period/year ended June 30, 2022, March 31, 2022, 2021 and 2020 (herein collectively referred to as ("**Restated Summary Statements**") have been compiled by the management from the audited Financial Statements for the period/year ended on June 30, 2022, March 31, 2022, 2021 and 2020. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "**Act**") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) (**"Guidance Note"**). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE in connection with its proposed IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The Restated Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

II. Use of Estimates:

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period/year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

III. Property, Plant & Equipment and Intangible Assets:

Property, Plant & Equipment and Intangible Assets are stated at historical cost less accumulated depreciation and impairment losses.

Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

IV. Depreciation & Amortization:

Property, Plant & Equipment:

Depreciable amount of assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets:

Software is amortised over a period of three years on WDV method.

V. Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the period/year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

VI. Provisions and Contingent Liabilities:

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

VII. Cash and Cash Equivalents:

Cash and cash equivalents comprises Cash-in-Hand and Balance in Current Accounts with Banks.

VIII. Inventories:

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle. Cost of inventory comprises all costs of purchases, duties & taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

IX. Revenue Recognition:

Revenue from Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude Goods and Service Tax. GST is a consumption-based or destination-based tax, which implies that all tax components are levied at the point of supply. Hence, the state that will collect taxes will be decided by the place of consumption.

X. Other Income:

Interest income is accounted on accrual basis. Income other than interest income is accounted for when right to receive such income is established.

XI. Employee Benefits:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year.

XII. Earning Per Share

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the period. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

XIII. Taxation & Deferred Tax

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – "Accounting for taxes on income", notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

A) NOTES ON RECONCILIATION OF RESTATED PROFITS

Reconciliation of Restated Profits is stated as follows:

(₹ In Lakhs)

Particulars	For the Period ended June 30,2022	For the year ended March 31,2022	For the year ended March 31,2021	For the year ended March 31,2020
Net Profit/(Loss) after Tax as per Audited/Unaudited Profit & Loss Account	4.65	49.54	21.77	8.82
Adjustments for:				
Gratuity	21.76	(7.41)	(3.77)	(5.13)
Depreciation and Amortization expense	4.87	(0.49)	(0.91)	(1.76)
Short/(Excess) Provision of tax	-	2.08	0.74	0.16
Changes in Finance cost due to Interest on Late Payment of Income Tax	(1.08)	(1.32)	(0.34)	(0.16)
Deferred tax	(6.72)	1.98	1.18	1.69
Net Profit/ (Loss) After Tax as Restated	**23.47**	**44.40**	**18.68**	**3.61**

Explanatory notes to the above restatements to profits made in the audited Standalone Financial Statements of the Company for the respective years:

I. **Gratuity:** The Company has not provided for gratuity provision since incorporation till 31st March, 2022 which has now been restated for the respective years based on the actuarial valuation report for the respective years.

II. **Depreciation and Amortization expenses:** The company has changed useful life of assets for few assets. The change of depreciation on account of change in useful life has now been restated for the respective years.

III. **Short/(Excess) Provision of tax:** The Company has made provision for short/(excess) provision of tax for earlier years which has now been restated and reclassified to the respective years.

IV. **Income Tax:** The company had earlier debited finance cost to current tax which is now shown under Finance costs in Profit and Loss Account. Due to above restatement impacts, finance cost has been restated accordingly and presented.

V. **Deferred Tax:** Due to above restatement impacts, income tax expenses has been restated accordingly and presented.

B) NOTES ON RECONCILIATION OF RESTATED NETWORTH

Reconciliation of Restated Networth is stated as follows:

(₹ In Lakhs)

Particulars	For the Period ended June 30,2022	For the year ended March 31,2022	For the year ended March 31,2021	For the year ended March 31,2020
Networth as audited	244.71	240.04	192.00	121.22
Adjustments for:				
Opening Balance of Adjustments	(18.74)	(13.60)	(10.51)	-
Gratuity Expense of Previous Years	-	-	-	(5.46)
Depreciation Adjustments of Previous Years	-	-	-	(1.71)
Deferred Tax Adjustments of Previous Years	-	-	-	1.86
Change in Profit/(Loss)	18.82	(5.14)	(3.09)	(5.20)
Closing Balance of Adjustments	0.08	(18.74)	(13.60)	(10.51)
Networth as restated	**244.76**	**221.29**	**178.40**	**110.72**

Explanatory notes to the above restatements to networth made in the audited Standalone Financial Statements of the Company for the respective years:

I. **Gratuity Expenses:** The Company has not provided for gratuity provision since incorporation till 30th June, 2022 which has now been restated for the respective years based on the actuarial valuation report for the respective years. Hence, provision pertaining to the period on or before 31st March, 2019 has been debited to opening reserves.

II. **Depreciation and Amortization Expenses:** The company has changed useful life of assets for few assets. The change of depreciation on account of change in useful life has now been restated for the respective years.

III. **Deferred Tax:** Due to above restatement impacts, income tax expenses has been restated accordingly and presented.

IV. **Change in Profit/(Loss):** Refer Note A above.

C) ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:

a. **Material Regrouping:**

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Standalone Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

MCON RASAYAN INDIA LIMITED

(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")

NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

NOTE 3 : SHARE CAPITAL

		30-Jun-22		31-Mar-22		31-Mar-21		31-Mar-20	
		Number	Amount (₹ In Lakhs)	Number	Amount (₹ In Lakhs)	Number	Amount (₹ In Lakhs)	Number	Amount (₹ In Lakhs)
1	**Authorised**								
	Equity Shares of Rs. 10/- each carrying voting rights	1,500,000	150.00	1,500,000	150.00	1,500,000	150.00	1,500,000	150.00
	& dividend rights	1,500,000	150.00	1,500,000	150.00	1,500,000	150.00	1,500,000	150.00
2	**Issued,Subscribed & Paidup**								
	Equity Shares of Rs. 10/- each, issued at par fully paid up	1,500,000	150.00	1,500,000	150.00	1,500,000	150.00	1,010,000	101.00
		1,500,000	150.00	1,500,000	150.00	1,500,000	150.00	1,010,000	101.00
3	**Reconciliation of Number of Shares**								
	Outstanding at begining of the year	1,500,000		1,500,000		1,010,000		500,000	
	Add: Issued during the year	0		0		490,000		510,000	
	Less: Shares Bought back during the year	0		0		0		0	
	Outstanding at Closing of the year	1,500,000		1,500,000		1,500,000		1,010,000	

4 **Details of Shareholder holding**

Name of Shareholder	Number	% of Holding	Number	% of Holding	Number	% of Holding	Number	% of Holding
Mahesh Bhanushali	1,188,500	79.23%	1,188,500	79.23%	1,188,500	79.23%	858,500	85.00%
Puja Bhanushali	50,500	3.37%	50,500	3.37%	50,500	3.37%	50,500	5.00%
Chetan Bhansuhali	210,500	14.03%	210,500	14.03%	210,500	14.03%	50,500	5.00%
Nilam Bhanushali	50,500	3.37%	50,500	3.37%	50,500	3.37%	50,500	5.00%
	1,500,000	100.00%	1,500,000	100.00%	1,500,000	100.00%	1,010,000	100.00%

5 **Shareholding of Promoters**

30th June, 2022

Promoter Name	Number of Shares	% of Total Shares	% Change during the year
Mahesh Bhanushali	1,188,500	79.23%	0.00%
Puja Bhanushali	50,500	3.37%	0.00%
	1,239,000	82.60%	0.00%

31st March, 2022

Promoter Name	Number of Shares	% of Total Shares	% Change during the year
Mahesh Bhanushali	1,188,500	79.23%	0.00%
Puja Bhanushali	50,500	3.37%	0.00%
	1,239,000	82.60%	0.00%

31st March, 2021

Promoter Name	Number of Shares	% of Total Shares	% Change during the year
Mahesh Bhanushali	1,188,500	79.23%	-6.78%
Puja Bhanushali	50,500	3.37%	-32.67%
	1,239,000	82.60%	

31st March, 2020

Promoter Name	Number of Shares	% of Total Shares	% Change during the year
Mahesh Bhanushali	858,500	85.00%	0.00%
Puja Bhanushali	50,500	5.00%	0.00%
	909,000	90.00%	0.00%

MCON RASAYAN INDIA LIMITED
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22	31-Mar-22	31-Mar-21	31-Mar-20
		(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)
NOTE 4 : RESERVES & SURPLUS					
1	Surplus / (Deficit) in Statement of Profit and Loss				
	Opening Balance	71.29	28.39	9.72	11.41
	Add: Net Profit / (Net Loss) for the Year	23.48	44.40	18.68	3.62
	Less Dividend Expenses(F.Y. 2020-21)	-	1.50	-	-
	Less: Gratuity Expense of Previous Years	-	-	-	5.46
	Less: Depreciation Adjustments of Previous Years	-	-	-	1.71
	Add: Deferred Tax Adjustments of Previous Years	-	-	-	1.86
	Closing Balance	**94.77**	**71.29**	**28.40**	**9.72**

MCON RASAYAN INDIA LIMITED
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

NOTE 5 : LONG TERM BORROWINGS	30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
a) Secured				
1 Vehicle Loan				
From Bank	9.34	13.36	31.03	27.92
From Others	2.19	2.84	-	-
2 Term Loan				
From Bank	192.36	198.76	109.92	112.07
From Others	-	-	-	-
	203.89	**214.96**	**140.94**	**139.99**

Details of Security and Terms of Repayment:-

Nature of Security	Terms of Repayment
Loan from HDFC Bank for Rs.14.67 Lakhs is Secured.	Loan will be paid in 54 Equated Monthly Installments (EMIs) Starting from October 15, 2018
Loan from John Deere Financial for Rs.1.7 Lakhs is Secured.	Loan will be paid in 36 Equated Monthly Installments (EMIs) Starting from July 9, 2021
Loan from John Deere Financial for Rs.7.3 Lakhs is Secured.	Loan will be paid in 36 Equated Monthly Installments (EMIs) Starting from June 4, 2021
Loan from Yes Bank for Rs.36.22 Lakhs is Secured.	Loan will be paid in 54 Equated Monthly Installments (EMIs) Starting from February 22, 2019
Loan from Yes Bank for Rs.20.00 Lakhs is Secured.	Loan will be paid in 48 Equated Monthly Installments (EMIs) Starting from February 22, 2021
Loan from ICICI Bank for Rs.62.21 Lakhs is Secured.	Loan will be paid in 79 Equated Monthly Installments (EMIs) Starting from July 31, 2021
Loan from ICICI Bank for Rs.66.90 Lakhs is Secured.	For Initial 24 months only interest amount is payable and for balance tenure Loan will be paid in 36 Equated Monthly Installments (EMIs) Starting from February 29, 2024
Loan from ICICI Bank for Rs.100.00 Lakhs is Secured.	Loan will be paid in 84 Equated Monthly Installments (EMIs) Starting from April 30, 2022
Loan from Bharat Bank for Rs.78.00 Lakhs is Secured.	Loan will be paid in 72 Equated Monthly Installments (EMIs) Starting from September 20, 2017
Loan from Bharat Bank for Rs.45.00 Lakhs is Secured.	Loan will be paid in 102 Equated Monthly Installments (EMIs) Starting from January 19, 2021
Loan from Bharat Bank for Rs.32.00 Lakhs is Secured.	Loan will be paid in 36 Equated Monthly Installments (EMIs) Starting from April 1, 2021
Loan from Bharat Bank for Rs.9.08 Lakhs is Secured.	Loan will be paid in 6 Equated Monthly Installments (EMIs) Starting from October 1, 2020

MCON RASAYAN INDIA LIMITED
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

NOTE 6 : LONG TERM PROVISION		**30-Jun-22**	**31-Mar-22**	**31-Mar-21**	**31-Mar-20**
		(₹ In Lakhs)	**(₹ In Lakhs)**	**(₹ In Lakhs)**	**(₹ In Lakhs)**
1	Gratuity	20.33	20.38	13.52	9.76
		20.33	**20.38**	**13.52**	**9.76**

MCON RASAYAN INDIA LIMITED
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

	30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 7 : SHORT TERM BORROWINGS				
a) Secured				
1 Cash Credit From Banks	334.85	337.50	157.88	157.94
b) Unsecured				
1 Loan from Directors and Related Parties	169.55	143.41	6.71	16.60
2 Unsecured Loans for Fixed Assets	0.22	0.53	0.23	0.20
c) Current Maturities of Long Term Borrowings	43.82	44.45	40.83	6.87
	548.44	**525.89**	**205.64**	**181.62**

Note: I. Cash Credit from ICICI Bank for Rs.3.60 Crore was Secured by Immovable Property and any interest therein
II. Cash Credit from Bharat Bank for Rs.1.60 Crore was Secured by Movable Property (not being pledge), Stock & Debtors etc.
III. Loan from Director and Related Parties is unsecured.
IV. Loan for Fixed Assets is unsecured.

Details of Security and Terms of Repayment:-

Nature of Security	Terms of Repayment
Loan from HDFC Bank for Rs.14.67 Lakhs is Secured.	Loan will be paid in 54 Equated Monthly Installments (EMIs) Starting from October 15, 2018
Loan from John Deere Financial for Rs.1.7 Lakhs is Secured.	Loan will be paid in 36 Equated Monthly Installments (EMIs) Starting from July 9, 2021
Loan from John Deere Financial for Rs.7.3 Lakhs is Secured.	Loan will be paid in 36 Equated Monthly Installments (EMIs) Starting from June 4, 2021
Loan from Yes Bank for Rs.36.22 Lakhs is Secured.	Loan will be paid in 54 Equated Monthly Installments (EMIs) Starting from February 22, 2019
Loan from Yes Bank for Rs.20.00 Lakhs is Secured.	Loan will be paid in 48 Equated Monthly Installments (EMIs) Starting from February 22, 2021
Loan from ICICI Bank for Rs.62.21 Lakhs is Secured.	Loan will be paid in 79 Equated Monthly Installments (EMIs) Starting from July 31, 2021
Loan from ICICI Bank for Rs.66.90 Lakhs is Secured.	For Initial 24 months only interest amount is payable and for balance tenure Loan will be paid in 36 Equated Monthly Installments (EMIs) Starting from February 29,
Loan from ICICI Bank for Rs.100.00 Lakhs is Secured.	Loan will be paid in 84 Equated Monthly Installments (EMIs) Starting from April 30, 2022
Loan from Bharat Bank for Rs.78.00 Lakhs is Secured.	Loan will be paid in 72 Equated Monthly Installments (EMIs) Starting from September 20, 2017
Loan from Bharat Bank for Rs.45.00 Lakhs is Secured.	Loan will be paid in 102 Equated Monthly Installments (EMIs) Starting from January 19, 2021
Loan from Bharat Bank for Rs.32.00 Lakhs is Secured.	Loan will be paid in 36 Equated Monthly Installments (EMIs) Starting from April 1, 2021
Loan from Bharat Bank for Rs.9.08 Lakhs is Secured.	Loan will be paid in 6 Equated Monthly Installments (EMIs) Starting from October 1, 2020

MCON RASAYAN INDIA LIMITED
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 8 : TRADE PAYABLES					
1	Total outstanding dues of micro enterprises and small enterprises	195.15	191.15	94.50	55.00
2	Total outstanding dues of creditors other than micro enterprises and small enterprises	260.01	199.96	160.45	250.15
		455.16	**391.11**	**254.95**	**305.15**

As at June 30, 2022

	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 year	2-3 years	More than 3 years	Total
(i)	Due to MSME	195.15	-	-	-	195.15
(ii)	Due to Others	255.57	4.35	0.09	-	260.01
(iii)	Disputed dues to MSME	-	-	-	-	-
(iv)	Disputed dues to Others	-	-	-	-	-
Total		**450.72**	**4.35**	**0.09**	-	**455.16**

As at March 31, 2022

	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 year	2-3 years	More than 3 years	Total
(i)	Due to MSME	191.15	-	-	-	191.15
(ii)	Due to Others	192.72	5.45	1.79	-	199.96
(iii)	Disputed dues to MSME	-	-	-	-	-
(iv)	Disputed dues to Others	-	-	-	-	-
Total		**383.87**	**5.45**	**1.79**	-	**391.11**

As at March 31, 2021

	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 year	2-3 years	More than 3 years	Total
(i)	Due to MSME	94.50	-	-	-	94.50
(ii)	Due to Others	151.19	2.45	6.73	0.08	160.45
(iii)	Disputed dues to MSME	-	-	-	-	-
(iv)	Disputed dues to Others	-	-	-	-	-
Total		**245.69**	**2.45**	**6.73**	**0.08**	**254.95**

As at March 31, 2020

	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 year	2-3 years	More than 3 years	Total
(i)	Due to MSME	54.73	0.16	0.11	-	55.00
(ii)	Due to Others	233.46	13.02	3.44	0.23	250.15
(iii)	Disputed dues to MSME	-	-	-	-	-
(iv)	Disputed dues to Others	-	-	-	-	-
Total		**288.19**	**13.18**	**3.55**	**0.23**	**305.15**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 9 : OTHER CURRENT LIABILITIES					
1	Statutory Remittances	20.65	27.65	10.03	12.50
2	Outstanding Expenses	23.51	19.97	15.58	7.59
3	Advance from Debtors	0.18	0.48	2.77	6.51
4	Deposit Liability	6.75	7.00	3.50	0.75
		51.09	**55.10**	**31.88**	**27.35**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 10 : SHORT TERM PROVISION					
1	Provision For Tax (Net of Advance Tax, TDS & TCS)	25.88	16.21	5.65	0.60
2	Gratuity	1.41	1.37	0.83	0.83
		27.28	**17.58**	**6.48**	**1.43**

MCON RASAYAN INDIA LIMITED
NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTE 11 - PROPERTY , PLANT AND EQUIPMENT & DEPRECIATION

Name Of Asset	Gross Block				Depreciation				Net Block	Net Block
	As On 01-Apr-22 (₹ In Lakhs)	Additions during Year (₹ In Lakhs)	Deductions during Year (₹ In Lakhs)	As On 30-Jun-22 (₹ In Lakhs)	As On 01-Apr-22 (₹ In Lakhs)	For the Year (₹ In Lakhs)	Written off (₹ In Lakhs)	As on 30-Jun-22 (₹ In Lakhs)	As On 30-Jun-22 (₹ In Lakhs)	As On 31-Mar-22 (₹ In Lakhs)
TANGIBLE ASSETS										
Property at Sarigram (Leasehold Property)	42.45	-	-	42.45	15.84	0.65	-	16.49	25.96	26.61
Furnitures & Fixtures	16.25	0.25	-	16.50	8.85	0.49	-	9.34	7.17	7.40
Godown Renovation	0.99	-	-	0.99	0.44	0.01	-	0.46	0.53	0.55
Electric Installations	1.39	-	-	1.39	0.21	0.05	-	0.27	1.12	1.17
Plant & Machinery	99.38	2.30	-	101.68	49.08	2.36	-	51.45	50.23	50.30
Cube and Moulds	0.40	-	-	0.40	0.36	-	-	0.36	0.04	0.04
Conveyors	11.83	-	-	11.83	7.21	0.28	-	7.49	4.33	4.61
Compressor	0.52	-	-	0.52	0.30	0.01	-	0.31	0.21	0.22
Lab Equipment	1.15	-	-	1.15	0.27	0.10	-	0.37	0.78	0.88
Computers	5.85	2.64	-	8.48	2.22	0.77	-	2.99	5.49	3.63
Printers	0.30	-	-	0.30	0.03	0.04	-	0.07	0.23	0.27
Office Equipments	7.22	0.16	-	7.38	5.14	0.24	-	5.38	2.00	2.08
Vehicles	69.33	-	-	69.33	38.23	2.42	-	40.65	28.68	31.10
INTANGIBLE ASSETS										
Software	0.68	0.48	-	1.17	0.23	0.12	-	0.35	0.82	0.45
CAPITAL WORK-IN-PROGRESS										
Land at Ambethi(Not put to use)	115.67	21.50	-	137.18	-	-	-	-	137.18	115.67
Electric Installations at Ambethi(Not put to use)	0.90	0.07	-	0.97	-	-	-	-	0.97	0.90
TOTAL	**374.31**	**27.40**	**-**	**401.72**	**128.41**	**7.54**	**-**	**135.98**	**265.74**	**245.88**

Name Of Asset	Gross Block				Depreciation				Net Block	Net Block
	As On 01-Apr-21 (₹ In Lakhs)	Additions during Year (₹ In Lakhs)	Deductions during Year (₹ In Lakhs)	As On 31-Mar-22 (₹ In Lakhs)	As On 01-Apr-21 (₹ In Lakhs)	For the Year (₹ In Lakhs)	Written off (₹ In Lakhs)	As on 31-Mar-22 (₹ In Lakhs)	As On 31-Mar-22 (₹ In Lakhs)	As On 31-Mar-21 (₹ In Lakhs)
TANGIBLE ASSETS										
Property at Sarigram (Leasehold Property)	42.45	-	-	42.45	12.93	2.91	-	15.84	26.61	29.52
Furnitures & Fixtures	12.24	4.01	-	16.25	7.10	1.75	-	8.85	7.40	5.14
Godown Renovation	0.99	-	-	0.99	0.38	0.07	-	0.44	0.55	0.61
Electric Installations	0.26	1.13	-	1.39	0.18	0.04	-	0.21	1.17	0.08
Plant & Machinery	90.56	9.40	0.58	99.38	39.13	9.95	-	49.08	50.30	51.43
Cube and Moulds	0.40	-	-	0.40	0.32	0.04	-	0.36	0.04	0.08
Conveyors	11.83	-	-	11.83	5.56	1.65	-	7.21	4.61	6.26
Compressor	0.52	-	-	0.52	0.25	0.05	-	0.30	0.22	0.27
Lab Equipment	-	1.15	-	1.15	-	0.27	-	0.27	0.88	-
Computers	1.07	4.78	-	5.85	0.71	1.52	-	2.22	3.63	0.36
Printers	-	0.30	-	0.30	-	0.03	-	0.03	0.27	-
Office Equipments	5.45	1.90	0.13	7.22	4.17	0.98	-	5.14	2.08	1.29
Vehicles	58.97	10.55	0.18	69.33	24.96	13.27	-	38.23	31.10	34.01
INTANGIBLE ASSETS										
Software	0.24	0.45	-	0.68	0.18	0.05	-	0.23	0.45	0.05
CAPITAL WORK-IN-PROGRESS										
Land at Ambethi(Not put to use)	-	115.67	-	115.67	-	-	-	-	115.67	-
Electric Installations at Ambethi(Not put to use)	-	0.90	-	0.90	-	-	-	-	0.90	-
TOTAL	**224.98**	**150.24**	**0.89**	**374.31**	**95.87**	**32.55**	**-**	**128.41**	**245.88**	**129.10**

Name Of Asset	Gross Block				Depreciation				Net Block	Net Block
	As On 01-Apr-20 (₹ In Lakhs)	Additions during Year (₹ In Lakhs)	Deductions during Year (₹ In Lakhs)	As On 31-Mar-21 (₹ In Lakhs)	As On 01-Apr-20 (₹ In Lakhs)	For the Year (₹ In Lakhs)	Written off (₹ In Lakhs)	As on 31-Mar-21 (₹ In Lakhs)	As On 31-Mar-21 (₹ In Lakhs)	As On 31-Mar-20 (₹ In Lakhs)
TANGIBLE ASSETS										
Furnitures & Fixtures	12.24	-	-	12.24	5.28	1.82	-	7.10	5.14	6.96
Electric Installations	0.26	-	-	0.26	0.15	0.03	-	0.18	0.08	0.11
Property at Sarigram (Leasehold Property)	42.45	-	-	42.45	9.70	3.23	-	12.93	29.52	32.76
Godown Renovation	0.99	-	-	0.99	0.30	0.07	-	0.38	0.61	0.69
Plant & Machinery	79.26	11.30	-	90.56	29.00	10.13	-	39.13	51.43	50.26
Cube and Moulds	0.40	-	-	0.40	0.26	0.06	-	0.32	0.08	0.14
Conveyors	11.83	-	-	11.83	3.03	2.53	-	5.56	6.26	8.79
Compressor	0.52	-	-	0.52	0.19	0.06	-	0.25	0.27	0.33
Computers	0.70	0.36	-	1.07	0.55	0.16	-	0.71	0.36	0.15
Printers	-	-	-	-	-	-	-	-	-	-
Office Equipments	5.07	0.39	-	5.45	3.42	0.75	-	4.17	1.29	1.65
Vehicles	41.30	17.67	-	58.97	16.13	8.83	-	24.96	34.01	25.17
INTANGIBLE ASSETS										
Software	0.24	-	-	0.24	0.09	0.09	-	0.18	0.05	0.15
TOTAL	**195.26**	**29.72**	**-**	**224.98**	**68.10**	**27.76**	**-**	**95.87**	**129.10**	**127.16**

Name Of Asset	Gross Block				Depreciation				Net Block	Net Block
	As On 01-Apr-19 (₹ In Lakhs)	Additions during Year (₹ In Lakhs)	Deductions during Year (₹ In Lakhs)	As On 31-Mar-20 (₹ In Lakhs)	As On 01-Apr-19 (₹ In Lakhs)	For the Year (₹ In Lakhs)	Written off (₹ In Lakhs)	As on 31-Mar-20 (₹ In Lakhs)	As On 31-Mar-20 (₹ In Lakhs)	As On 31-Mar-19 (₹ In Lakhs)
TANGIBLE ASSETS										
Furnitures & Fixtures	11.14	1.10	-	12.24	2.99	2.29	-	5.28	6.96	8.15
Electric Installations	0.26	-	-	0.26	0.12	0.03	-	0.15	0.11	0.14
Property at Sarigram (Leasehold Property)	42.45	-	-	42.45	6.11	3.59	-	9.70	32.76	36.34
Godown Renovation	0.99	-	-	0.99	0.22	0.08	-	0.30	0.69	0.77
Plant & Machinery	73.69	6.44	0.87	79.26	18.52	10.48	-	29.00	50.26	55.17
Cube and Moulds	0.40	-	-	0.40	0.14	0.12	-	0.26	0.14	0.26
Conveyors	8.67	3.16	-	11.83	1.16	1.87	-	3.03	8.79	7.51
Compressor	0.52	-	-	0.52	0.11	0.07	-	0.19	0.33	0.41
Computers	0.45	0.25	-	0.70	0.43	0.12	-	0.55	0.15	0.02
Printers	-	-	-	-	-	-	-	-	-	-
Office Equipments	4.37	0.70	-	5.07	2.24	1.18	-	3.42	1.65	2.13
Vehicles	41.30	-	-	41.30	4.77	11.36	-	16.13	25.17	36.53
INTANGIBLE ASSETS										
Software	-	0.24	-	0.24	-	0.09	-	0.09	0.15	-
TOTAL	**184.24**	**11.89**	**0.87**	**195.26**	**36.81**	**31.28**	**-**	**68.10**	**127.16**	**147.43**

MCON RASAYAN INDIA LIMITED
(FORMERLY KNOWN AS "MCON RASAYAN PRIVATE LIMITED")
NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 12 : NON CURRENT INVESTMENTS					
1	Investment in Equity Instruments (Non trade, unquoted,at cost)				
	250 shares of Bharat Co-Op Bank Ltd.				
	(Face Value Rs. 20/- each)	0.05	0.05	0.05	-
	100 shares of Bharat Co-Op Bank Ltd.				
	(Face Value Rs. 20/- each)	-	-	-	0.02
		0.05	**0.05**	**0.05**	**0.02**

Particulars	30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
Carrying Value of Aggregate Amount of Quoted Investments	-	-	-	-
Market Value of Aggregate Amount of Quoted Investments	-	-	-	-
Aggregate Amount of Unquoted Investments	0.05	0.05	0.05	0.02
Aggregate Provision for Diminution in Value of Investments	-	-	-	-
Total	**0.05**	**0.05**	**0.05**	**0.02**

MCON RASAYAN INDIA LIMITED
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	NOTE 13 : DEFERRED TAX (LIABILITIES) / ASSETS	**30-Jun-22 (₹ In Lakhs)**	**31-Mar-22 (₹ In Lakhs)**	**31-Mar-21 (₹ In Lakhs)**	**31-Mar-20 (₹ In Lakhs)**
1	On account of difference of WDV of property, plant & equipment as per Income Tax Act, 2013 and Companies Act, 2013	6.88	6.50	4.53	3.05
2	On account of expenses disallowed as per Income Tax Act, 2013	5.49	5.49	3.63	2.68
		12.37	**11.99**	**8.17**	**5.73**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 14 : LONG TERM LOANS, ADVANCES & DEPOSITS					
(Unsecured Considered Good)					
1	Balances with Government Authorities	0.78	0.76	0.17	0.72
		0.78	**0.76**	**0.17**	**0.72**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 15 : OTHER NON-CURRENT ASSETS					
(Unsecured Considered Good)					
1	Security Deposits	11.09	7.08	5.38	4.90
2	Fixed Deposit	3.00	3.00	3.00	3.00
		14.09	**10.08**	**8.38**	**7.90**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

NOTE 16 : INVENTORIES		**30-Jun-22 (₹ In Lakhs)**	**31-Mar-22 (₹ In Lakhs)**	**31-Mar-21 (₹ In Lakhs)**	**31-Mar-20 (₹ In Lakhs)**
(As Valued, Verified & Certified by the Management)					
1	Raw Materials (Valued at cost)	189.34	145.32	87.38	34.57
2	Finished Goods (Valued at Lower of Cost or NRV)	299.95	287.49	154.11	102.24
		489.29	**432.81**	**241.49**	**136.81**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

NOTE 17 : TRADE RECEIVABLES		30-Jun-22 (Rs.)	31-Mar-22 (Rs.)	31-Mar-21 (Rs.)	31-Mar-20 (Rs.)
1	Unsecured Considered Good				
a)	Outstanding for a period exceeding 6 months from the date they were due for payment	200.36	25.18	21.02	278.13
b)	Others	278.52	491.02	340.34	37.12
		478.88	**516.19**	**361.36**	**315.25**

As at June 30, 2022

		Less Than 6 months	6 months - 1 years	1- 2 Years	2 - 3 years	More than 3 years	Total
(i)	Undisputed Trade Receivables - Considered Good	276.49	180.25	4.22	0.12	7.54	468.62
(ii)	Undisputed Trade Receivables -Considered Doubtful	0.93	0.07	1.52	-	0.49	3.01
(iii)	Disputed Trade Receivables -Considered Doubtful	1.10	-	1.20	0.23	-	2.53
(iv)	Disputed Trade Receivables -Considered Good	-	-	4.72	-	-	4.72
	Total	**278.52**	**180.32**	**11.66**	**0.35**	**8.03**	**478.88**

As at March 31, 2022

		Less Than 6 months	6 months - 1 years	1- 2 Years	2 - 3 years	More than 3 years	Total
(i)	Undisputed Trade Receivables - Considered Good	491.00	4.97	0.99	0.12	7.54	504.62
(ii)	Undisputed Trade Receivables -Considered Doubtful	0.02	0.82	1.94	1.54	-	4.32
(iii)	Disputed Trade Receivables -Considered Doubtful	-	1.20	5.83	0.23	-	7.26
(iv)	Disputed Trade Receivables -Considered Good	-	-	-	-	-	-
	Total	**491.02**	**6.99**	**8.76**	**1.89**	**7.54**	**516.19**

As at March 31, 2021

		Less Than 6 months	6 months - 1 years	1- 2 Years	2 - 3 years	More than 3 years	Total
(i)	Undisputed Trade Receivables - Considered Good	339.70	2.72	0.80	-	9.36	352.58
(ii)	Undisputed Trade Receivables -Considered Doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables -Considered Doubtful	0.64	5.83	2.31	-	-	8.78
(iv)	Disputed Trade Receivables -Considered Good	-	-	-	-	-	-
	Total	**340.34**	**8.55**	**3.11**	**-**	**9.36**	**361.36**

As at March 31, 2020

		Less Than 6 months	6 months - 1 years	1- 2 Years	2 - 3 years	More than 3 years	Total
(i)	Undisputed Trade Receivables - Considered Good	34.74	247.71	14.50	0.83	9.36	307.14
(ii)	Undisputed Trade Receivables -Considered Doubtful	2.15	0.41	4.29	-	-	6.85
(iii)	Disputed Trade Receivables -Considered Doubtful	0.23	1.03	-	-	-	1.26
(iv)	Disputed Trade Receivables -Considered Good	-	-	-	-	-	-
	Total	**37.12**	**249.15**	**18.79**	**0.83**	**9.36**	**315.25**

MCON RASAYAN INDIA LIMITED
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	NOTE 18 : CASH & CASH EQUIVALENTS	**30-Jun-22 (₹ In Lakhs)**	**31-Mar-22 (₹ In Lakhs)**	**31-Mar-21 (₹ In Lakhs)**	**31-Mar-20 (₹ In Lakhs)**
1	Cash on Hand	3.87	5.89	4.09	1.53
2	**Balances with Banks:**				
	In Current Accounts	6.88	2.90	1.34	1.03
		10.75	**8.79**	**5.43**	**2.56**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

	NOTE 19 : SHORT TERM LOANS & ADVANCES	**30-Jun-22 (₹ In Lakhs)**	**31-Mar-22 (₹ In Lakhs)**	**31-Mar-21 (₹ In Lakhs)**	**31-Mar-20 (₹ In Lakhs)**
	(Unsecured, Considered good)				
1	Advances recoverable in cash or in kind or for value to be received	271.52	211.94	69.68	171.70
2	Balances with Government Authorities	6.63	5.57	5.17	5.90
		278.15	**217.51**	**74.85**	**177.60**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

	30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 20 : OTHER CURRENT ASSETS				
1 Prepaid Expenses	0.84	2.22	2.78	2.25
	0.84	**2.22**	**2.78**	**2.25**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 21 : REVENUE FROM OPERATIONS					
1	**Sale of Products**				
	Local Sales	206.91	505.76	160.98	84.90
	Interstate Sale	447.30	1,415.89	736.79	811.72
		654.21	**1,921.65**	**897.77**	**896.62**

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		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 22 : OTHER INCOME					
1	Interest on Fd	0.07	0.27	0.27	0.10
2	GST Expense reversal	-	-	0.24	-
3	Discount	-	0.14	0.03	-
4	Interest on Vat Refund	-	-	0.21	-
5	VAT Refund for FY 2017-18	-	-	1.26	-
6	Dividend	-	-	-	-
7	Depreciation Reversal	-	-	-	0.23
8	Gain on Sale of Tractor	-	0.30	-	-
		0.07	**0.71**	**2.01**	**0.33**

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		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 23 : COST OF MATERIAL CONSUMED					
1	Opening Stock Raw Material & Packing Material	145.32	87.38	34.57	12.11
Add:	Raw Materials & Packing Material Purchased	406.80	1,172.26	494.76	446.12
Less:	Closing Stock of Raw Material & Packing Material (As Verified, Valued & Certified by the Management)	189.34	145.32	87.38	34.57
		362.78	**1,114.32**	**441.95**	**423.66**

MCON RASAYAN INDIA LIMITED
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		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 24 : CHANGES IN INVENTORIES OF MANUFACTURED GOODS					
	Opening Stock of Finished goods	287.49	154.11	102.24	78.57
Less:	Closing Stock of Finished Goods	299.95	287.49	154.11	102.24
	(As Verified, Valued & Certified by the Management)	**(12.46)**	**(133.38)**	**(51.87)**	**(23.67)**

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		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 25 : EMPLOYEE BENEFIT EXPENSES					
1	Salaries, Wages & Bonus	61.24	188.90	128.91	143.56
2	Director Remuneration	10.50	24.77	15.00	12.00
3	Recruitment Expenses	0.10	2.06	0.85	0.72
4	Provident Fund Expenses	1.20	0.06	0.07	0.05
5	Incentive to Employees	-	2.62	0.88	-
6	ESIC Expenses	0.04	0.42	-	-
7	Gratuity Expenses	(0.02)	7.41	3.77	5.13
		73.06	**226.23**	**149.48**	**161.46**

MCON RASAYAN INDIA LIMITED
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 26 : FINANCE COST					
1	Bank Charges & Credit Card Charges	2.57	8.56	0.35	0.59
2	Interest on Bank Cash Credit / Overdraft	6.40	20.69	19.44	11.82
3	Interest on Late Payment of TDS	0.17	0.19	0.27	0.11
4	Interest on Term Loan	5.31	8.75	15.06	12.94
5	Interest on Tempo loan	0.05	4.68	3.22	3.83
6	O/D, Stamp Duty, Franking and loan Processiong Charges	-	-	1.24	1.69
7	Interest on Late Payment	-	-	0.01	0.06
8	Interest on GST	-	0.03	-	-
9	Interest on Late Payment of Income Tax	1.08	1.32	0.34	0.16
		15.58	**44.21**	**39.93**	**31.20**

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		30-Jun-22 (₹ In Lakhs)	31-Mar-22 (₹ In Lakhs)	31-Mar-21 (₹ In Lakhs)	31-Mar-20 (₹ In Lakhs)
NOTE 27 : OTHER EXPENSES					
1	Balance Written Off	0.75	0.72	5.52	0.04
2	Business Promotion Expenses	7.26	23.49	11.72	12.44
3	Commission Expenses	4.03	2.62	0.99	2.48
4	Computer Expenses	0.42	0.33	0.17	0.43
5	Conveyance & Travelling Expenses	4.95	14.39	7.09	0.17
6	Courier Charges	0.25	1.19	0.62	0.66
7	Electricity Charges	2.31	10.01	5.29	5.22
8	Factory Expenses	17.51	56.35	20.95	18.91
9	Festival Expenses	-	1.09	1.16	1.16
10	Godown Expenses	0.88	2.65	5.52	6.36
11	Insurance Expenses	1.26	1.76	1.32	1.54
12	Internet Expenses	0.22	0.32	-	-
13	ISI Certification Charges	-	-	-	1.35
14	Legal Charges	-	10.01	-	-
15	Loading And Unloading Charges	2.60	10.31	3.10	4.28
16	Machine Repair & Maintenance	2.01	10.67	8.20	12.16
17	Office Expenses	2.07	8.20	1.65	1.14
18	Product Expenses	-	0.21	-	0.28
19	Petrol/Diesel/Toll Expenses	31.64	115.36	22.40	22.64
20	Printing & Stationery	0.55	1.63	2.80	6.22
21	Product Testing Charges	0.07	2.24	0.46	1.94
22	Professional Charges	16.67	52.40	27.61	27.25
23	Professional Tax	-	0.03	0.05	0.03
24	Professional Tax Expense	-	-	-	0.03
25	Rent	3.38	6.24	3.30	2.57
26	Repairs & Maintenance	0.10	-	0.03	0.10
27	Roc Filing Charges	-	0.41	0.02	0.85
28	Staff Welfare expenses	2.29	10.83	5.04	3.75
29	Telephone & Internet Charges	0.42	1.53	1.21	1.47
30	Tempo Expenses	-	0.47	0.12	0.76
31	Trade Mark Registration Expense	0.05	0.09	-	0.05
32	Transportation Expenses	65.62	199.32	111.00	121.30
33	Travelling Expense	2.74	8.97	1.05	1.84
34	Vehicle Expenses	2.71	12.61	12.58	5.76
35	Website & Domain Charges	1.75	8.72	0.03	0.03
36	BMC License Fees	0.02	0.03	-	-
37	Other Expenses	0.37	0.12	-	0.01
38	Discount	-	0.09	-	0.09
39	Membership Fees	0.02	0.20	-	-
40	Property Tax(Sarigram)	-	0.60	0.38	0.38
41	Calibration Certificate Charges	0.07	-	-	0.07
42	Sundry Expenses	-	-	0.03	-
43	Tax/Gst Expenses	-	0.13	1.55	-
44	Stereo Charges	-	0.17	0.62	-
45	Labour Charges	-	-	0.72	0.41
46	Auditors' Remuneration	-	-	-	-
	Tax Audit	-	0.40	0.30	0.30
	Statutory Audit	0.43	0.43	0.35	0.35
	Income Tax Return	-	0.30	0.30	0.30
	ROC Return	-	0.08	0.08	0.08
	TDS Return	-	0.10	0.08	0.08
	GST Return	-	0.30	0.25	0.25
	GST Annual Return	-	0.30	0.30	0.30
	Quarterly Audit	0.33	-	-	-
	Others	0.25	0.21	1.31	-
		175.99	**578.60**	**267.27**	**267.81**

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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

DISCLOSURE UNDER AS-15 AS RESTATED

Note - 28

Provision is made for gratuity (unfunded) based upon actuarial valuation done at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

I. ASSUMPTIONS:	**For the Period ended June 30.2022**	**For the Year ended March 31.2022**	**For the Year ended March 31.2021**	**For the Year ended March 31.2020**
Discount rate	7.65% p.a.	7.25% p.a.	6.80% p.a.	6.85% p.a.
Salary Growth Rate	7.00% p.a.	7.00% p.a.	7.00% p.a.	7.00% p.a.
Withdrawal Rates	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages
Retirement	60 years	60 years	60 years	60 years

II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:	**For the Period ended June 30,2022**	**For the Year ended March 31,2022**	**For the Year ended March 31,2021**	**For the Year ended March 31,2020**
	(₹ in Lakhs)	**(₹ in Lakhs)**	**(₹ in Lakhs)**	**(₹ in Lakhs)**
Defined Benefit Obligation at beginning of the year	21.76	14.35	10.59	5.46
Current Service Cost	1.25	3.83	1.25	1.17
Interest cost	0.38	0.95	0.70	0.40
Benefits Paid	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.92)	(1.06)	0.08	0.90
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.73)	3.69	1.74	2.66
Defined Benefit Obligation as at end of the year	**21.73**	**21.76**	**14.35**	**10.59**

III. AMOUNT RECOGNIZED IN THE BALANCE SHEET:	**For the Period ended June 30.2022**	**For the Year ended March 31.2022**	**For the Year ended March 31.2021**	**For the Year ended March 31.2020**
	(₹ in Lakhs)	**(₹ in Lakhs)**	**(₹ in Lakhs)**	**(₹ in Lakhs)**
Net liability as at beginning of the year	21.76	14.34	10.59	5.46
Net expense recognized in the Statement of Profit and Loss	(0.02)	7.41	3.77	5.13
Benefits Paid	-	-	-	-
Net Liability/(Asset) Transfer In	-	-	-	-
Net liability as at end of the year	**21.73**	**21.75**	**14.35**	**10.59**

IV. EXPENSES RECOGNISED	**For the Period ended June 30.2022**	**For the Year ended March 31.2022**	**For the Year ended March 31.2021**	**For the Year ended March 31.2020**
	(₹ in Lakhs)	**(₹ in Lakhs)**	**(₹ in Lakhs)**	**(₹ in Lakhs)**
Current Service Cost	1.25	3.83	1.25	1.17
Interest Cost	0.38	0.95	0.70	0.40
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.92)	(1.06)	0.08	0.90
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.73)	3.69	1.74	2.66
Expense charged to the Statement of Profit and Loss	**(0.02)**	**7.41**	**3.77**	**5.13**

V. EXPERIENCE ADJUSTMENTS	**For the Period ended June 30.2022**	**For the Year ended March 31.2022**	**For the Year ended March 31.2021**	**For the Year ended March 31.2020**
	(₹ in Lakhs)	**(₹ in Lakhs)**	**(₹ in Lakhs)**	**(₹ in Lakhs)**
On Plan Liability (Gains)/Losses	(1.65)	2.63	1.82	3.56

VI) The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.

VII) The company operates an unfunded gratuity plan wherein employees are entitled to the benefit as per scheme of the company for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT **Note - 29**

DETAILS OF RELATED PARTY TRANSACTION AS RESTATED

Relationship:

Particulars
a) Key Management Personnel
Mahesh Bhanushali
Puja bhanushali - Proprietor of R K Traders
Chetan Bhanushali - Proprietor of Mcon Building Solution
(Chetan Bhanushali is appointed as director w.e.f 30/09/2021)
b) Associates
Chetan Bhanushali - Proprietor of Mcon Building Solution (Upto 30/09/2021)
Nilam Bhanushali - Proprietor of Aeon Colors & Chemicals

*** Transactions carried out with Chetan Bhanushali for the period 2021-22 are shown under Key Management Personnel**

Transactions carried out with the related parties in the ordinary course of business: **(₹ In Lakhs)**

Particulars	30-Jun-22	31-Mar-22	31-Mar-21	31-Mar-20
With Key Management Personnel				
a) Loan Taken				
Opening Balance	143.41	4.96	15.62	15.49
Loan Taken	27.70	180.61	28.07	168.71
Add: Interest	-	-	-	-
Loan Repaid	1.56	42.16	6.27	168.58
Loan Converted to Share Capital	-	-	33.00	-
Closing Balance	169.55	143.41	4.41	15.62
b) Director's Remuneration	10.50	24.77	15.00	12.00
c) Purchase of Goods	8.03	24.06	9.78	9.10
d) Salary	-	5.69	-	-
e) Sale of Goods	341.95	1,098.22	709.85	749.12
With Associates				
a) Purchase of Goods	-	-	20.04	-
b) Loan Taken				
Opening Balance	-	1.75	0.98	-
Loan Taken	-	2.00	16.00	14.00
Add: Interest	-	-	-	-
Loan Repaid	-	3.75	0.44	13.02
Loan Converted to Share Capital	-	-	16.00	-
Closing Balance	-	-	0.55	0.98
c) Salary	-	-	7.95	8.12

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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

DETAILS OF ACCOUNTING RATIOS AS PER ICDR AS RESTATED

Note - 30

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

Particulars	For the period ended June 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Restated Profit after Tax as per Profit & Loss Statement (A)	23.47	44.40	18.68	3.61
Tax Expense (B)	8.32	15.43	6.60	1.60
Depreciation and amortization expense (C)	7.54	32.55	27.76	31.28
Interest Cost (D)	13.01	35.66	38.34	28.92
Weighted Average Number of Equity Shares at the end of the Year (E)	1,500,000	1,500,000	1,500,000	1,117,184
Number of Equity Shares outstanding at the end of the Year (F)	1,500,000	1,500,000	1,012,685	508,361
Nominal Value per Equity share (₹) (G)	10.00	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	244.76	221.29	178.40	110.72
Current Assets (I)	1,257.91	1,177.52	685.91	634.47
Current Liabilities (J)	1,081.97	989.68	498.95	515.55
Earnings Per Share - Basic & Diluted[1] (₹)	**1.56**	**2.96**	**1.25**	**0.32**
Return on Net Worth[1] (%)	**9.59%**	**20.06%**	**10.47%**	**3.26%**
Net Asset Value Per Share[1] (₹)	**16.32**	**14.75**	**17.62**	**21.78**
Current Ratio[1]	**1.16**	**1.19**	**1.37**	**1.23**
Earning before Interest, Tax and Depreciation and Amortization[1] (EBITDA)	**52.34**	**128.04**	**91.38**	**65.41**

Notes -

1. Ratios have been calculated as below:

Earnings Per Share (₹) (EPS) : $\frac{A}{E}$

Return on Net Worth (%): $\frac{A}{H}$

Net Asset Value per equity share (₹): $\frac{H}{F}$

Current Ratio: $\frac{I}{J}$

Earning before Interest, Tax and Depreciation and Amortization (EBITDA): A + (B+C+D)

2. The above details should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities, profits and losses and cash flows appearing in Notes A - C.
3. EPS for the period June 2022 is not annualised

MCON RASAYAN INDIA LTD
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED **NOTE - 31**

(₹ In Lakhs)

Particulars	For the period ended June 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
I. Contingent Liabilities				
(a) claims against the company not acknowledged as debt*;	-	-	-	-
(b) guarantees exlcluding financial guarantees; and	-	-	-	-
(c) other money for which the company is contingently liable.	-	-	-	-
II. Commitments-				
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-	-
(c) other commitments	-	-	-	-

Note: The above details should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities, profits and losses and cash flows appearing in Note A - C.

MCON RASAYAN INDIA LTD
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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

STATEMENT OF TAX SHELTERS

NOTE - 32

(₹ In Lakhs)

Particulars	For the period ended June 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax as per books (A)	31.79	59.83	25.27	5.21
Income Tax Rate (%)	25.168%	25.168%	25.168%	26.000%
MAT Rate (%)*	0.000%	0.000%	0.000%	16.692%
Tax at notional rate on profits	8.00	15.06	6.36	1.35
Adjustments :				
Permanent Differences(B)				
Expenses disallowed under Income Tax Act, 1961				
Interest on Late Payment of Taxes	1.25	1.51	0.61	0.27
Total Permanent Differences(B)	**1.25**	**1.51**	**0.61**	**0.27**
Income considered separately (C)				
Interest Income	(0.07)	(0.27)	(0.27)	(0.10)
Total Income considered separately (C)	**(0.07)**	**(0.27)**	**(0.27)**	**(0.10)**
Timing Differences (D)				
Expenses disallowed u/s 43B	-	0.08	0.08	0.06
Expenses allowed u/s 43B	-	(0.08)	(0.06)	-
Gratuity	(0.02)	7.41	3.77	5.13
Depreciation as per Books	7.55	32.56	27.76	31.29
Depreciation as per Income tax	(6.06)	(24.77)	(21.55)	(23.51)
Total Timing Differences (D)	**1.47**	**15.20**	**10.00**	**12.97**
Net Adjustments E = (B+C+D)	**2.65**	**16.44**	**10.34**	**13.14**
Tax expense / (saving) thereon	**0.67**	**4.14**	**2.60**	**3.42**
Income from Other Sources				
Interest Income	0.07	0.27	0.27	0.10
Income from Other Sources (F)	**0.07**	**0.27**	**0.27**	**0.10**
Set-off from Brought Forward Losses (G)	-	-	-	-
Taxable Income/(Loss) as per Income Tax (A+E+F+G)	**34.52**	**76.53**	**35.88**	**18.45**
Taxable Income/(Loss) as per MAT	31.79	59.83	25.27	5.21
Income Tax as returned/computed	8.69	19.26	9.03	4.80
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal

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NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENT

Dues of small enterprises and micro enterprises as restated:

NOTE - 33

(₹ In Lakhs)

	Particulars	As At 30th June, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
		₹	₹	₹	₹
(a)	Dues remaining unpaid to any supplier at the end of each accounting year				
	-Principal	195.15	191.15	94.50	55.00
	-Interest on the above	-	-	-	-
(b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
(d)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

Note: The Company has not accounted for interest provisions as per MSMED Act, 2006 as the company has made payments to MSME Vendors within contractual period which is exceeding the contractual time-limit as per MSMED Act, 2006 and the amount payable to them are agreed between the company and the vendors considering the contractual credit period and hence, no interest is payable.

NOTE - 34

Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013:

i. The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.

ii. The Company has not revalued its Property, Plant and Equipment.

iii. The Company has not granted 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, that are:
(a) repayable on demand or
(b) without specifying any terms or period of repayment

iv. **Capital work-in-progress:-**
Ageing of Capital work-in-progress:-

(₹ In Lakhs)

CWIP	As at June 30, 2022				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	138.15	-	-	-	138.15
Projects temporarily suspended	-	-	-	-	-

(₹ In Lakhs)

CWIP	As at March 31, 2022				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	116.57	-	-	-	116.57
Projects temporarily suspended	-	-	-	-	-

v. The Company does not have any intangible assets under development.

vi. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

vii. Current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

viii. The company is not declared as wilful defaulter by any bank or financial institution or other lender.

ix. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

x. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

xi. The company does not have any investments and hence, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

xii. **Significant Accounting Ratios:**

Ratios	For the Period ended June 30,2022	For the year ended March 31,2022	Variation (%)
(a) Current Ratio	1.16	1.19	(2.29%)
(b) Debt-Equity Ratio	3.07	3.35	(8.19%)
(c) Debt Service Coverage Ratio*	0.06	0.15	(61.51%)
(d) Return on Equity Ratio*	0.10	0.22	(54.67%)
(e) Inventory turnover ratio*	1.42	5.70	(75.10%)
(f) Trade Receivables turnover ratio*	1.31	4.38	(69.98%)
(g) Trade payables turnover ratio*	0.96	3.63	(73.51%)
(h) Net capital turnover ratio*	3.60	10.25	(64.92%)
(i) Net profit ratio	0.04	0.02	55.27%
(j) Return on Capital employed*	0.04	0.10	(54.73%)
(k) Return on investment	0.02	0.09	(74.07%)

Reasons for Variation more than 25%:

(a) Debt Service Coverage Ratio : It is not Comparable since period of Variance is compared for 3 months and 12 months.
(b) Return on Equity Ratio : It is not Comparable since period of Variance is compared for 3 months and 12 months.
(c) Inventory Turnover Ratio : It is not Comparable since period of Variance is compared for 3 months and 12 months.
(d) Trade Receivables Turnover Ratio : It is not Comparable since period of Variance is compared for 3 months and 12 months.
(e) Trade Payables Turnover Ratio : It is not Comparable since period of Variance is compared for 3 months and 12 months.
(f) Net Capital Turnover Ratio : It is not Comparable since period of Variance is compared for 3 months and 12 months.
(g) Net Profit Ratio : Ratio is increased mainly due to increase in Gross Profit
(h) Return on Capital Employed : It is not Comparable since period of Variance is compared for 3 months and 12 months.
(i) Return on Investment : It is not Comparable since period of Variance is compared for 3 months and 12 months.

Ratios	For the year ended March 31,2022	For the year ended March 31,2021	Variation (%)
(a) Current Ratio	1.19	1.37	(13.45%)
(b) Debt-Equity Ratio	3.35	1.94	72.33%
(c) Debt Service Coverage Ratio	0.15	0.24	(37.86%)
(d) Return on Equity Ratio	0.22	0.13	71.93%
(e) Inventory turnover ratio	5.70	4.75	20.09%
(f) Trade Receivables turnover ratio	4.38	2.65	65.03%
(g) Trade payables turnover ratio	3.63	1.77	105.41%
(h) Net capital turnover ratio	10.25	5.87	74.69%
(i) Net profit ratio	0.02	0.02	11.04%
(j) Return on Capital employed	0.10	0.12	(18.10%)
(k) Return on investment	0.09	0.09	0.00%

Reasons for Variation more than 25%:

(a) Debt - Equity Ratio : During the period company has borrowed more funds, hence Debit Equity Ratio has increased.
(b) Debt Service Coverage Ratio : During the period company has borrowed more funds, hence Debit Service Coverage ratio has decreased.
(c) Return on Equity Ratio : It is increased mainly due to increase in Net Profit Ratio
(d) Trade Receivables Turnover Ratio : It has increased due to increase in Net credit sales on account of higher sales realisation
(e) Trade Payables Turnover Ratio : It has increased due to timely payment to creditors inspite of increase in purchases
(f) Net Capital Turnover Ratio : It is increased mainly due to decrease in average working capital

Ratios	For the year ended March 31,2021	For the year ended March 31,2020	Variation (%)
(a) Current Ratio	1.37	1.23	11.70%
(b) Debt-Equity Ratio	1.94	2.90	(33.12%)
(c) Debt Service Coverage Ratio	0.24	0.20	23.29%
(d) Return on Equity Ratio	0.13	0.04	208.07%
(e) Inventory turnover ratio	4.75	7.88	(39.79%)
(f) Trade Receivables turnover ratio	2.65	1.92	37.97%
(g) Trade payables turnover ratio	1.77	1.05	68.39%
(h) Net capital turnover ratio	5.87	11.03	(46.79%)
(i) Net profit ratio	0.02	0.00	416.79%
(j) Return on Capital employed	0.12	0.08	53.51%
(k) Return on investment	0.09	0.03	170.00%

Reasons for Variation more than 25%:

(a) Debt Equity Ratio : The ratio indicates lower amount of financing by debts versus funding through equity

(b) Return on Equity Ratio : It is increased mainly due to increase in Net Profit Ratio

(c) Inventory Turnover Ratio : It is decreased due to increase in average inventory

(d) Trade Receivables Turnover Ratio : It has increased due to increase in Net credit sales on account of higher sales realisation

(e) Trade Payables Turnover Ratio : It has increased due to timely payment to creditors inspite of increase in purchases

(f) Net Capital Turnover Ratio : It is decreased mainly due to significant increase in average working capital

(g) Net Profit Ratio : Ratio is increased mainly due to increase in Gross Profit

(h) Return on Capital Employed : Increase in ratio indicates how effeciently company is using its capital to generate profits

(i) Return on Investment : It is increased mainly due to increase in Investment Income

Ratios	For the year ended March 31,2020	For the year ended March 31,2019	Variation (%)
(a) Current Ratio	1.23	1.06	15.80%
(b) Debt-Equity Ratio	2.90	2.65	9.72%
(c) Debt Service Coverage Ratio	0.20	0.33	(40.52%)
(d) Return on Equity Ratio	0.04	0.30	(85.94%)
(e) Inventory turnover ratio	7.88	5.74	37.34%
(f) Trade Receivables turnover ratio	1.92	1.64	17.20%
(g) Trade payables turnover ratio	1.05	0.80	31.89%
(h) Net capital turnover ratio	11.03	372.01	(97.03%)
(i) Net profit ratio	0.00	0.01	(70.23%)
(j) Return on Capital employed	0.08	0.16	(50.86%)
(k) Return on investment	0.03	0.11	(69.58%)

Reasons for Variation more than 25%:

(a) Debt Service Coverage Ratio : During the period company has borrowed more funds, hence Debit Service Coverage ratio has decreased.

(b) Return on Equity Ratio : It is decreased due to decrease in Net Profits

(c) Inventory Turnover Ratio : It is increased due to decrease in average inventory

(d) Trade Payables Turnover Ratio : It has increased due to timely payment to creditors inspite of increase in purchases

(e) Net Capital Turnover Ratio : It is decreased mainly due to significant increase in average working capital

(g) Net Profit Ratio : Ratio is decreased mainly due to decrease in Gross Profit

(h) Return on Capital Employed : It is decreased mainly due to increase in capital employed

(i) Return on Investment : It is decreased mainly due to decrease in Investment Income

xiii. The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

xiv. A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
B. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Capitalisation Statement As At 30th June, 2022

NOTE - 35

(₹ In Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	548.44	-
Long Term Debt (B)	203.89	-
Total debts (C)	**752.33**	**-**
Shareholders' funds		
Share capital	150.00	-
Reserve and surplus - as Restated	94.76	-
Total shareholders' funds (D)	**244.76**	**-**
Long term debt / shareholders funds (B/D)	**0.83**	**-**
Total debt / shareholders funds (C/D)	**3.07**	**-**

Signatures to Notes Forming Part of the Restated Financial Statements

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/-
(MAHESH BHANUSHALI)	**(NANDAN PRADHAN)**	**(VEENITA THAKKAR)**	**(KUNAL BORKAR)**
MANAGING DIRECTOR	**EXECUTIVE DIRECTOR**	**CFO**	**COMPANY SECRETARY**
DIN: 07585072	**DIN: 09828134**		

Place: Mumbai
Date: 13th December, 2022

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(*₹ in lakhs, unless otherwise stated*)

Particulars	As at and for three months period ended June 30, 2022	As at and for the financial year ended March 31, 2022	As at and for the financial year ended March 31, 2021	As at and for the financial year ended March 31, 2020
Restated profit for the year (A)	23.47	44.40	18.68	3.61
Weighted average number of equity shares outstanding as at year end for basic EPS (B)	15,00,000	15,00,000	10,12,685	5,08,361
Weighted average number of equity shares outstanding as at year end for diluted EPS (C)	15,00,000	15,00,000	10,12,685	5,08,361
Basic Earnings per share (in ₹) (D = A/B)	1.56	2.96	1.25	0.32
Diluted Earnings per share (in ₹) (E = A/C)	1.56	2.96	1.25	0.32
Net Worth [(1)] (F)	244.76	221.29	178.40	110.72
Return on Net Worth (G = A/F*100) (%) [(2)]	9.59%	20.06%	10.47%	3.26%
Net Asset Value per equity share (in ₹) (H= F/B)[(3)]	16.32	14.75	17.62	21.78
EBITDA[(4)] (I)	52.34	128.04	91.38	65.41

Notes:

1. *Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company*
2. *Return on Net Worth calculated as restated profit for the year divided by Net worth.*
3. *Net Asset Value per equity share = Net Asset Value per Share represents Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end.*
4. *EBITDA has been calculated as Restated profit before tax + interest expense + depreciation and amortization less other income.*

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., AS 24 - Related Party Disclosures read with the SEBI ICDR Regulations, for three months ended on June 30, 2022 and for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020, see *"Restated Financial Statements"* beginning on page 161.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at June 30, 2022, on the basis of our Restated Financial Statements:

(in ₹ lakhs)

Particulars	Pre-Issue as at June 30, 2022	As adjusted for the Issue
Borrowings:		
Current borrowings (A)	548.44	**[●]**
Non-Current borrowings (B)	203.89	**[●]**
Total Borrowings (C = A + B)	**752.33**	**[●]**
Shareholders' fund (Net worth)		
Share capital (D)	150.00	**[●]**
Other Equity (E)	94.76	**[●]**
Less: Revaluation Reserves (F)	0.00	
Total shareholders' fund (Net worth) (G) (G = (D + E) - F)	**244.76**	**[●]**
Non-Current borrowings / shareholders' fund (Net worth) ratio (B / G)	**0.83**	**[●]**
Total borrowings / shareholders' fund (Net worth) ratio (C / G)	**3.07**	**[●]**

FINANCIAL INDEBTEDNESS

Our Company avails loans and facilities in the ordinary course of its business for meeting our working capital, capital expenditure and other business requirements. For details of the borrowing powers of our Board, please see "*Our Management – Borrowing Powers*" on page **Error! Bookmark not defined.**.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of the current shareholding of our Promoters and members of the promoter group, expansion of business of our Company, effecting changes in our capital structure and shareholding pattern.

The aggregate outstanding borrowings (including fund based and non-fund based borrowings) of our Company as on October 31, 2022 as certified by our Statutory Auditors vide certificate dated December 19, 2022, are as follows:

(in ₹ lakhs)

S. No.	Category of borrowing	Sanctioned amount	Principal amount outstanding as of October 31, 2022
Secured loans			
	Our Company		
A	*Fund based facilities*		
	(i)Term loans	230.20	208.18
	(ii)Overdraft*	360.00	323.01
	(iii)Vehicle Loans	75.67	24.55
	Total fund-based (A)	**665.87**	**555.74**
Unsecured loans			
B	Loan From Directors	NA	79.88
	Total unsecured loans (B)	NA	79.88
	Grand Total (A + B)	**665.87**	**635.62**

**Total sanctioned limit of overdraft facility is ₹ 360 lakhs out of which sanctioned limit of bank guaranteeto the tune of ₹ 50 lakhs as a sub-limit of overdraft.*

Principal terms of the secured borrowings currently availed by our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financial documentation executed by us in relation to our indebtedness.

1. ***Interest***: In terms of facilities availed by us, the interest rate is typically the base rate of a specified lender and spread per annum and dependent on the guidelines of RBI. The interest rate on overdraft facility availed by us, the rate of interest is 10.25% per annum or as mutually agreed. The interest rates for our term loans range from 9.25% to 9.90% per annum, either at floating rate or linked to base rate. The interest rate for our vehicle loans range from 8.90% to 15.84% per annum.

2. ***Tenor***: The overdraft facility availed by us needs to be renewed each year and are repayable on demand. The tenor of bank guarantee ranges up to thirty-six (36) months as per the facility documents of respective lenders. The tenor for term loans and vehicle loans availed by us as secured borrowings are typically for a tenor of thirty-six (36) months to fifty-four (54) months as per the facility documents of respective lenders.

3. ***Security***:In terms of our secured borrowings, we are required to, inter alia, (a) create charge on movable fixed assets including plant and machinery, machinery spares, tools and accessories, vehicles, non – trade receivables and other movables, both present and future; (b) create charge on raw materials, goods-in-process, semi-finished and finished goods, consumable stores, book debts, cash flows, receivables and current assets both present and future, belonging to our Company; (c) create charge on immovable properties of our Company and our Promoters and certain promoter group members; and (d) personal guarantee of our Promoters and certain promoter group members.

4. ***Re-payment***: The term loans and vehicle loans availed by us as secured borrowings are typically repayable in structured installments.

5. ***Pre-payment***:The terms of facilities availed by us typically have prepayment provisions which allow for pre-payment of the outstanding loan amount, including upon giving notice to the concerned lender, subject to such prepayment

premium/ penalties as laid down in the facility agreements. The prepayment premium/ penalty for the facilities availed by us ranges up to 4% of the amount outstanding or the amount to be prepaid as specified in the agreements with lenders.For certain facilities pre-payment is not disclosed however can be made after mutual negotiation between the lenders & the borrower on the pre-paid amount.

6. ***Default/ Penal Interest***: The terms of certain financing facilities availed by us prescribe penalties for non-compliance of certain obligations. These include, inter alia, breach of financial covenants, non-submission of annual financial statements and stock statements, diversion of funds, non-perfection of security within permitted timelines, irregularity / overdrawing in the account etc. Further, the default interest payable on the facilities availed by us typically ranges up to 6% per annum. Additional interest as specified by the lenders may be charged in case of continuation of the noncompliance beyond a certain period.

7. ***Restrictive Covenants***: Certain borrowing arrangements entered into by us contain restrictive covenants which requires us to take prior written consent of the respective lender before undertaking certain activities, including:

   a. prepayment of the outstanding principal amounts of the facilities availed by our Company;
   b. any amalgamation, demerger, merger, acquisition, corporate or debt restructuring;
   c. undertake any project, implementation of any scheme of expansion/ diversification or capital expenditure;
   d. invest by way of share capital or lend/ advance funds or place deposits with any other entity;
   e. undertake any guarantee obligation on behalf of any other company;
   f. any change in the constitution or remuneration of management, control, ownership, shareholding pattern, capital structure, profit sharing and/or management of our Company;
   g. declaration or payment of dividend;

8. ***Events of Default***:The term loan and other facilities availed by us contain certain standard events of default, including:

   a. change in the constitution, control, management, majority directors or in the shareholding pattern or profit sharing of our Company without the consent of the lenders to our Company;
   b. failure or inability by our Company to repay any amount due under principal amount or interest;
   c. cease to carry on the business;
   d. breach of any covenants, conditions, representations or warranties of financing documents;
   e. any misstatement, misrepresentation or misleading information in financing documents;
   f. entering into any arrangement or composition creditors or the committing any act of insolvency or any act the consequence of which may lead to the insolvency or winding up;
   g. occurrence of any event or existence of any circumstances which jeopardizes interest of lender or threatens the security in respect of the facilities;
   h. failure to obtain or maintain inadequate insurance; and
   i. occurrence or existence of such events or circumstances, which in the opinion of the lender, could have a material adverse effect.

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

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations, or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our Company was originally incorporated as 'MCON Rasayan Private Limited' a private limited company under the Companies Act, 2013 at Mumbai, pursuant to a certificate of incorporation dated June 22, 2016, issued by the Registrar of Companies, Mumbai ("RoC"). Thereafter, name of our Company was changed from 'MCON Rasayan Private Limited' to 'MCON Rasayan India Private Limited' and a fresh certificate of incorporation was issued by the RoC on October 17, 2022. The name of the company was further changed to MCON Rasayan India Private Limited' to 'MCON Rasayan India Limited', consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on October 18, 2022 and a fresh certificate of incorporation consequent to change of name was issued by the RoC on December 12, 2022. Our Company's Corporate Identity Number is U24304MH2016PLC286140.

We are in the business of manufacturing, marketing and selling of modern building materials and chemicals. Our suite of more than 80 products which includes a range of construction materials and chemicals in both powder and liquid forms. Our powder products such as ready-mix plaster, tile adhesives, block adhesives, wall putty, micro concrete & polymer mortar, engineering non shrink grouts and floor hardeners are widely used in the building construction segment. Our liquid portfolio having products such as poly-urethane (PU) based liquid membrane, bonding agents, paints, anti-corrosive coatings, concrete admixtures and curing compounds. Our products are marketed and sold under the "MCON" brand

We have two manufacturing plants in Valsad and Navsari, Gujarat. Our plant at GIDC Sarigam, Valsad, Gujarat mainly manufactures admixtures, wall putty, tile adhesives, paints, concrete repair systems and waterproofing systems and has an installed capacity of 2,500 MTPA. Our other plant at Chikli, Navsari, Gujarat mainly manufactures readymix mortars, block adhesives and tile adhesives and has an installed capacity of 12,500 MTPA. Our third plant is a greenfield project under-construction at Ambethi, Valsad and is expected to be operational by the end of FY 2023. Our total installed manufacturing capacity will be 36,000 MTPA for powder products and 6,000 MTPA for liquid products by the end of FY 2023. Our manufacturing plants are situated at Valsad being the border of Maharashtra and Gujarat which is strategic location with respect to serving the western regional markets of the country. We have obtained certifications viz. ISO 9001:20152 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) for manufacture and supply of construction & water proofing chemicals and paints in respect of our Unit I. We have also obtained IS 15477:2019 for Adhesive for use with ceramic, mosaic and stone tiles and IS 2645:2003 for Integral waterproofing compounds for cement, mortar and concrete. Further, we have obtained the Certificate of Compliance for our products, MCON Mortar, MCON NSA Grey Gold, MCON NSA Grey No Limit, MCON NSA White, MCON NSA White Gold, MCON NSA White No Limit and MCON LW, identified by the symbol "CE".

We supply our products to more than 100 distributors and dealers which in turn supply them to more than 1300 retailers based in the States of Maharashtra, Gujarat and Rajasthan who serve various developers, contractors and architects in these western regional markets. Our top 10 products which are widely sold and distributed through the above channels are as under:

Sr. No.	Name of Product	Application of the Product
1.	MCON Magic Coat WP	Single component acrylic based waterproofing cementitious coating.
2.	MCON Magic Coat PU White	Single component polyurethane based 400% flexible waterproof liquid membrane in white colour.

Sr. No.	Name of Product	Application of the Product
3.	MCON Mortar/NSA Grey	Ready to use waterproof tile adhesive for floors/wall tiles.
4.	MCON Micro Mortar	High strength micro concrete for repair works.
5.	MCON Polymer Mortar EP	Ready to use repair mortar with blended polymers to give perfect repairs of small sections with smooth finish.
6.	MCON Block Fix /Block Mortar	Ready to use AAC block joining adhesive to give waterproof and strong bond block fixing.
7.	MCON Readyplaster	Ready mix waterproof plaster with polypropylene fibers to prevent cracks.
8.	MCON Ultra Gyp Bond	High viscous bonding agent to give superior grip to gypsum plasters.
9.	MCON Wall Putty	Cement based polymer modified white wall putty for internal walls.
10.	MCON Hard/Top Floor Metallic	Metallic floor hardner for abrasion resistant tough floors.

We undertake in-house research and development from our Navi Mumbai, Maharashtra based R&D facility. This facility is equipped with modern equipment and research personnel from the modern building materials and chemical industry are working with us. Some of the equipment installed by us include weighing scale, weighing balance, water bath, vernier caliper, thermometer, themohygrometer, SS scale, shear & adhesion test machine, spectrophotometer, measuring tape, hot air oven, external micrometer and digital stop watch.

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various tests like compressive strength test, alkali content test, harden concrete permeability test, water retention efficiency and currying efficiency test, special gravity test and solid content test. These tests ensure that our products meet the industry standards required by our clients for safety, durability and consistency.

Our total revenue for the quarter year ended June 30, 2022 was ₹ 654.28 lacs while the profit after tax was ₹ 23.47 lacs, with a healthy EBITDA margin of 8.00% The Net Profit Margin was 3.59%.

Our total revenue for FY 19-20 is ₹896.95 lacs, FY 20-21 is ₹ 899.78 lacs and FY 21-22 is ₹ 1922.36 lacs with a healthy EBITDA margin of 7.29%, 10.15%, 6.66%. Profit after tax margin is 0.41%, 2.08%, 2.31% respectively.

Our total revenue from FY20 to FY22 grew by 57.16% CAGR.

FACTORS AFFECTING OUR RESULT OF OPERATIONS

Except as otherwise stated in this Draft Prospectus and the Risk Factors given in the Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

Regulatory Framework

We have obtained all regulatory permissions which are necessary to run our business, Further, some of the approvals are granted for fixed periods of time and need renewals, which are obtained in the course of business, however, there may be change in statutory regulations at any time which cannot be predicted by us. There can be no assurance that the change in regulations will not impact our operations in the future.

Ability of Management

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoters could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition.

Ability to manage logistics and transportation needs

Apart from in-house transportation facility we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation from our factory to our customers and other markets. Since the cost of our goods also carried by third party transporters is typically much higher than the consideration paid for transportation, it may be difficult for us to recover damages for damaged, delayed or lost goods. Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation

strikes and lock-outs, shortage of labour, delays and disruption of transportation services for events such as weather-related problems and accidents. Further, global supply chains can be impacted with the increase in the fees of shipping routes putting cost pressures. Further, movement of goods encounters additional risks such as accidents, pilferage, spoilage or shrinkage may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

Market & Economic conditions

India is one of the largest economies and is growing at a rapid pace. But in this globalised economy, all the businesses face an uncertain level of volatility from unexpected global events which ranges from global pandemics to wars, to weather changes to supply chain disruption, which may change the economic dynamics and the purchasing capability of the end customers. At the time of market slowdown, the demand falls which has adverse impact on our business.

Competition

We operate in a competitive atmosphere. Our competition varies by market, geographic areas and type of products. Our Company may face stiff competition from domestic as well as global market as the dynamic changes. Some of our competitors may have greater resources than those available to us. While service quality, technical ability, performance records, etc are key factors in client decisions among competitors, however, price& quality are the deciding factor in most cases. Further, this industry is fragmented with many small and medium sized companies and entities, which manufactures some of these products at various levels, which may adversely affect our business operation and financial condition.

COVID-19 Pandemic

Since the onset of the COVID-19 pandemic in March 2020, our Company's operations have been affected as our employees faced the threat of getting infected. In 2020, cases of the novel corona virus started rapidly increasing in India, which led the government of India to impose a nationwide lockdown. The spread of Covid-19 and its recent developments have had and might continue to have repercussions across local, national and global economies. To prevent the spread of Covid-19 and to comply with the restrictions, we had to temporarily suspend our operations in order to follow the Government's norms. We continuously monitored the economic conditions and have outlined sufficient measures to combat the pandemic situation at our business premises. Once the lockdown was lifted, our operations restarted in full swing. Initially we did find a little hiccup in finding workers but because of our enterprising organization, we were able to source quality workforce and we were able to train them and we restarted our operations. After lifting the lockdown and resuming our operations the demand in our industry abruptly increased from the different sectors and we attained the highest production during the partial year 2020-21 and FY 2021-22. The demand after pandemic ultimately nullified the impact of shutdown during COVID 19 pandemic. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in the chapter *"Risk Factors"* beginning on page 26. We are continuing to closely monitor the economic conditions and the effect of COVID-19 and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business.

Significant Developments after June 30, 2022 that may affect our Future Results of Operations

The Directors confirm that there have been no other events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the business or profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at June 30, 2022 and standalone restated summary statement for the year ended on March 31, 2022, 2021 and 2020 and the related restated summary statement of profits and loss and cash flows for the period ended on June 30, 2022 and standalone restated for the year ended March 31, 2022, 2021 and 2020 (herein collectively referred to as ("Restated Summary Statements") have been compiled by the management from the audited Financial Statements for the period ended o June 30, 2022 and for the year ended on March 31, 2022, March 31, 2021 & March 31, 2020. Restated Summary

Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE Emerge in connection with its proposed IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The Restated Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

b) Use of Estimates:

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period/year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the period/year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

d) Provisions and Contingent Liabilities:

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

e) Cash and Cash Equivalents:

Cash and cash equivalents comprise Cash-in-Hand, Short-term Deposits and Balance in Current Accounts with Banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

f) Inventories:

Inventories comprises of Raw Material, Stock in Process & Finished Goods, Stores, Spares and Packing Material. Closing Stock is valued at Cost or Net Realisable Value whichever is lower. Cost of Stock-in-trade comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

g) Revenue Recognition:

Revenue from sale of goods net of returns is recognized on dispatch or appropriation of goods in accordance with the terms of sale and is inclusive of goods and service tax as and when applicable, Price escalation claims are recognized to the extent there is reasonable certainty of its realization.

h) Other Income:

Interest income is accounted on accrual basis. Income other than interest income is accounted for when right to receive such income is established.

i) Earnings per Share:

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the period. Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

j) Taxation & Deferred Tax:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting dates.

k) Segment Reporting:

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

RESULTS OF OUR OPERATIONS

(₹ in lacs)

Particulars	For the Period ended June 30, 2022 (₹ in Lakhs)	% of Total**	For the year ended March 31, 2022 (₹ in lakhs)	% of Total**	For the year ended March 31, 2021 (₹ in lakhs)	% of Total**	For the year ended March 31, 2020 (₹ in lakhs)	% of Total**
INCOME								
Revenue from Operations (Gross)	654.21	99.99%	1921.65	99.96%	897.77	99.78%	896.62	99.96%
Other Income	0.07	0.01%	0.71	0.04%	2.01	0.22%	0.33	0.04%
Total Revenue (A)	654.28	100.00%	1922.36	100.00%	899.78	100.00%	896.95	100.00%
EXPENDITURE								
Cost of Material Consumed	362.78	55.45%	1114.32	57.97%	441.95	49.12%	423.66	47.23%
Changes in Inventories of Manufactured Goods	-12.46	-1.90%	-133.38	-6.94%	-51.87	-5.76%	-23.67	-2.64%
Employee Benefit Expenses	73.06	11.17%	226.23	11.77%	149.48	16.61%	161.46	18.00%
Finance Costs	15.58	2.38%	44.21	2.30%	39.93	4.44%	31.2	3.48%
Depreciation and Amortization expense	7.54	1.15%	32.55	1.69%	27.76	3.09%	31.28	3.49%
Other Expenses	175.99	26.90%	578.6	30.10%	267.25	29.70%	267.81	29.86%
Total Expenses (B)	622.49	95.14%	1862.53	96.89%	874.5	97.19%	891.74	99.42%
Profit/(Loss) before Tax	31.79	4.86%	59.83	3.11%	25.28	2.81%	5.21	0.58%
Tax Expense/ (benefit)								
(a) Current Tax Expense	8.69	1.33%	19.26	1.00%	9.03	1.00%	4.8	0.54%
(b) Deferred Tax	-0.37	-0.06%	-3.83	-0.20%	-2.43	-0.27%	-3.2	-0.36%
Net tax expense / (benefit)	8.32	1.27%	15.43	0.80%	6.6	0.73%	1.6	0.18%
Profit/(Loss) for the year	23.47	3.59%	44.4	2.31%	18.68	2.08%	3.61	0.40%

**June 30, 2022 figures has taken from Restated Financial Statements*

***Total refers to Total Revenue.*

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operation as a percentage of our total income was 99.96%,99.78% and 99.96% for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020 respectively.

Other Income

It is the income earned from Interest received on deposits with banks and others, Misc. Receipt, Dividend Received, Profit on Sale of Assets, etc.

Expenditure

Our total expenditure primarily consists of cost of raw materials consumed, Changes in inventories of finished goods, Work in progress and stock in trade, employee benefit expenses, finance costs and Other Expenses.

Employee Benefit Expenses

Our employee benefits expense comprises of Salaries and wages, Director Remuneration, Contribution to Provident and ESI Funds & Staff Welfare Expenses**.**

Finance costs

Our Finance cost expenses comprises of Interest Expenses & other borrowing costs.

Other Expenses

Other expenses primarily include Manufacturing Expenses & Administrative & Selling Expenses, etc.

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainly that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

Quarter year ended June 30, 2022

Income

The total income of our company for Quarter year ended June 30, 2022 was ₹ 654.28 lacs.

Expenditure

Cost of raw materials consumed

In quarter year ended June 30, 2022, our Company incurred cost for raw materials ₹ 362.78 lacs.

Employee Benefit Expenses

In quarter year ended June 30, 2022, our Company incurred for employee benefit expenses ₹ 73.06 lacs.

Finance Costs

The finance costs for quarter year ended June 30, 2022 was ₹ 15.58 lacs.

Other Expenses

In quarter year ended June 30, 2022, our other expenses were ₹ 175.99 lacs.

Profit/ (Loss) before Tax

Our Company had reported a profit before tax for quarter year ended June 30, 2022 of ₹ 31.79 lacs

Profit/ (Loss) after Tax

Profit after tax for quarter year ended June 30, 2022 was at ₹ 23.47 lacs.

Fiscal 2022 compared with fiscal 2021

Income

The total income of our company for fiscal year 2022 was ₹1,922.36 lacs against ₹899.78 lacs total income for Fiscal year 2021. An increase of 113.65% in total income. This increase was due to increase in production which was fuelled by increase in utilisation of installed capacity in the previous year thereby increasing sales, and & also other income increased due to increase from sale of share investments.

Other income forms 0.71% of the Total Income in FY22.

Expenditure

Cost of raw materials consumed

In Fiscal 2022, our Company incurred cost for raw materials consumed ₹ 1,114.32 lacs against ₹ 441.95 lacs expenses in fiscal 2021. An increase of 152.14%%. This increase was due to increase in production, the purchases of raw materials increased by 136.93% and increase in prices of raw material contributed to this increase.

Employee Benefit Expenses

In Fiscal 2022, our Company incurred for employee benefit expenses ₹226.23 lacs against ₹149.48 lacs expenses in fiscal 2021. An increase of 51.34%. This increase was due to addition in workforce and annual increments

Finance Costs

The finance costs for the fiscal 2022 was ₹ 44.21 lacs while it was ₹39.93 lacs for fiscal 2021. This increase of 10.72% was due to increase in borrowed funds.

Other Expenses

In fiscal 2022, our other expenses were ₹ 578.60 lacs and ₹ 267.25 lacs in fiscal 2021. An increase of 116.50% due to increase in manufacturing expenses like electricity, freight, cartage, workshop expenses etc. consequent to increase in the volume of production and sales.

Profit/ (Loss) before Tax

Our Company had reported a profit before tax for the Fiscal 2022 of ₹ 59.83 lacs against profit before tax of ₹25.28 lacs in Fiscal 2021, a 136,67%% increase. This was due to increase in higher sales and moderate increase in costs leading to better economies of production resulted in this increase.

Profit/ (Loss) after Tax

Profit after tax for the Fiscal 2022 was at ₹44.40 lacs against profit after tax of ₹18.68 lacs in fiscal 2021, a 137.69% increase. This was due to increase in the growth of Profit Before Tax, that led to the increase.

Fiscal 2021 compared with fiscal 2020

Income

The total income of our company for fiscal year 2021 was ₹899.78 lacs against ₹896.95 lacs total income for Fiscal year 2020. An increase of 0.32% in total income. This marginal increase was due to increase in production thereby increasing sales.

Expenditure

Cost of raw materials consumed

In Fiscal 2021, our Company incurred cost for raw materials consumed₹441.95 lacs against ₹ 423.66 lacs expenses in fiscal 2020. An increase of 4.32%. This increase was due to increase in production cost, the purchases of raw materials increased by 61.73% and increase in prices of raw material contributed to this increase.

Employee Benefit Expenses

In Fiscal 2021, our Company incurred for employee benefit expenses ₹149.48 lacs against ₹ 161.46 lacs expenses in fiscal 2020.A decrease of 7.42%. This decrease was due to the impact of COVID 19 lockdown which led to a 10.20% decrease in Salaries and wages

Finance Costs

The finance costs for the fiscal 2021 was ₹ 39.93 lacs while it was ₹ 31.20 lacs for fiscal 2020.This increase of % was 27.98% due to increase in borrowed funds.

Other Expenses

In fiscal 2021, our other expenses were ₹ 267.25 lacs and ₹ 267.81 lacs in fiscal 2020. A marginal decrease of 0.21% was due to change in other miscellaneous expenses.

Profit/ (Loss) before Tax

Our Company had reported a profit before tax for the Fiscal 2021 of ₹25.28 lacs against profit before tax of ₹ 5.21 lacs in Fiscal 2020, a 385.22% increase. This was due do change in inventory of finished goods, decrease in employee costs.

Profit/ (Loss) after Tax

Profit after tax for the Fiscal 2021 was at ₹18.68 lacs against profit after tax of ₹3.61 lacs in fiscal 2020, a 417.45% increase. T This was due to increase in the growth of Profit Before Tax, that led to the increase.

Cash Flows

(Amount ₹ in lacs)

Particulars	For the quarter year ended June 30,	For the year ended March 31, (Standalone)		
		2022	2021	2020
Net Cash from Operating Activities	33.39	(195.83)	(1.68)	(56.85)
Net Cash from Investing Activities	(27.33)	(149.38)	(29.45)	(10.92)

Particulars	For the quarter year ended June 30,	For the year ended March 31, (Standalone)		
		2022	2021	2020
Net Cash used in Financing Activities	(4.10)	348.56	34.01	62.73

Cash Flows from Operating Activities

Net cash from operating activities for the quarter year ended June 30, 2022 was ₹33.39 lacs as compared to the Profit Before Tax at ₹31.79 lacs. Net cash from operating activities for fiscal 2022 was at ₹ (195.83) lacs as compared to the Profit Before Tax at ₹ 59.83 lacs while for fiscal 2021, net cash from operating activities was at ₹ (1.68) lacs as compared to the Profit Before Tax at ₹ 25.28 lacs. For fiscal 2020, the net cash from operating activities was ₹ (56.85) lacs compared to Profit before Tax of ₹5.21 lacs.

Cash Flows from Investment Activities

Net cash from investing activities for the quarter year ended June 30, 2022 was ₹ (27.33) lacs. This high cash outflow is attributed to additions in Property, Plant and Equipment and investments in Capital Work-in-progress. Net cash from investing activities for fiscal 2022 was at ₹ (149.38) lacs due to additions in Property, Plant and Equipment and investments in Capital Work-in-progress, while for fiscal 2021, net cash from investing activities was at ₹ (29.45) lacs due to purchase of plant and equipment. For fiscal 2020, the net cash from investing activities was ₹ (10.92) lacs due to purchase of plant and equipment's and investment in shares.

Cash Flows from Financing Activities

Net cash from financing activities for the quarter year ended June 30, 2022 was ₹(4.10) lacs. Net cash from financing activities for fiscal 2022 was at ₹ 348.56 lacs due to increase in working capital loan and term loan, while for fiscal 2021, net cash from financing activities was at ₹ 34.01 lacs also due to issue of share capital and increase in term loan. For fiscal 2020, the net cash from financing activities was ₹62.73 lacs due to issue of share capital and increase in term loan.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled *"Financial Information"* and chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* beginning on pages 161 and 214 respectively of this Draft Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled *"Risk Factors"* and *"Management's Discussion and Analysis of Financial Conditions and Result of Operations"*, beginning on pages 161 and 214, respectively of this Draft Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the chapter titled *"Risk Factors"* beginning on page 26 of this Draft Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. Competition Conditions

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, product quality and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; and (iv) material civil litigation or arbitration proceeding which are determined to be 'material' as per a policy adopted by our Board ("Materiality Policy"), in each case involving our Company, Promoter or Directors (collectively, the "Relevant Parties"). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five Financial Years including any outstanding action.

In terms of the Materiality Policy, any pending/outstanding litigation involving the Relevant Parties which exceeds the amount which is 5% of the profit after tax, as per the Restated Financial Statements for the Financial Year 2022 would be considered material for our Company. For the Financial Year 2022, our profit after tax as per the Restated Financial Statements is ₹ 44.40 lakhs. Accordingly, the following types of litigations involving the Relevant Parties have been considered as 'material', and accordingly disclosed in this Draft Prospectus, as applicable:

a) *pending civil litigations involving the Relevant Parties which involve an amount of or equal to more than the monetary amount of ₹ 2.22 lakhs: or*
b) *other than the litigations covered in (a) above, pending litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed ₹ 2.22 lakhs; or*
c) *where the monetary liability in the pending civil litigations is not quantifiable or doesn't meet the monetary threshold as provided in (a) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.*

It is clarified that for the purposes of the above, pre-litigation notices received/ sent by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, have not and shall not, be considered as material litigation until such time that the Relevant Parties, as the case may be, are impleaded as a party in proceedings before any judicial /arbitral forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 22.76 lakhs, which is 5% of the total outstanding dues (trade payables) as per the latest fiscal in the Restated Financial Statements included in this Draft Prospectus, shall be considered as 'material'. Accordingly, as on June 30, 2022, any outstanding dues exceeding ₹22.76 lakhs have been considered as 'material outstanding dues' for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("MSME"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

I. LITIGATIONS INVOLVING OUR COMPANY

A. Outstanding criminal litigations involving our Company

Criminal litigation against our Company

As on the date of this Draft Prospectus, there are no criminal litigations involving our Company.

Criminal litigations initiated by our Company

Our Company has filed a complaint (4301133/2016) (the "Complaint"), against Kamal Trading Company and Kiran Rohidas Bhosale (collectively, the "Accused"), before the Hon'ble Court of Metropolitan Magistrate, Borivali (the

"Borivali MM Court"). The Complaint has been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881. The Complaint pertains to dishonour of cheques amounting to ₹ 4.72 lakhs issued by Kamal Trading Company to our Company in respect of sale and delivery of certain goods by our Company to Kamal Trading Company. The Complaint is pending before the Hon'ble Borivali MM Court.

B. Outstanding Civil litigations involving our Company

Civil litigations against our Company

As on the date of this Draft Prospectus, there are no outstanding civil litigations initiated against our Company.

Civil litigations initiated by our Company

As on the date of this Draft Prospectus, there are no outstanding civil litigations initiated by our Company.

C. Outstanding actions by Statutory or Regulatory Authorities against our Company

As on the date of this Draft Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Company.

II. LITIGATIONS INVOLVING OUR PROMOTER

A. Outstanding criminal litigations involving our Promoter

Criminal litigations against our Promoter

As on the date of this Draft Prospectus, there are no outstanding criminal litigations initiated against our Promoter.

Criminal litigations initiated by our Promoter

As on the date of this Draft Prospectus, there are no outstanding criminal litigations initiated by our Promoter.

B. Outstanding civil litigations involving our Promoter

Civil litigations against our Promoter

As on the date of this Draft Prospectus, there are no outstanding civil litigations initiated against our Promoter.

Civil litigations initiated by our Promoter

As on the date of this Draft Prospectus, there are no outstanding civil litigations initiated by our Promoter.

C. Outstanding actions by Statutory or Regulatory authorities against our Promoter

As on the date of this Draft Prospectus, there are no outstanding action initiated by Statutory or Regulatory authorities against our Promoter.

III. LITIGATIONS INVOLVING OUR DIRECTORS

A. Outstanding Criminal litigations involving our Directors

Criminal litigations against our Directors

As on the date of this Draft Prospectus there are no outstanding criminal litigations against our Directors.

Criminal litigations initiated by our Directors

As on the date of this Draft Prospectus there are no outstanding criminal litigations initiated by our Directors.

B. Outstanding Civil litigations involving our Directors

Civil litigations against our Directors

As on the date of this Draft Prospectus, there are no outstanding civil litigations initiated against our Directors.

Civil litigations initiated by our Directors

As on the date of this Draft Prospectus, there are no outstanding civil litigations initiated by our Directors.

C. Outstanding actions by Statutory or Regulatory Authorities against any of our Directors

As on the date of this Draft Prospectus there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors**.**

IV. Tax proceedings

(*₹ in lakhs*)

Particulars	Number of cases	Amount involved*
Our Company		
Direct Tax	8	0.36
Indirect Tax	Nil	Nil
Our Promoter		
Direct Tax	1	0.13
Indirect Tax	Nil	Nil
Our Directors (other than our Promoter)		
Direct Tax	10	0.38
Indirect Tax	Nil	Nil

**To the extent quantifiable*

V. Outstanding dues to creditors

Our Board, in its meeting held on December 19, 2022 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company on consolidated basis, to whom an amount exceeding 5% of our total outstanding dues (trade payables) as on the date of the latest Restated Financial Statements was outstanding, were considered 'material' creditors.

As per the latest Restated Financial Statements, our total trade payables as on June 30, 2022 was ₹ 22.76lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 455.15 lakhs have been considered as 'material' creditors for the purposes of disclosure in this Draft Prospectus.

Based on this criteria, details of outstanding dues owed as on June 30, 2022 by our Company on consolidated basis, are set out below:

(*₹ in lakhs*)

Types of creditors	Number of creditors	Amount involved
Micro, small and medium enterprises	18	195.15
Material creditors	2	79.22
Other creditors	106	180.78
Total	126	455.15

The details pertaining to net outstanding dues towards our material creditors as on June 30, 2022 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at

https://mconrasayan.com/. It is clarified that such details available on our website do not form a part of this Draft Prospectus.

VI. Material Developments

Except as otherwise disclosed in "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*", no circumstances have arisen since the date of the last financial statements disclosed in this Draft Prospectus, that could materially and adversely affect or are likely to affect, our trading, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business and operations require various approvals, licenses, registrations and permits issued by relevant regulatory authorities of the jurisdictions in which we operate under applicable law. Set out below is a list of material and necessary approvals, licenses, registrations and permits obtained by our Company for the purposes of undertaking its business activities and operations. Other than as stated below, no further material approvals, licenses, registrations, or permits are required to undertake the Issue or continue our business activities or operations. Additionally, unless otherwise stated, these approvals, licenses, registrations and permits are valid as on the date of this Draft Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course of business and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For details in connection with the applicable regulatory and legal framework, see "Key Regulations and Policies" on page 135.

Further, for details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "*Risk Factors* beginning on page 26. For Issue related approvals, see "*Other Regulatory and Statutory Disclosures*" on page 232 and for incorporation details of our Company, see "*History and Certain Corporate Matters*" on page 139.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.

I. Approvals for the Issue

For details in relation to approvals for the Issue, see "*Other Regulatory and Statutory Disclosures-Authority for the Issue*" and "*The Issue*" on pages 232 and 48, respectively.

II. Incorporation Details of our Company

For details regarding the approvals and authorisations obtained by our Company, in relation to our incorporation, see "*History and Certain Corporate Matters*" on page 139.

III. Approvals in relation to our business and operations

Our Company requires various approvals and/or licenses to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. Approvals in relation to our manufacturing operations:

1. *License to work a factory*: Our Company has obtained licenses under the Factories Act, 1948 for our Unit I and Unit II bearing license numbers 35830 and 48285, respectively which are valid till December 31, 2022 and December 31, 2026, respectively.

2. *Environmental registrations*: We have obtained the consent under the Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution), Act, 1981 and authorization under Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008 from Gujarat Pollution Control Board for operation of our Unit I bearing number WH-33965 which is valid till December 31, 2023.

B. Employment related registrations:

i. We have obtained registrations for our registered office under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017

ii. We have been obtained registrations under the Employees' State Insurance Act, 1948 in respect of our offices.

iii. We have obtained registrations for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 in respect of our offices.

C. <u>Other material approvals:</u>

i. Certificate for verification issued by Legal Metrology Department, Government of Gujarat in relation to weights and measurements at our Unit I situated at Plot No. 801, Gujarat Industrial Development Corporation, Sarigam, Valsad 396155, Gujarat.

IV. Tax related approvals/ registrations

i. Permanent account number AAKCM6040Mhas been issued to our Company by the Income Tax Department, Government of India, under the Income Tax Act, 1961.

ii. Tax deduction account number MUMM49593F has been issued in respect of registered office our Company and each of our manufacturing units, by the Income Tax Department, Government of India, under the Income Tax Act, 1961.

iii. Our Company has obtained GST registration bearing numbers 27AAKCM6040M1Z3 and 24AAKCM6040M1Z9in respect of registered office of our Company and our manufacturing units, respectively.

iv. Profession tax registration number27231439738Pissued under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

V. Foreign trade related approvals

Our Company has obtained an importer exporter code from the Office of the Joint Director General of Foreign Trade, Surat, Ministry of Commerce and Industry, Government of India.

VI. Approval expired but not applied for by our Company

Nil

VII. Approvals applied for but not received by our Company

Nil

VIII. Approvals required for but not applied by our Company

i. Certificate for verification issued by Legal Metrology Department, Government of Gujarat in relation to weights and measurements at our Unit II situated at Plot No.1187, Survey No.1656, B/1, Beside Ankit Petrol pump, Vasda road, Chikhli, Navsari 396521, Gujarat.

ii. Consent under the Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution), Act, 1981 and authorization under Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008 from Gujarat Pollution Control Board for operation of our Unit II.

iii. No objection certificate under Gujarat Fire Prevention and LifeSafetyMeasuresAct, 2013 from respective fire authorities for our Unit I and Unit II.

IX. Intellectual property

The following table sets forth the status and particulars of registered trademarks and applications filed by our Company

Trademark registry:

Particulars of Trademark/Logo	Type of Trademark	Application Number	Class	Status
	Wordmark	4266760	1	Registered
	Wordmark	2855616	1	Registered
	Wordmark	5072105	2	Objected
MCON- Maarvel	Wordmark	5072104	2	Objected
MCON LW	Wordmark	5561676	1	Marked for examination
MCON MAGIC COAT	Wordmark	5561675	37	Marked for examination
MCON SUPER HACK	Wordmark	5561678	37	Marked for examination
MCON SUPER TUFF	Wordmark	5561679	2	Marked for examination
MCON HARD FLOOR (NON-METALLIC)	Wordmark	5561680	19	Marked for examination
MCON TOPFLOOR	Wordmark	5561677	1	Marked for examination
MCON NSG 60	Wordmark	5561681	19	Marked for examination
Trusted Partner in Construction Chemicals	Wordmark	5490028	1	Objected

For further details, please see "*Our Business*" and "*Risk Factor – An inability to protect, strengthen and enhance our existing brands, and successfully launch and market new brands, could adversely affect our business prospects and financial performance.*"" beginning on pages 116 and 27, respectively.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorized by a resolution of our Board dated December 19, 2022, and the Issue has been authorized by a special resolution of our Shareholders, dated December 19, 2022.

This Draft Prospectus has been approved by our Board pursuant to its resolution passed on December 26, 2022.

Our Company has received in-principle approvals from NSE Emerge for the listing of the Equity Shares pursuant to its letter dated [●].

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, members of the promoter group and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Promoter and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoter or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulrr1rent borrowers issued by the RBI.

Our Promoter and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

Prohibition by RBI

Neither our Company, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations and Material Development*" beginning on page 225 of the Draft Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Prospectus.

Eligibility for the Issue

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor our Promoter, promoter group or directors are debarred from accessing thecapital market by the Board.

- Neither our Promoter, nor any directors of our Company is a promoter or director of any other company whichis debarred from accessing the capital market by the Board.
- Neither our Promoter nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, Promoter Group nor our directors, are Wilful Defaulters or a fraudulent borrower.
- Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will be less than 10 crores and can issue Equity Shares to the public and propose to list thesame on the EMERGE Platform of National Stock Exchange of India Limited.

We further confirm that:

i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100%underwritten and thatthe Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.

ii. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number ofproposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application moneywill be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on andfrom expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum.Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in defaultmay be punishable with fine and/or imprisonment in such a case.

iii. In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed withthe SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar ofCompanies.

However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue anyobservation on the offer document.

Further, in terms of Regulation 246(3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246(4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the EMERGE Platform of NSE. Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

iv. In accordance with Regulation 261 of the SEBI (ICDR)Regulations, we hereby confirm that we have enteredinto an agreement dated [●] with the Lead Manager and a Market Maker to ensure compulsory Market Makingfor a minimum period of three (3) years from the date of listing of Equity Shares on the EMERGE Platform of NSE.

In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, we confirm that we have fulfilledeligibility criteria for EMERGE Platform of NSE, which are as under

- ***Incorporation: The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 2013 in India.

- **Track Record**

The Company should have a track record of at least 3 years

Our Company was incorporated on September 22, 2016 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Center. Therefore, we are in compliance with criteria of having track record of 3 years.

- ***Post Issue Paid up Capital: The post issue paid up capital of our Company (face value) shall not be more than Rs. 25 crores***

  The post issue paid up capital of our Company will be ₹ [●] lakhs. So, our Company has fulfilled the criteria of post issue paid up capital shall not be more than ₹ [●] lakhs.

- ***Net-worth: Positive Net-worth***

  As per Restated Financial Statement, the net-worth of our Company is ₹ 221.29 lakhs as on March 31, 2022.

- ***Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3(three) financial years:***

  Our Company is having operating profit, details are mentioned as below.

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Total Income	1922.36	899.78	896.95
Operating Profit (earnings before interest, depreciation and tax)	128.04	91.38	65.41

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) andno proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company
- Our Company has a website: https://www.mconrasayan.com/

Other Disclosures:

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoter.

- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company andPromoter during the past three years.

- There are no litigations record against our Company, Promoter except disclosed on page 225 in section "*Outstanding Litigation and Other Material Developments*".

- There are no criminal cases/investigation/offences filed against the director of ourCompany.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR

THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, GYR CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN ON FORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, GYR CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●]IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company and the Lead Manager

Our Company, our Promoter, our Directors and the Lead Manager accepts no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, https://www.mconrasayan.com/ would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager and our Company on December 21, 2022 and the Underwriting Agreement dated [●] enteredinto between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among theMarket Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Disclaimer in respect of jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered withSEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be requiredfor that purpose, except that this Draft Prospectus has been filed with SEBI for its observations. Accordingly, theEquity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the 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 Securities Act and applicable U.S. state securities laws.

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants 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 pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of the Emerge Platform of NSE

As required, a copy of this Draft Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to the filing with the RoC.

Filing

This Draft Prospectus is being filed with National Stock Exchange of India Limited, at Exchange Plaza, Plot no.C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the copy of the Prospectus shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at https://siportal.sebi.gov.in/intermediary/index.html

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, 100, Everest, Marine Drive,Mumbai- 400002, Maharashtra.

Listing

Application will be made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE has given its in-principle approval for using its name in our Offer documents vide its letter [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platformof NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within six Working Days from the Issue Closing Date.

Consents

Consents in writing of (a) Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, ChiefFinancial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) LeadManager, Registrar to the Issue, Banker(s) to the Issue*, Legal Advisor to the Issue, Underwriter(s) to the Issue*and Market Maker to the Issue* to act in their respective capacities have been be obtained as required undersection 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, asrequired under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the timeof delivery of the Prospectus for registration with the RoC.

* The consents will be taken while registering the Prospectus with Roc.

Experts

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

Our Company has received written consent dated December 23, 2022 from the Statutory Auditors to include theirname as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this DraftProspectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in itscapacity as an independent Statutory Auditor and in respect of its (i) examination report dated December 13, 2022 on our restated financial information; and (ii) its report dated December 23, 2022 on the statementof special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of thisDraft Prospectus.

Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-visobjects

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Prospectus, Further for details in relation to right issue made by our Company during the five years preceeding the date of this Draft Red Herring Prospectus, please refer to section titled "*Capital Structure*" on page 62 of this Draft Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled "*Capital Structure*" beginning on page 62 of this Draft Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Performance vis-à-vis objects –Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

Our Promoter, Promoter Group, Group Company or any subsidiary company has not undertaken any previous public or right issue during the period of last five years.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

Outstanding Convertible Instruments

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

Option to Subscribe

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

1. Price information of past issues handled by GYR Capital Advisors Private Limited

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180th calendar days from listing*	
1.	Naapbooks Limited	3.99	74	15.09.2021	77.00	-16.22%	4.40%	-29.73%	-1.59%	-18.905	-3.809
2.	Ascensive Educare Limited	2.25	26	12.01.2022	27.60	0.00%	-4.901%	-30.00%	-3.5739%	14.61%-	-11.04629%-
3.	Achyut Healthcare Limited	3.60	20	30.03.2022	21.15	0.00%	-1.981%	4.75%-	-9.41%-	-9.75%-	-2.622%-
4.	Dhyaani Tile and Marblez Limited	2.45	51	12.04.2022	52.25	19.61%	7.661%	82.35%-	-7.137%-	11.764%-	-0.999%-
5.	Veekayem Fashion and Apperals Limited	4.4352	28	22.08.2022	52.35	59.96%	1.86%	22.67%	3.82%	-	-
6.	JFL Lifesciences Limited	18.16	51	08.09.2022	70.00	-29.01%	-2.71%	-38.52%	4.74%-	-	-
7.	Sabar Flex India Limited	4.47	11	21.09.2022	21.00	54.54%	-0.87%	44.54%-	3.56%-	-	-
8.	Mafia Trends Limited	3.60	28	06.10.2022	32.65	-2.85%	4.69%				
9.	Pritika Engineering Components Limited	9.42	29	08.12.2022	42.20						

* Companies have been listed on August 22, 2022, September 08, 2022 September 21, 2022, October 06, 2022 and December 08, 2022 hence not applicable.

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30th calendar day from listing day*			Nos. of IPOs trading at premium - 30th calendar day from listing day*			Nos. of IPOs trading at discount - 180th calendar day from listing day*			Nos. of IPOs trading at premium – 180th calendar day from listing day*		
			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%
2021-2022	3	9.84	-	-	1	-	-	-	-	-	-	-	-	1
2022-2023	6	42.52	-	1	2	1	-	1	-	-	-	-	-	1

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer the website of Lead Manager at www.gyrcapitaladvisors.com

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager as set forth in the table below:

Sr. No.	Name of the Lead Manager	Website
1.	GYR Capital Advisors Private Limited	www.gyrcapitaladvisors.com

Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on December 19, 2022. For further details on the Stakeholders Relationship Committee, please refer to section titled "*OurManagement*" beginning on page 142 of this Draft Prospectus.

Our Company has appointed Mr. Kunal Ashok Borkar, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Mr. Kunal Ashok Borkar
Company Secretary & Compliance officer
MCON Rasayan India Limited
101/A, 1st floor, Maxheal House,
Plot-169, CTS-104
Bangur Nagar, Near Ayyappa Temple,
Goregaon (West), Mumbai 400 090,
Maharashtra, India.
Telephone No.: +91 8655988698
E-mail: compliance@mconrasayan.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web basedcomplaints redress system "**SCORES**". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor compliant during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

SECTION VII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of this Draft Prospectus, the Prospectus , the Application Form, the Revision Form, , the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Issue.

Authority for the Issue

The present Issue of upto 20,00,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on December 19, 2022 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on December 19, 2022 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to "*Description of Equity shares and terms of the Articles of Association*" on page 302 of the Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to "*Dividend Policy*" on page 160 of the Draft Prospectus.

Face Value, Issue Price

The Equity Shares having a Face Value of ₹ 10 each are being offered in terms of the Draft Prospectus at the price of [●] per equity Share (including premium of [●] per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "*Basis for Issue Price*" on page 80 of the Draft Prospectus. At any given point of time there shall be only one denominator of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

Rights of the Equity Shareholders

Subject to applicable law and our Articles of Association, our equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, 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 any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of the Articles of Association*", beginning on page 302.

Allotment only in dematerialised form

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, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

- Tripartite agreement dated December 16, 2022 amongst our Company, NSDL and Registrar to the Issue; and

- Tripartite agreement dated December 15, 2022,amongst our Company, CDSL and Registrar to the Issue.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the Emerge Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allotee

The minimum number of allottee in the Issue shall be fifty (50) shareholders in case the number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Subject to the provisions of the 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.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, 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 sole Bidder or in case of joint Bidders, 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 he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place

of the present nominee, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions 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, our 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 ninety (90) days, our 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 Issue will be made only in dematerialised mode, 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.

Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

Bid/Issue Programme

ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the NSE Emerge	On or about [●]
Initiation of refunds/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 NSE Emerge	On or about [●]

Minimum Subscription

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive

the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within four days from the closure of the issue. If there is a delay beyond such time, our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.

The minimum number of allottees in this Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of issue

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Arrangements for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Share capital and Promoter's minimum contribution under the SEBI ICDR Regulations as provided in "*Capital Structure*", beginning on page 62 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 details, see "*Description of Equity Shares and Terms of the Articles of Association*", beginning on page 302 of the Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Migration to Main Board

In accordance with the NSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (two) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the Main Board of NSE from the SME Exchange on a later date subject to the following:

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- If the Paid- up capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

- If the Paid-up capital of our Company is more than ₹10.00 Crore and up to ₹ 25 crores, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of NSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the Emerge platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the Emerge platform of NSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to "*General Information - Details of the Market Making Arrangements for this Issue*" on page 53 of this Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	**Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)**	**Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)**
Upto ₹ [●], as applicable in our case	[●]	[●]

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is less than or equal to ₹10 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of NSE Limited i.e. NSE EMERGE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*"on page 48 and 252 of the Draft Prospectus.

The Issue comprise of public issue of up to 20,00,000 Equity Shares of Face Value of ₹10 each fully paid (the "**Equity Shares**") for cash at a price of [●] per Equity Share *(including a premium of* [●]*per Equity Share)* aggregating to [●] lakhs (the "Issue") by our Company of which[●]Equity Shares of ₹10 each will be reserved for subscription by Market Maker Reservations Portion and Net Issue to public of[●]Equity Shares of ₹10 each is hereinafter referred to as the Net Issue. The Issue and the Net Issue will constitute [●] and [●]respectively of the post-Issue paid up Equity Share Capital of our Company.

The Issue is being made by way of Fixed Price Issue Process.

Particulars of the Issue	**Net Issue to Public***	**Market Maker Reservation Portion**
Number of Equity Shares available for allocation	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	[●] of the Issue size	[●]of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to *"Issue Procedure"* on page 252 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applicants shall make the application (online or physical) through ASBA process only	Through ASBA process only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	**For other than Retail Individual Investors:** Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of [●] each, such that the application value exceeds ₹ 2,00,000. **For Retail Individuals Investors:** [●] Equity Shares at an Issue price of ₹ [●] each	[●] Equity Shares
Maximum Application Size	**For Other than Retails Individual Investors:** The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable. **For Retail Individuals Investors:**	[●] Equity Shares

	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹2,00,000	
Trading Lot	[●] Equity Shares	[●] Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Application lot Size	[●] Equity Shares thereafter Equity Shares and in multiples of [●]	
Terms of Payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Application Form	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to *"Issue Structure"* on page 249 of the Draft Prospectus.

*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the allocation' in the net offer to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

(i) Individual Applicant other than retail Individual Investors; and

(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue, after the Issue OpeningDate but before the Allotment, without assigning any reason thereof. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the NSE Emerge on which the Equity Shares are proposed to be listed.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the NSE Emerge, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC and the NSE Emerge.

Issue Programme:

ISSUE OPENING DATE	[●]
ISSUE CLOSING DATE	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application centres mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the Issue closing date:

a) A standard cut-off time of 3.00 p.m. for acceptance of applications.

b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.

c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by Lead Manager to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays).

ISSUE PROCEDURE

*All Applicants should read "the General Information Document for investing in Public Issues" prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the SEBI 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,2013, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the Lead Manager. The document will be updated to reflect* the enactments and *regulations including then Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue.Please refer to the relevant provisions of the General Information Document which are applicable to the Issue 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.*

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of 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, 2013 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. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till 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 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids 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/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and 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 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.*

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Prospectus.

Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Lead Manager shall be the nodal entity for any issues arising out of public issuance process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days. The Lead Manager shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 244(5) and Regulation 271 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and Book Running Lead Manager shall continue to coordinate with intermediaries involved in the said process.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this DraftProspectus. Applicants are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus and the Prospectus.

Further, our Company and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

This section applies to all the Applicants.

Fixed Price Issue Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchange or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, our Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism 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 ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the SEBI UPI Circulars have introduced the UPI 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 till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in shall be advertised in all editions of [●], an English national daily newspaper, in all editions of [●], a Hindi national daily newspaper and in all editions of [●] Marathi national daily, Marathi being the regional language of Mumbai, where our Registered Office is located, each with wide circulation, on or prior to the Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their websites.

All SCSBs offering the 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 a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Bidders using the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Lead Manager.

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchange. 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 Book Building on a regular basis before the closure of the Issue.

(b) On the Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as maybe permitted by the Stock Exchange and as disclosed in the Draft Prospectus.

(c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange's platform during the Bid/Issue Period after which the Stock Exchange send the bid information to the Registrar to the Issue for further processing.

Availability of Prospectus and Application Forms

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange (National Stock Exchange) i.e.https://www.nseindia.com/companies-listing/raising-capital-public-issues-listing-on-emerge at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in the Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI Mechanism for application. The application form submitted by NIIs and QIBs must provide applicant's bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI Mechanism shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant's bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection.

The prescribed colour of the Bid cum Application Forms for 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^	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis^	[●]

**Excluding electronic Bid cum Application Forms*

^*Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com).*

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in theelectronic bidding system of the Stock Exchange and the Stock Exchange shall accept the ASBA applicationsin their electronic bidding system only with a mandatory confirmation on the application monies blocked. ForUPI Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with theSponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Biddersfor

blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other thanSCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bankaccount and shall not submit it to any non-SCSB bank.

For UPI Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPIBidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI toUPIBidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applicationsassociated with UPI ID linked bank account. In accordance with BSE Circular No. 20220803-40 and NSE CircularNo. 25/2022, each dated August 3, 2022, for all pending UPI mandate requests, the Sponsor Bank shall initiaterequests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI MandateRequests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-OffTime shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Issue Period until theCut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange biddingplatform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactionsshall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end thelifecycle 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 and the Bankers to the Issue. The Lead Manager shall also be required to obtainthe audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

Submission and Acceptance of Application Forms

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked bank account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application collecting Intermediaries:

i. An SCSB, with whom the bank account to be blocked, is maintained
ii. A syndicate member (or sub-syndicate member)
iii. 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) ("Broker")
iv. A depository participant ("DP") (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
v. A registrar to an issuer and share transfer agent ("RTA") (Whose name is mentioned on the website of the Stock Exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of Stock Exchange and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six

months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, "printouts" of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the Stock Exchange and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the Stock Exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified
For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of Stock Exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his /her mobile application, associated with UPI ID linked bank account.

Stock Exchange shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock Exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not both), bank code and location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting Intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or Subsequent notice of such changes to the Applicants.

WHO CAN APPLY?

As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior

approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per DemographicDetails provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit ofminor (under guardianship);

b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;

c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

d) QIBs;

e) Mutual Funds registered with SEBI;

f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs otherthan Eligible NRIs are not eligible to participate in this Issue;

g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;

i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;

k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

l) Foreign Venture Capital Investors registered with the SEBI;

m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;

n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;

o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;

p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;

s) Insurance funds set up and managed by army, navy or air force of the Union of India;

t) Multilateral and bilateral development financial institution;

u) Eligible QFIs;

v) Insurance funds set up and managed by army, navy or air force of the Union of India;

w) Insurance funds set up and managed by the Department of Posts, India;

x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those Issues andsales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in anyother jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons inany such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Associates/Affiliates of Lead Manager

The Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the Lead Manager nor any associate of the Lead Managercan apply in the Issue under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Lead Manager;

(ii) insurance companies promoted by entities which are associate of the Lead Manager;

(iii) AIFs sponsored by the entities which are associate of the Lead Manager;

(iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Lead Manager; or

(v) Any person related to our Promoter and the members of the Promoter Group.

For the purposes of the above, a QIB who has the following rights shall be deemed to be a person related to our Promoter or Promoter Group:

(i) rights under a shareholders' agreement or voting agreement entered into with our Promoter or Promoter Group;

(ii) veto rights; or

(iii) right to appoint any nominee director on the Board.

Our Promoter and Promoter Group and any persons related to our Promoter and Promoter Group cannot participate in the Issue.

Application by Indian public including eligible NRIs applying on Non-Repatriation basis

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depositary), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

Applications made by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any company

  Provided that the limit of 10% shall not be applicable for investments in case of index funds, exchange traded funds, or sector or industry specific schemes.

- No Mutual Fund under all its schemes should own more than 10% of our Company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any Application in whole or in part, in either case without assigning any reason thereof.

The Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Applications by Eligible NRIs on Repatriation Basis

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents ([●] in colour).

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non-Resident Forms, should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

Our Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs are required to 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 may be considered at par with Bids from individuals.

Applications by eligible FPIs including FIIs on repatriation basis

FPIs including FIIs who wish to participate in the issue are advised to use the application form for non-residents ([●]in colour).

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) securities in the primaryand secondary markets including shares, debentures and warrants of companies, listed or to be listed on arecognized stock exchange in India; (b) units of schemes floated by domestic mutual funds, whether listedon a recognized stock exchange or not; (c) units of schemes floated by a collective investment scheme; (d) derivatives traded on a recognized stock exchange; (e) treasury bills and dated government securities; (f) commercial papers issued by an Indian company; (g) rupee denominated credit enhanced bonds; (h) securityreceipts issued by asset reconstruction companies; (i) perpetual debt instruments and debt capital instruments,as specified by the Reserve Bank of India from time to time; (j) listed and unlisted non-convertibledebentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is definedin terms of the extant External Commercial Borrowings (ECB) guidelines; (k) non-convertible debentures orbonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs)by the Reserve Bank of India; (l) rupee denominated bonds or units issued by infrastructure debt funds; (m)indian depository receipts; and (n) such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equityshares in a company whose shares are not listed on any recognized stock exchange, and continues to holdsuch shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the sameperiod, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under thepolicy of the Government of India relating to foreign direct investment for the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:

   (a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

   (b) Nothing contained in clause (a) shall apply to:

i. Any transactions in derivatives on a recognized stock exchange;
ii. Short selling transactions in accordance with the framework specified by the SEBI;
iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
iv. Any other transaction specified by the SEBI.

(c) No transaction on the stock exchange shall be carried forward;

(d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the SEBI;

Provided nothing contained in this clause shall apply to:

i. transactions in Government securities and such other securities falling under the purview of theReserve Bank of India which shall be carried out in the manner specified by the Reserve Bank ofIndia;
ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with theSecurities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
v. divestment of securities in response to an issue by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
viii. Any other transaction specified by the SEBI.

(e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

   (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
   (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

   Provided that those unregulated broad based funds, which are classified as category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

   Provided further that no category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (ForeignInstitutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors)Regulations, 2014 shall be deemed to have been issued under thecorresponding provisions of SEBI (ForeignPortfolio Investors) Regulations, 2014.

12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversionfees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as aforeign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolioinvestor, whichever is earlier.

13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor groupshall be below 10% of the total issued capital of ourCompany.

15. The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue Paid up Capital of our Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, theinvestment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our totalissued capital in case such sub account is a foreign corporate or an individual.

16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutorylimit, as applicable to our Company after obtaining approval of its board of Directors followed by the specialresolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus,no such resolution has been recommended to the shareholders of our Company for adoption.

17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in termsof regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes,equity linked notes or any other similar instruments against underlying securities listed or proposed to belisted in any stock exchange in India only in favour of those entities which are regulated by any relevantregulatory authorities in the countries of their incorporation or establishment

subject to compliance of "KnowYour Client" requirements. An FII shall also ensure that no further downstream issue or transfer of anyinstrument referred to hereinabove is made to any person other than a regulated entity.

18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 as amended, amongst others, prescribe the investment restrictions on venture capital funds and foreign venture capital investors, registered with SEBI. The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.
Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRI , 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 , dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

Application by Limited Liability Partnerships
In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserve the right to reject any Bid without assigning any reason thereof.

Application by Banking Companies
In case of Applications made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager , reserves the right to reject any Application 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 as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is less.

Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paidup share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or 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. The bank is required to submit a time-bound action plan for disposal of such shares 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. Applications by banking companies should not exceed the investment limits prescribed forthem under the applicable laws.

Application by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Application by Insurance Companies

In case of applications made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), are broadly set forth below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in the Issue are advised to refer to the IRDAI 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.

Application by Provident Funds/ Pension Funds

In case of Applications made by provident funds/pension funds with minimum corpus of ₹ 2,500 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident

fund/pension fund must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager reserve the right to reject any Bid, without assigning any reason thereof.

Application under Power of Attorney

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, 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 ₹ 2,500 lakhs (subject to applicable laws) and pension funds with a minimum corpus of ₹ 2,500 lakhs, 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 Application Form. Failing this, our Company and the reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason hereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

a. With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

b. With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

c. With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

d. With respect to Applications 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 Application Form.

Our Company in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the Lead Manager , may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchange does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

Indicative process flow for Applications in public issue

ASBA PROCESS

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI links.

https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

CHANNELS OF SUBMISSION OF APPLICATION FORMS

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of finds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants

to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

Process flow for applications in public issue submitted by Retail Individual Investor

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

Application and validation process

a) submission of the application with the intermediary, the RII would be required to have / create a UPI ID, witha maximum length of 45 characters including the handle (Example: InvestorID@bankname).
b) RII will fill in the Application details in the application form along with his/ her bank account linked UPI IDand submit the application with any of the intermediary.
c) The intermediary upon receipt of form will upload the Application details along with UPI ID in the stockexchange bidding platform.
d) Once the Application has been entered in the bidding platform, the exchange will undertake validation of thePAN and Demat Account details of RII with the depository.
e) Depository will validate the aforesaid Application details on a real time basis and send response to stockexchange which would be shared by stock exchange with intermediary through its platform, for corrections, ifany.
f) SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchangeplatform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, dailyat the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the nextworking day.

The Block Process

a) Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
b) The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment.For all pending UPIMandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts ofrelevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/IssueClosing Date ("Cut-Off Time"). Accordingly, RIIs using the UPI Mechanism need to accept UPI MandateRequests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after theCut-Off Time will lapse.
c) The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimationon his / her mobile no. / Mobile app, associated with UPI ID linked bank account
d) The RII would be able to view the amount to be blocked as per his / her Application in such intimation. TheRII would also be able to view an attachment wherein the IPO Application details submitted by RII will bevisible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Suchmandate raised by sponsor bank would be a one-time mandate for each application in the IP.
e) Upon successful validation of block request by the RII, as above, the said information would be electronically also be displayed on stock exchange platform for information of the intermediary.received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIsaccount. Intimation regarding confirmation of such block of funds in RIIs account would also be received bythe RII.
f) The information containing status of block request (e.g. – accepted / decline / pending) would also be sharedwith the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
g) The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form ofa file for the purpose of reconciliation.

h) RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issueperiod. For each such modification of Application, RII will submit a revised Application and shall receive amandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

Number of applications per bank account

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

How to apply?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Mode of payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment. Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

Maximum and Minimum Application Size

The applications in this Issue, being a fixed price issue, will be categorized into two;

1. For Retail Individual Applicants

The Application must be for a minimum of [•] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

2. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of [•] Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of [•] Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

Receive Equity Shares in Dematerialized Form

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

Information for the applicants

a. Our Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue OpeningDate.
b. The Lead Manager will circulate copies of the Prospectus along with the Application Form to potentialinvestors.
c. Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectusand/ or the Application Form can obtain the same from our Registered Office or from the Registered Office of the Lead Manager.
d. Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
e. Applications made in the name of Minors and/or their nominees shall not be accepted.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations 2018, our Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●], an English national daily newspaper and [●], a Hindi national daily newspaper, [●] Marathi national daily, being the regional language of Mumbai, where our Registered Office is located, each with wide circulation.

Signing of Underwriting Agreement

The Issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on [●].

Filing of the Prospectus with the Roc

Our Company will file a copy of the Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

Information for the applicants

a. **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs orSponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Accountwith the Bankers to the Issue.
b. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, theRegistrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall makenecessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised toinstruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to theissue.

c. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to theApplicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemeda valid, binding and irrevocable contract.

d. Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to thesuccessful applicants Depository Account within 5 working days of the Issue Closing date. The Issuer alsoensures the credit of shares to the successful Applicants Depository Account is completed within two workingDay from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issueaccount of the issuer.

Designated Date

On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

Our Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 5 working days of the Issue Closing Date. Our Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Interest and Refunds

Completion of formalities for listing & commencement of trading

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Grounds for refund

Non-receipt of listing permission

An Issuer makes an Application to the Stock Exchange for permission to deal in/list and for an official quotation of the Equity Shares. The Stock Exchange from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange, the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In case, our Company fails to obtain listing or trading permission from the Stock Exchange where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from Stock Exchange rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

Minimum subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Draft Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

Minimum number of Allottees

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

Mode of refund

Within four Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

Letters of Allotment or Refund Orders or instructions to the SCSBS

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within four Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within four Working Days of the Issue Closing Date.

Interest in case of delay In Allotment Or Refund

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange,the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicantswho have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to theIssue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemeda valid, binding and irrevocable contract for the Applicant

General instructions

Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules,regulations, guidelines and approvals;

- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depositoryaccount is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to theDesignated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the accountholder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the ApplicationForms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through theASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit theirApplication by using UPI mechanism for payment.
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which thebeneficiary account is held with the Depository Participant. In case of joint Applications, the ApplicationForm should contain only the name of the First Applicants whose name should also appear as the first holderof the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all yourApplication;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSBbefore submitting the Application Form under the ASBA process or application forms submitted by RIIsusing UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations),the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) orCDP (at the Designated CDP Locations)
- Submit revised Applications to the same Designated Intermediary, through whom the original Applicationwas placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by thecourts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN fortransacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, interms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting inthe securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption forthe Central or the State Government and officials appointed by the courts and for investors residing in theState of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirmingthe exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiaryaccount remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per theDemographic Details evidencing the same. All other applications in which PAN is not mentioned will berejected
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule tothe Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrateunder official seal;
- Ensure that the category and the investor status is indicated
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc,relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicableforeign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application For and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, thensuch Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensurethat the beneficiary account is also held in the same joint names and such names are in the same sequence inwhich they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per theApplication Form and the Draft Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bankaccount linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timelymanner for blocking of fund on your account through UPI ID using UPI application;

- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or haveotherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBAAccount equivalent to the Application Amount mentioned in the Application Form at the time of submissionof the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for thesubmission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don' ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or bystock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant DesignatedIntermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBAprocess;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail IndividualApplicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net Issue Size and / orinvestment limit or maximum number of the Equity Shares that can be held under the applicable laws orregulations or maximum amount permissible under the applicable regulations or under the terms of theProspectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount areblocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on ApplicationForms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or yourrelevant constitutional documents or otherwise;
- Do not make Application if you are not competent to contract under the Indian Contract Act, 1872 (other thanminors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked withbank account of the third party. Kindly note that Applications made using third party bank account or using thirdparty linked bank account UPI ID are liable for rejection.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the website of NSE i.e.www.nseindia.com.

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the LM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

A. INSTRUCTION FOR FILLING THE APPLICATION FORM

COMMON APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Registered Office: Tel. No.: Fax No.: Email: Website: Contact Person: CIN:	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE
ISIN : XXXXXXX

Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/CDP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share[1] ☐ "Cut-Off" Price

(In Figures) (In Words)

ALLOTMENT WILL BE IN DEMAT MODE ONLY[2]

[1] Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.
[2] Please note that the equity shares on allotment will be alloted only in the dematerialized mode on the SME Platform of BSE.

5. CATEGORY

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. INVESTOR STATUS

☐ Individual(s)	• IND
☐ Non- Resident Indians (Non- Repatriation Basis)	• NRI
☐ Hindu Undivided Family*	• HUF
☐ Bodies Corporate	• CO
☐ Banks & Financial Institutions	• FI
☐ Mutual Funds	• MF
☐ National Investment Funds	• NIF
☐ Insurance Funds	• IF
☐ Insurance Companies	• IC
☐ Venture Capital Funds	• VCF
☐ Alternative Investment Funds	• AIF
☐ Others (Please Specify)	• OTH

*HUF Should apply only through Karta (Application by HUF would be treated on par with individual)

7. PAYMENT DETAILS | **PAYMENT OPTION : Full Payment**

Amount Blocked (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

OR
UPI Id
(Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1)	
Date: _____, 2019	2)	
	3)	

TEAR HERE

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XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA

Application Form No.

DPID / CLID

PAN of Sole/First Applicant

Amount Blocked (₹ in figures) ASBA Bank & Branch

ASBA Bank A/c No./UPI Id

Received from Mr./Ms.

Telephone / Mobile Email

Stamp & Signature of SCSB Branch

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	In Figures	In Words
No. of Equity Shares		
Amount Blocked (₹)		

Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

ASBA Bank A/c No. / UPI Id:

Bank & Branch:

Application Form No.

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED 1

COMMON APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Registered Office: Tel. No.: Fax No.: Email: Website: Contact Person: CIN:	FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE
ISIN : XXXXXXX

Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/CDP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share[1] ☐ "Cut-Off" Price

(In Figures) (In Words)

ALLOTMENT WILL BE IN DEMAT MODE ONLY[2]

[1] Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.
[2] Please note that the equity shares on allotment will be alloted only in the dematerialized mode on the SME Platform of BSE.

5. CATEGORY

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. INVESTOR STATUS

☐ Non-Resident Indians - NRI (Repatriation basis)
☐ Foreign Institutional Investor - FII/
☐ Foreign Portfolio Investor - FPI
☐ Foreign Venture Capital Investor - FVCI
☐ FII Sub Account Corporate / Individual - FISA
☐ Others - OTH (please specify)

7. PAYMENT DETAILS | **PAYMENT OPTION : Full Payment**

Amount Blocked (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

OR

UPI Id

(Maximum 40 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
Date: ....., 2019	1)	
	2)	
	3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - NR

Acknowledgment Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA

Application Form No.

DPID / CLID

PAN of Sole/First Applicant

Amount Blocked (₹ in figures) ASBA Bank & Branch

ASBA Bank A/c No./UPI Id

Received from Mr./Ms.

Telephone / Mobile Email

Stamp & Signature of SCSB Branch

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	In Figures	In Words
No. of Equity Shares		
Amount Blocked (₹)		

Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA

ASBA Bank A/c No. / UPI Id:

Bank & Branch:

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

Application Form No.

XYZ LIMITED 1

FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of theApplicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

1. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:

a. PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PANof the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
b. PAN is the sole identification number for participants transacting in the securities market irrespective of theamount of transaction except for Application on behalf of the Central or State Government, Application byofficials appointed by the courts and Application by Applicant residing in Sikkim ("PAN ExemptedApplicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclosetheir PAN in the Application Form, irrespective of the Application Amount. An Application Form withoutPAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whosePAN is not available as per the Demographic Details available in their Depository records, are liable to berejected.
c. The exemption for the PAN Exempted Applicant is subject to (a) the Demographic Details received from therespective Depositories confirming the exemption granted to the beneficiary owner by a suitable descriptionin the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents ofSikkim, the address as per the Demographic Details evidencing the same.
d. Application Forms which provide the General Index Register Number instead of PAN may be rejected.
e. Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejectedpursuant to the circular issued by SEBI on July 29, 2010, bearing numberCIR/MRD/DP/22/2010. Suchaccounts are classified as "Inactive demat accounts" and Demographic Details are not provided bydepositories.

2. **FIELD NUMBER 3: APPLICANT' S DEPOSITORY ACCOUNT DETAILS**

a. Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DPID and Client ID provided in the Application Form should match with the DP ID and Client ID available inthe Depository database, otherwise, the Application Form is liable to be rejected.
b. Applicants should ensure that the beneficiary account provided in the Application Form is active.
c. Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, anyrequested Demographic Details of the Applicants as available on the records of the depositories. TheseDemographic Details may be used, among other things, for sending allocation advice and for othercorrespondence(s) related to an Issue.
d. Applicants are, advised to update any changes to their Demographic Details as available in the records of theDepository Participant to ensure accuracy of records. Any delay resulting from failure to update theDemographic Details would be at the Applicants' sole risk.

3. **FIELD NUMBER 4: APPLICATION OPTIONS**

a. Since, this is the Fixed Price Issue and the Price has already been disclosed in the Prospectus, the Applicantsshould make application at the Issue Price only. For the purpose of this Issue, the Price has been Determinedas [●] per Equity Share (including premium of [•] per Equity Share).

b. **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can makeapplication at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at theIssue Price as determined in terms of Prospectus. Making Application at the Cut-off Price is prohibited forQIBs and NIIs and such Applications from QIBs and NIIs may be rejected.

c. **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors,minimum application of [●] Equity Shares to ensure that the minimum Application value is not exceeding ₹2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors,minimum application of [●] Equity Shares and in multiples of [•] Equity Shares thereafter to ensure that theminimum Application value is exceeding ₹ 2,00,000.

d. **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum applicationLot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall beAllotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equityshares on proportionate basis, the RII category shall be allotted that higher percentage.

Maximum and Minimum Application Size

e. The Applicants may apply for the desired number of Equity Shares in multiple of [●] equity shares at IssuePrice. Applications by Retail Individual Investors and Retail Individual Shareholders must be for [●] equityshares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

   In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cutoff Price, then such Application may be rejected.

   For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

f. Application by QIBs and NIIs must be for [●] equity shares such that the Application Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter, as may be disclosed in the Application Form andthe Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs arenot allowed to make application at Cut off Price.

g. RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw orlower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage aftermaking application and are required to pay the Application Amount upon submission of the Application.

h. In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application bythe Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered forallocation under the Retail Category.

i. An Application cannot be submitted for more than the net issue size.

j. The maximum application by any applicant including QIB applicant should not exceed the investment limitsprescribed for them under the applicable laws.

Multiple Applications

k. Applicant should submit only one Application Form. Submission of a second Application Form to either thesame or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of ApplicationForms bearing the same application number shall be treated as multiple Applications and are liable to berejected.

l. Applicants are requested to note the following procedures that may be followed by the Registrar to the Issueto detect multiple Applications:

   i. All Applications may be checked for common PAN as per the records of the Depository. ForApplicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PANmay be treated as multiple Application by Applicants and may be rejected.

   ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, aswell as Application on behalf of the PAN Exempted Applicants, the Application Forms may bechecked for common DP ID and Client ID. Such Applications which have the same DP ID andClient ID may be treated as multiple applications and are liable to be rejected.

m. **The following Applications may not be treated as multiple Applications:**

   i. Applications by Reserved Categories making application in their respective Reservation Portionas well as application made by them in the Issue portion in public category.
   ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fundprovided that the Applications clearly indicate the scheme for which the Application has beenmade.
   iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submittedwith the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4. **FIELD NUMBER 5: CATEGORY OF APPLICANTS**

a. The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
b. An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR)Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
c. The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to variouscategories of Application in an issue depending upon compliance with the eligibility conditions. Detailspertaining to allocation are disclosed on reverse side of the Revision Form.
d. For Issue specific details in relation to allocation, Applicants may refer to the Prospectus.

5. **FIELD NUMBER 6: INVESTOR STATUS**

a. Each Applicants should check whether it is eligible to apply under applicable law and ensure that anyprospective allotment to it in the Issue follows the investment restrictions under applicable law.
b. Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issueor hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requestedto refer to the Prospectus for more details.
c. Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basisand should accordingly provide the investor status. Details regarding investor status are different in theResident Application Form and Non-Resident Application Form.
d. Applicants should ensure that their investor status is updated in the Depository records.

6. FIELD NUMBER 7: PAYMENT DETAILS

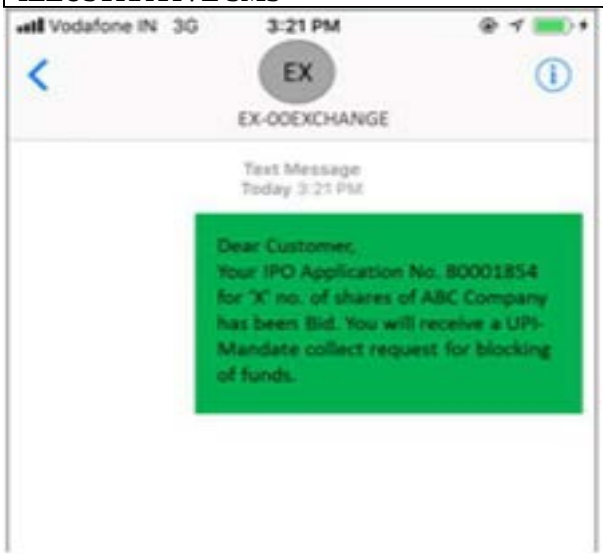
a. Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case theApplicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application wouldbe rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providingboth the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing ofthe application.
b. The full Application Amount shall be blocked based on the authorization provided in the Application Form.
c. RIIs who make application at Cut-off price shall be blocked on the Cap Price.
d. All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
e. RIIs submitting their applications through Designated Intermediaries can participate in the Issue through theUPI mechanism, through their UPI ID linked with their bank account.
f. Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postalorder.

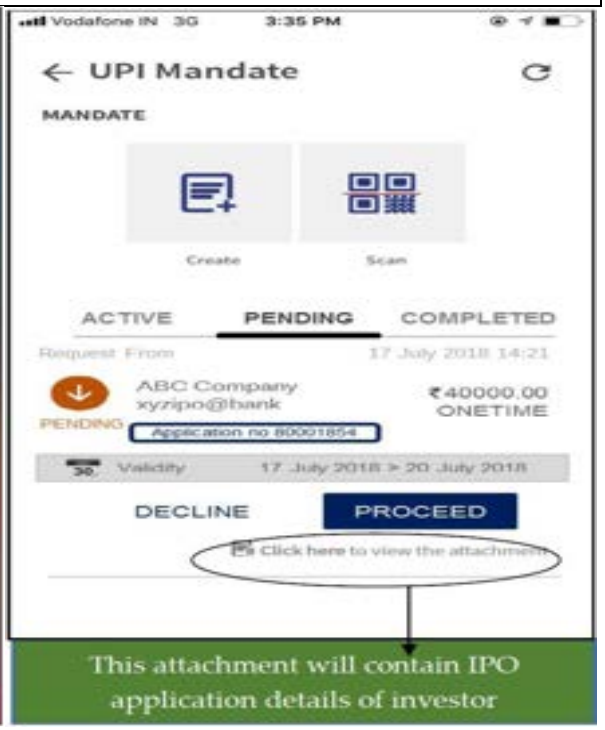
Payment instructions for Applicants (other than Anchor Investors)

a. From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below)for making applications in a public issue:

Category of Investor	**Channel I**	**Channel II**	**Channel III**	**Channel IV**
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online. For such applications the existing process of uploading the Application and blocking of finds in the RIIs account by the SCSB would continue.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)			Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

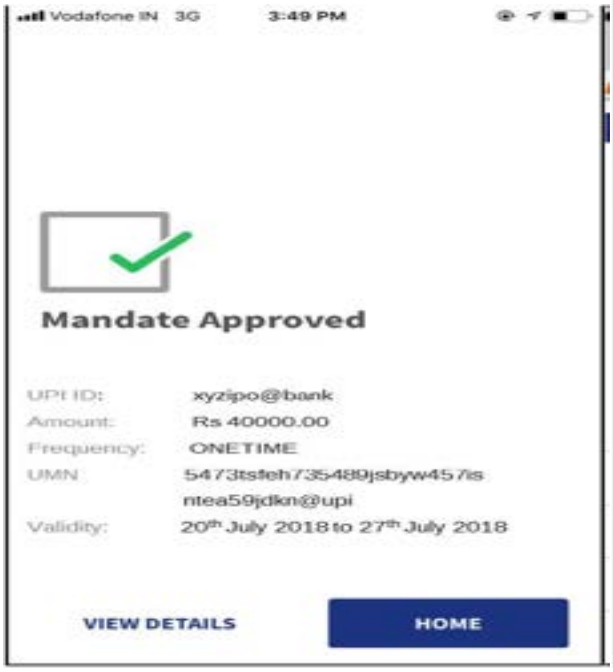
ILLUSTRATIVE SMS	BLOCK REQUEST SMS TO INVESTOR
	

BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION	BLOCK REQUEST SMS TO INVESTOR
	

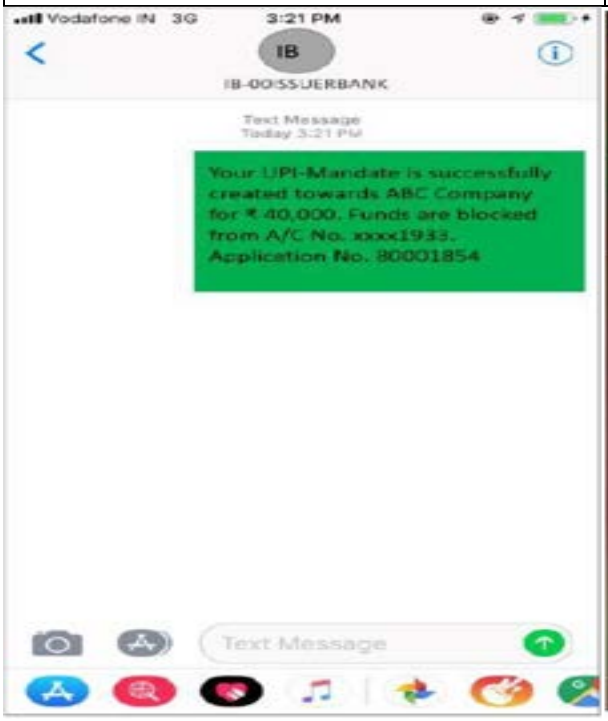
SAMPLE OF IPO DETAILS IN ATTACHMENT BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION	POST VERIFICATION OF DETAILS ABOVE BLOCK REQUEST SMS TO INVESTOR

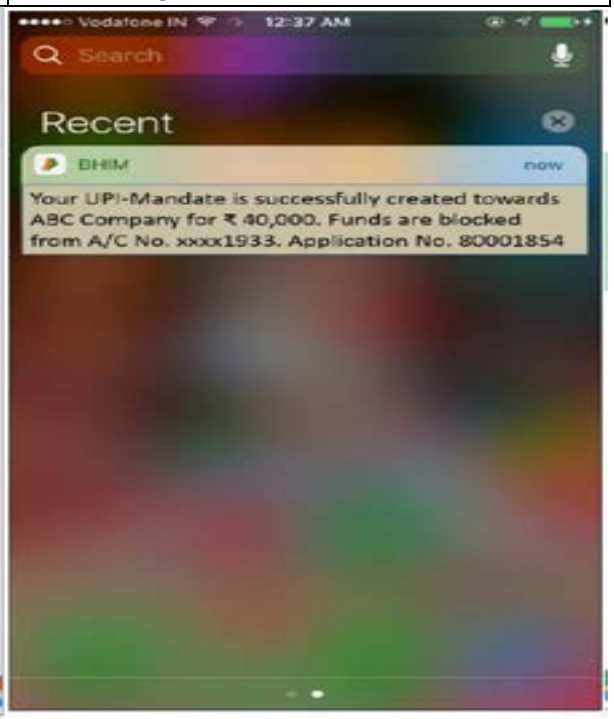
PRE-CONFIRMATION PAGE	ENTERING OF UPI PIN

PRE-CONFIRMATION PAGE	ENTERING OF UPI PIN
CONFIRMATION PAGE	APPROVED MANDATES VISIBLE IN UPI APPLICATION



BLOCK CONFIRMATION SMS TO INVESTOR	BLOCK CONFIRMATION APPLICATION INTIMATION





b. QIB and NII Applicants may submit the Application Form either;

i. to SCSB in physical or electronic mode through the internet banking facility offered by an SCSBauthorizing blocking of funds that are available in the ASBA account specified in theApplication Form, or

ii. in physical mode to any Designated Intermediary.

c. Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque,money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, maynot be accepted.

d. Applicants should note that application made using third party UPI ID or ASBA Bank account are liable tobe rejected.

e. Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.

f. Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member ofthe Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTAat the Designated CRTA Locations or CDP at the Designated CDP Locations.

g. Applicants making application through Designated Intermediaries other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

h. Applicants making application directly through the SCSBs should ensure that the Application Form issubmitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

i. Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient fundsequal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

j. If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to theApplication Amount mentioned in the Application Form and for application directly submitted to SCSB byinvestor, may enter each application details into the electronic bidding system as a separate application.

k. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.

l. Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreedto block the entire Application Amount and authorized the Designated Branch of the SCSB to block theApplication Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with theApplication Form, please refer to graphical illustrative process of the investor receiving and approving theUPI mandate request provided in clause (a).

m. The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to thePublic Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of theApplication, as the case may be.

n. SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; elsetheir applications are liable to be rejected.

7. **FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

a. Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue mayprovide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case maybe, along with instructions to unblock the relevant ASBA Accounts and for successful applications transferthe requisite money to the Public Issue Account designated for this purpose, within the specified timelines:(i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred fromthe relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which fundsreferred to in (ii) above may be transferred to the Public Issue

Account, (iv) the amount to be unblocked, ifany in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons forrejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the SponsorBank, as the case may be, to unblock the respective ASBA Accounts.

b. On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case maybe, may transfer the requisite amount against each successful Applicants to the Public Issue Account and mayunblock the excess amount, if any, in the ASBA Account.

c. In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, theRegistrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and,as the case may be, to unblock the Application Amount in the Relevant Account within four Working Daysof the Issue Closing Date.

Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI Mechanism

d. Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank andlink it to his/ her bank account where the funds equivalent to the application amount is available.
e. RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to theapplication amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banksis available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40
f. RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
g. The Designated Intermediary upon receipt of the Application Form will upload the application details alongwith UPI ID in the stock exchange bidding platform.
h. Once the application has been entered into the Stock Exchange bidding platform, the stock exchange willvalidate the PAN and Demat Account details of the RII with the Depository. The Depository will validate theaforesaid details on a real time basis and send a response to the stock exchange which will be shared by thestock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
i. Once the application details have been validated by the Depository, the stock exchange will, on a continuousbasis, electronically share the application details along with the UPI ID of the concerned RII with the SponsorBank appointed by the Issuer.
j. The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
k. The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on theRII which will be electronically received by the RII as an SMS / intimation on his / her mobile number /mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the applicationare correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPIMandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, anRII may be deemed to have verified the attachment containing the application details of the RII in the UPIMandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bankto block the application Amount mentioned in the Application Form and Subsequent debit in case ofallotment.
l. Upon successful validation of the block request by the RII, the said information would be electronicallyreceived by the RII's bank, where the funds, equivalent to the application amount would get blocked in theASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Accountof the RII would also be received by the RII. Information on the block status request would be shared withthe Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with theRegistrar in the form of a file for the purpose of reconciliation and display it on the stock exchange biddingplatform for the information of the Designated Intermediary.
m. RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For eachmodification of the application, the RII will submit a revised application and will receive a new UPI MandateRequest from the Sponsor Bank to be validated as per the process indicated above.
n. RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.

o. Post closure of the Issue, the stock exchange will share the application details with the Registrar along withthe final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with theASBA Account details with respect to applications made by RIIs using UPI ID.

Discount: NOT APPLICABLE

Additional Payment Instruction for NRIs

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

8. **FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

a. Only the First Applicant is required to sign the Application Form. Applicants should ensure that signaturesare in one of the languages specified in the Eighth Schedule to the Constitution of India.
b. In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box inthe Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blockingfunds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
c. Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder isliable to be rejected.

9. **FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

a. Applicant should ensure that they receive the acknowledgment duly signed and stamped by ApplicationCollecting Intermediary or SCSB, as applicable, for submission of the Application Form.
b. All communications in connection with Application made in the Issue should be addressed as under:
   i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equityshares, the Applicant should contact the Registrar to the Issue.
   ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicantshould contact the relevant Designated Branch of the SCSB.
   iii. Applicants may contact Company Secretary and Compliance Officer of our Company or Lead Manager in case of any other complaints in relation to the Issue
   iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicantshould contact the relevant Syndicate Member.
   v. In case of queries relating to uploading of Application by a Registered Broker, the Applicantshould contact the relevant Registered Broker
   vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
   vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
   viii. viii. In case of queries relating to uploading of Application through the UPI Mechanism, theApplicant should contact the Sponsor Bank;

c. The following details (as applicable) should be quoted while making any queries –

   i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
   ii. name and address of the Designated Intermediary, where the Application was submitted; or
   iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment ofApplication Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.
   iv. For further details, Applicants may refer to the Prospectus and the Application Form.

B. **INSTRUCTIONS FOR FILLING THE REVISION FORM**

a. During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Applicationamount upwards) who has registered his or her interest in the Equity Shares for a particular number of sharesis free to revise number of shares applied using revision forms available separately.
b. RII may revise / withdraw their Application till closure of the Issue period.

c. Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
d. The Applicant can make this revision any number of times during the Issue Period. However, for anyrevision(s) in the Application, the Applicants will have to use the services of the SCSB through which suchApplicant had made the original Application. It is clarified that RIIs whose original Application is made usingthe UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby eachtime the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies ofthe blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON APPLICATION REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Registered Office: Tel. No.: Fax No.: Email: Website: Contact Person: CIN:	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE
ISIN : XXXXXXX

Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/CDP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Address

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION PHYSICAL

4. FROM (as per last Application or Revision)

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share) (In Figures)	Price per Equity Share (₹) [•] (In Figures): Issue Price	Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1	ORIGINAL APPLICATION	ORIGINAL APPLICATION			
(OR) Option 2					
(OR) Option 3					

5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share) (In Figures)	Price per Equity Share (₹) [•] (In Figures): Issue Price	Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1	REVISED APPLICATION	REVISED APPLICATION			
(OR) Option 2					
(OR) Option 3					

6. PAYMENT DETAILS | **PAYMENT OPTION : Full Payment**

Additional Amount Blocked (₹ in Figures) (₹ in words) ____________________

ASBA Bank A/c No.

Bank Name & Branch

OR

UPI Id (Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST APPLICANT	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1)	
	2)	
Date: ...., 2019	3)	

-- TEAR HERE --

LOGO

XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA

Application Form No.

DPID / CLID | PAN

Additional Amount Blocked (₹ in figures)	ASBA Bank & Branch	**Stamp & Signature of SCSB Branch**
ASBA Bank A/c No./UPI Id		
Received from Mr./Ms.		
Telephone / Mobile	Email	

-- TEAR HERE --

XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Issue Price			
Additional Amount Blocked (₹)			

ASBA Bank A/c No. / UPI Id:

Bank & Branch:

Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

Application Form No.

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED 1

COMMON APPLICATION REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Registered Office: Tel. No.: Fax No.: Email: Website: Contact Person: CIN:	FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE
ISIN : XXXXXXX

Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/CDP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Address

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION PHYSICAL

4. FROM (as per last Application or Revision)

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Shares) (In Figures)	Price per Equity Share (₹) [•] (In Figures) Issue Price	Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1	ORIGINAL APPLICATION	ORIGINAL APPLICATION			
(OR) Option 2					
(OR) Option 3					

5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Shares) (In Figures)	Price per Equity Share (₹) [•] (In Figures) Issue Price	Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1	REVISED APPLICATION	REVISED APPLICATION			
(OR) Option 2					
(OR) Option 3					

6. PAYMENT DETAILS | **PAYMENT OPTION : Full Payment**

Additional Amount Blocked (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

OR
UPI Id
(Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST APPLICANT	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1)	
Date: ....., 2019	2)	
	3)	

- TEAR HERE -

LOGO

XYZ LIMITED
REVISION FORM - INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA

Application Form No.

DPID / CLID PAN

Additional Amount Blocked (₹ in figures)	ASBA Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No./UPI Id		
Received from Mr./Ms.		
Telephone / Mobile	Email	

- TEAR HERE -

XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Issue Price			
Additional Amount Blocked (₹)			

Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

ASBA Bank A/c No. / UPI Id:

Bank & Branch:

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

Application Form No.

10. **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OFSOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THEAPPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading "Instructions for Filling the Application Form".

11. **FIELDS 4 AND 5: APPLICATION OPTIONS REVISION 'FROM' AND 'TO'**

a. Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mentionthe details of shares applied for given in his or her Application Form or earlier Revision Form. For example,if Applicant has applied for [•] equity shares in the Application Form and such applicant is changing numberof shares applied for in the Revision Form, the applicant must fill the details of [•] equity shares, in theRevision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of theSCSBs may not accept incomplete or inaccurate Revision Form.
b. In case of revision, applicants' options should be provided by applicants in the same order as provided in theApplication Form.
c. In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, suchApplicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 200,000.In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason,the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Categoryor if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given onlyto the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply forand purchase the Equity Shares at the Issue Price.
d. In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, theApplication will be considered for allocation under the Non-Institutional Category in terms of the Prospectus.If, however, the RII does not either revise the Application or make additional payment and the Issue Price ishigher than the price disclosed in the Prospectus, the number of Equity Shares applied for shall be adjusteddownwards for the purpose of allocation, such that no additional payment would be required from the RIIand the RII is deemed to have approved such revised application at Cut-off Price.
e. In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revisetheir application or the excess amount paid at the time of application may be unblocked in case of applicants.

12. **PAYMENT DETAILS**

a. All Applicants are required to make payment of the full Application Amount along with the ApplicationRevision Form.
b. Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Accountof the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant hadplaced the original application to enable the relevant SCSB to block the additional Application Amount, ifany.
c. In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, theApplication may be considered for allocation under the Non-Institutional Category in terms of the Prospectus.If, however, the Applicant does not either revise the application or make additional payment and the Price ishigher than Issue price disclosed in the Prospectus prior to the revision, the number of Equity Shares appliedfor may be adjusted downwards for the purpose of Allotment, such that additional amount is required blockedand the applicant is deemed to have approved such revised application at the Cut-off Price.
d. In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at theCut-off Price, could either revise their application or the excess amount paid at the time of application maybe unblocked.

13. **FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading "Instructions for Filling the Application Form" for this purpose.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as 'Demographic Details') or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor our Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Other instructions

Joint Applications in case of individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

I. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, theseapplications are electronically matched for common first name and address and if matched, these arechecked manually for age, signature and father/ husband's name to determine if they are multipleapplications

II. Applications which do not qualify as multiple applications as per above procedure are further checkedfor common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manuallychecked to eliminate possibility of data entry error to determine if they are multiple applications.

III. Applications which do not qualify as multiple applications as per above procedure are further checkedfor common PAN. All such matched applications with common PAN are manually checked to eliminatepossibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. Our Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts,Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well asApplications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Centralor State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, theApplication Forms will be checked for common DP ID and Client ID.

Permanent Account Number Or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

Right to reject applications

In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, our Company has a right to reject Applications based on technical grounds.

Grounds for rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;

- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [•];
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;

- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of our Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchange;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar tothe Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue.The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

DESIGNATED DATE AND ALLOTMENT

a. Our Company will ensure that the Allotment and credit to the successful Applicants′depositary account willbe completed within four Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Dateor such other period as may be prescribed.
b. Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
c. Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of theCompanies Act, 2013 and the Depositories Act.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, our Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a. a tripartite agreement dated [●], 2022 with NSDL, our Company and Registrar to the Issue;
b. a tripartite agreement dated [●], 2022 with CDSL, our Company and Registrar to the Issue;
c. Our Company's Equity Shares bear an ISIN: [●]
   a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with theDepository Participants of either NSDL or CDSL prior to making the application.
   b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and DepositoryParticipant's Identification number) appearing in the Application Form or Revision Form.
   c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
   d) Names in the Application Form or Revision Form should be identical to those appearing in the account detailsin the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
   e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in theApplication Form or Revision Form, it is liable to be rejected.
   f) The Applicant is responsible for the correctness of his or her demographic details given in the ApplicationForm vis-à-vis those with their Depository Participant.
   g) It may be noted that Equity Shares in electronic form can be traded only on the Stock Exchange havingelectronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares areproposed to be listed has electronic connectivity with CDSL and NSDL.
   h) The trading of the Equity Shares of our Company would be only in dematerialized form.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Company Secretary and Compliance Officer of our Company or the Registrar to the Issue in case of any pre Issue or post
Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;

Mr. Kunal Ashok Borkar MCON Rasayan India Limited 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Near Ayyappa Temple, Goregaon (West), Mumbai 400 090, Maharashtra, India. **Telephone No.:** +91 8655988698 **E-mail:** compliance@mconrasayan.com	**To the Registrar to the Issue** **Link Intime India Private Limited** C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg Vikhroli (West), Mumbai 400 083 Maharashtra, India **Telephone:** +91 810 811 4949 **Email:** mconrasayan.ipo@linkintime.co.in **Investorgrievancee-mail:** mconrasayan.ipo@linkintime.co.in **Website:** www.linkintime.co.in **SEBI registration number:** INR000004058

Disposal of applications and application moneys and interest in case of delay

Our Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

Our Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

a. **'Any person who: 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 differentcombinations 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 tohim, or to any other person in a fictitious name, shall be liable for action under section 447 ofCompanies Act, 2013 and shall be treated as Fraud.**

Section 447 of the Companies Act, 2013, is reproduced as below:

Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.

Provided further that where the fraud involves an amount less than ten lakh rupees 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 twenty lakh rupees or with both.

Basis of Allotment

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionatebasis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basisin marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [•]equity shares the allotment will be made as follows:
   a. Each successful applicant shall be allotted [•]equity shares; and
   b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [•]equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [•] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;
   (a). minimum fifty per cent. to retail individual investors; and
   (b). remaining to:
      i) individual applicants other than retail individual investors; and
      ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

   Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

Explanation: If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled "BASIS OF ALLOTMENT".

"Retail Individual Investor" means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of NSE.

Basis of Allotment in the event of under-subscription

In the event of under subscription in the Issue, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Emerge Platform of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

Names of entities responsible for finalising the basis of allotment in afair and proper manner

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, 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 through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants 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 Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

Undertakings by our Company

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously andsatisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement oftrading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working daysof closure of the Issue;
3. that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosedshall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refundto non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the EquityShares from the Stock Exchange where listing is sought has been received.
7. Adequate arrangements shall be made to collect all Application forms.

Utilization Of Issue Proceeds

The Board of Directors certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than thebank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part ofthe issue proceeds remains unutilized under an appropriate separate head in our Company's balance sheetindicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in thebalance sheet indicating the form in which such unutilized monies have been invested;
4. Our Company shall comply with the requirements of section SEBI (Listing Obligations and DisclosureRequirements) Regulations, 2015 and pursuant to section 177 of the Companyies Act, 2013 in relation to thedisclosure and monitoring of the utilization of the proceeds of the Issue respectively;

Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and tradingof the Equity Shares from the Stock Exchange where listing is sought has been receive

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy of the Government of India and FEMA and the circulars and notifications issued thereunder. While the FDI Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Government has from time to time made policy pronouncements on foreign direct investment ("FDI") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT"), formerly known as Department of Industrial Policy and Promotion issued the Consolidated FDI Policy Circular of 2020 ("FDI Policy") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted in the "Manufacturing" sector. For details, see "*Key Regulations and Policies*" on page 135.

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.

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 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 FEMA 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. 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 in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government, OCBs could not participate in this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
***MCON RASAYAN INDIA LIMITED**
TABLE 'F' EXCLUDED

(a) No regulations contained in Table F, in the First Schedule to the Companies Act, 2013, or in the Schedule to any previous Companies Act, shall apply to this company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

(b) The regulations for the management of the Company and for the observance of the Members thereof and their representatives, shall, subject to the exercise of any statutory powers of the Company with reference to the repeal or alteration of, or deletion of or addition to, its regulations by Resolution, as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

INTERPRETATION:

(1) In these regulations—

(a) "the Act" means the Companies Act, 2013," or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as maybe applicable.

(b) "Articles" means these Articles of Association of the Company or as altered from time to time.

(c) "Board of Directors" or "Board", means the collective body of the directors of the Company and shall include a Committee thereof.

(d) "Associate Company", in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation.—For the purposes of this clause, "significant influence" means control of atleast twenty per cent of total share capital, or of business decisions under an agreement

(e) "Company" means the MCON RASAYAN INDIA LIMITED.

(f) "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

(g) "Depositories Act" means the Depositories Act, 1996, or any statutory modification or re-enactment thereof, for the time being in force.

(h) "Depository" means a depository as defined under Section 2(1)(e) of the Depositories Act.

(i) "Director" means a member of the Board appointed in accordance with these Articles, including any additional and/or alternate director.

(j) "Dividend" includes Bonus.

(k) "Debenture" 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) "Document" includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.

(m)"General Meeting" means a general meeting of the Shareholders of the Company, whether an annual general meeting or an extraordinary general meeting.

(n) "Independent Director" shall have the meaning ascribed to it in the Act.

(o) "Key Managerial Personnel" means the Chief Executive Officer or the Managing Director or the Manager; the Company Secretary; Whole-time Director; Chief Financial Officer; and such other officer as may be notified from time to time in the Rules.

(p) "Managing Directors" means the Managing Director for the time being of the Company.

(q) "Month" means a calendar month.

(r) "Ordinary & Special Resolution" shall have the meanings assigned to these terms by Section 114 of the Act.

(s) "Promoter" means a person—

(a) who has been named as such in a prospectus or is identified by the company in the annual return referred to in Section 92; or

(b) who has control over the affairs of the Company, directly or indirectly whether as a shareholder, director or otherwise; or

(c) in accordance with whose advice, directions or instructions the Board of Directors of the Company is accustomed to act:

Provided that nothing in sub-clause (c) shall apply to a person who is acting merely in a professional capacity;

(t) "Proxy" includes Attorney duly constituted under a Power of Attorney.

(u) ""Register" means the Register of Members to be kept pursuant to Section 88 of the Act or any other law as may be applicable.

(v) "Rules" means the applicable rules for the time being in force as prescribed under relevant Sections of the Act.

(w)"Seal" means the common seal of the company.

(x) "Company Secretary" is a Key Managerial Person appointed by the Directors to perform any of the duties of a Company Secretary.

(y) "The Office" means the Registered Office for the time being of the Company.

(z) "The Registrar" means the Registrar of Companies, Maharashtra.

(aa) "In Writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.

(a) The words importing the singular number shall include the plural number and vice versa.

(b) The words importing "Personal" shall include Corporation.

(c) Public Company:

i. The Company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013 and means a company which is not a private company and has a minimum paid up share capital as may be prescribed. Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

ii. 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.

SHARE CAPITAL AND VARIATION OF RIGHTS:

1. The Authorized Share Capital of the Company shall be such amount and be divided into such shares, as may from time to time provided under Clause No. V of the Memorandum of Association of the Company with the power of increase or reduce the share capital and to divide the share in the capital for the time being into several classes, and to attach thereto respectively and preferential, qualified or special rights, privileges and conditions as may be determined by or in accordance with the provisions of Companies Act, 2013 for the time being in force and the regulations of the Companies and to very, modify or abrogate such rights.

2. (i) Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

(ii) The Board may issue and allot shares in the Capital of the Company for consideration other than cash.

3.

(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(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 person opts to hold any shares with the depository, the Company shall intimate such depository the details of allotment of the shares to enable the depository to enter in its records the name of such person as the beneficial owner of that shares.

4.

(i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (4) and (5) shall mutatis mutandis apply to debentures of the company.

5. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in to recognize (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.

6.

(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.

7.

(i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

8.

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.

VARIATION OF MEMBERS' RIGHTS:

10.

(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 or issue of the shares of that class) may, subject to the provisions of the Act, 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 general meeting of the holders of the shares of that class and all the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.

(ii) 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.

ISSUE AND REDEMPTION OF PREFERENCE SHARES:

11. Subject to the provisions of the Act and Rules made in this behalf, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

FURTHER ISSUE OF CAPITAL:

12. (1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –

(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person; or

(b) employees under any scheme of employees' stock option; or

(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

(2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

ISSUE OF SECURITIES AT A PREMIUM:

13. The Company shall have power to issue Securities at a premium and shall duly comply with the provision of Sections 52 of the said Act.

LIEN:

14.

(i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

15. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

16.

(i) To give effect to any such sale, the Board may authorize 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.

17.

(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.

POWER TO BORROW:

18.

The Board may, from time to time, and at its discretion, subject to the provisions of the Act and these Articles, accept deposits from Shareholders either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in ordinary course of business) and remaining outstanding and undischarged at that time exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company in a General Meeting by an ordinary resolution. The Board may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions as it thinks fit, and in particular by receiving deposits, issue of bonds, debentures perpetual, redeemable, debenture stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the Shareholders in respect of the amount unpaid for the time being on the Shares held by them, without the previous sanction of the Company in a General Meeting.

CALLS ON SHARES:

19.

(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

20. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

22.

(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

23.

(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

24. The Board: —

(i) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES:

25.

(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.

26. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(b) any transfer of shares on which the company has a lien.

27. The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
(c) the instrument of transfer is in respect of only one class of shares.

28. On giving not less than seven days' previous notice in accordance with provisions of the Act and rules made there under, 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.

TRANSMISSION OF SHARES:

29.

(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.

30.

(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.

31.

(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

32. 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 been titled 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.

FORFEITURE OF SHARES:

33. 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.

34. The notice aforesaid shall:—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

35.

(i) 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.

(ii) When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

(iii) The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

(iv) A forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereof or entitled thereto, or to any other person,
upon such terms and in such manner as the Board thinks fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as it thinks fit.

36.

(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board think 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.

37.

(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

38.

(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 he entitle to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

39. The provisions of these regulations as to forfeiture shall apply in the case of non-payment 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.

ALTERATION OF CAPITAL:

40. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

41. **s**ubject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

42. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

43. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) Any share premium account.

CAPITALIZATIONS OF PROFITS:

44.

(i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalize 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.

45.

(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:—

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) Generally do all acts and things required to give effect thereto.

(ii) The Board shall have power:—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES:

46. 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.

GENERAL MEETINGS:

47. All general meetings other than annual general meeting shall be called extraordinary general meeting.

48.

(i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS:

49.

(i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

50. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

51. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

52. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING:

53.

(i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS:

54. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

55. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

56.

(i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

57. 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.

58. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

59. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

60.

(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.

PROXY:

61. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed forth taking of the poll; and in default the instrument of proxy shall not be treated as valid.

62. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

63. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS:

64.

(i) The Company shall have minimum of three Directors and maximum of fifteen Directors on its Board of Directors.

(ii) The limit of fifteen Directors can be increased by complying with the provisions of section 149 of the Act.

(iii) Subject to the provisions of Section 149 of the Act, the Company may from time to time by Special Resolution increase or reduce the number of Directors within the limits fixed by these

Articles, and may also determine in what rotation the increased or reduced number is to vacate the office. A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar within thirty days of his appointment in such manner as prescribed in the relevant Rules. The Directors shall appoint one women director as per the requirements of section 149 of the Act

(iv) The following are the first Directors of the Company:

1. **Mr. MAHESH RAVJI BHANUSHALI**
2. **Mrs. PUJA MAHESH BHANUSHALI**

65.

(i) The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.

(ii) Not less than two-thirds of the total number of Directors of the Company shall:

(a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and

(b) save as otherwise expressly provided in the said Act; be appointed by the Company in General Meeting.

Explanation:- for the purposes of this Article "total number of Directors" shall not include Independent Directors appointed on the Board of the Company. The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

(iii) The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

(iv) Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.

(v) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become 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. A retiring Director shall be eligible for re- election.

(vi) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

(vii) If the place 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 till 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.

(viii) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :- (a) at the meeting or at the previous meeting a resolution for the reappointment 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 his appointment or reappointment by virtue of any provisions of the said Act; or

(ix) The Whole-time Directors shall not be liable to retire by rotation.

POWERS OF BOARD:

66. The management and business of the Company shall be vested in the Board of Directors, who may exercise all such powers of the Company as are not by the Act or any statutory modification thereof for the time being in force, or by these presents, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these presents, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

67. Subject to the provisions of Section 179 of the Act and other provisions of the Act and rules there under, the Board may delegate from time to time and at any time to committee formed out of the Directors any of its powers, authorities, and discretion for the time being vested in the Board and any such delegations may be made on such terms and subject to such conditions as the Board may think fit.

68. The Board may appoint, at any time and from time to time by a power of attorney under the Company's seal any person to be the attorney of the company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the board under these Articles and for such period and subject to such conditions as the Board may from time to time thinks fit, and any such appointment may, if the Board thinks fit, be made in favor of the members or any of the members of any firm or company, or the members, directors, nominees or manufacturers of any firm or company or otherwise in favor of anybody or persons, whether nominated directly or indirectly by the Board, and any such power of attorney may contain such provision for the protection or convenience of persons dealing with such attorney as the Board may think fit.

69. The Board may authorize any such delegate, or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in it.

70. Subject to the provisions of Section 179, the Board may delegate all or any of their powers to any Directors jointly or severally or to any one Director at their discretion.

PROCEEDINGS OF THE BOARD:

71.

(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) save as otherwise expressly provided in the Act; questions arising at any meeting of the Board shall be decided by a majority of votes.

(iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have second or casting vote.

72. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

73.

(i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be Chairperson of the meeting.

74.

(i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

75.

(i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

76.

(i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

77. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be director.

78. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of

the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER:

79. 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.

80. A provision of the Act or these regulations requiring or authorizing 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.

REGISTERS:

81. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

82.

(a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.

(b) The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

THE SEAL:

83.

(i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE:

84. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

85. 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.

86.

(i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

87.

(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

(iv) 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.

88. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

89.

(i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

90. 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.

91. 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.

92. No dividend shall bear interest against the company.

ACCOUNTS:

93.

(i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

WINDING UP:

94. Subject to the provisions of Chapter XX of the Act and rules made there under—

(i) If the company shall be wound up, the liquidator may, with the sanction of especial 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:

95. Every officer of the company shall be indemnified out of the assets of the company

96. against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECRECY CLAUSE:

97. No member shall be entitled to inspect the Company works without the permission of the Director, or Managing Director, or to require discovery of or any information respecting any details of the Company's manufacturing process, technology, marketing strategiesm trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the Company to communicate to the public.

98. Every Director, Managing Director, Manager, Company Secretary, Auditor, Trustee, Members of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company, shall if so required by the Directors before entering upon his duties, or at any time during his term of office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts 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 so to do by the Directors or any meeting or by a Court of Law or by the person to whom such matters relate and expect so far as may be necessary in order to comply with any of the provisions of these Articles or law.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Issue

(a) Issue Agreement dated December 21, 2022 entered between our Company and the Lead Manager.

(b) Registrar Agreement dated December 19, 2022 enterned into amongst our Company and the Registrar to the Issue.

(c) Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.

(d) Tripartite Agreement dated December 16, 2022 between our Company, NSDL and the Registrar to the Issue. Tripartite Agreement dated December 15, 2022 between our Company, CDSL and the Registrar to the Issue.

(e) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.

(f) Underwriting Agreement dated [●] between our Company and the Underwriters.

B. Material Documents

(a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended from time to time;

(b) Certificate of incorporation dated September 22, 2016 , issued by the RoC;

(c) Fresh certificate of incorporation dated October 17, 2022, issued by the RoC at the time of name of the Company from 'MCON Rasayan Private Limited' to 'MCON Rasayan India Private Limited'

(d) Fresh certificate of incorporation dated December 12, 2022 issued by RoC at the time of conversion from a private company into a public company;

(e) Resolutions of our Board of Directors dated December 19, 2022, in relation to the Issue and other related matters;

(f) Shareholders' resolution dated December 19, 2022, in relation to this Issue and other related matters;

(g) Resolution of the Board of Directors of the Company dated December 26, 2022 taking on record and approving this Draft Propectus.

(h) The examination report dated December 13, 2022, of our Statutory Auditors on our Restated Financial Statements, included in this Prospectus;

(i) Copies of the annual reports of the Company for the Fiscals 2022, 2021, 2020;

(j) Statement of Tax Benefits dated December 23, 2022 from the Statutory Auditor included in this Draft

Prospectus;

(k) Consent of the Promoter, Directors, theLead Manager, the Syndicate Members, the Legal Counsel to our Issue, the Registrar to the Issue, the Company Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;

(l) Consent of the Statutory Auditors, December 23, 2022, Chartered Accountants, to include their name in this Draft Prospectus and as an "*Expert*" defined under Section 2(38) of the Companies Act, 2013, read with Section 26 of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements dated December 13, 2022 and the statement of special tax benefits dated December 23, 2022 included in this Draft Prospectus;

(m) Due diligence certificate dated [●] issued by Lead Manager LM;

(n) In principle listing approval dated [●] issued by NSE,;

Any of the contracts or documents mentioned in this Draft 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 contained in the Companies Act and other relevant statutes.

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

_____

Mahesh Ravji Bhanushali
Chairman and Managing Director

Place: Mumbai
Date: December 26, 2022

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

_____

Puja Mahesh Bhanushali
Non- Executive Director

Place: Mumbai
Date: December 26, 2022

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

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Chetan Ravji Bhanushali
Whole Time Director

Place: Mumbai
Date: December 26, 2022

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

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Nandan Dilip Pradhan
Whole Time Director

Place: Mumbai
Date: December 26, 2022

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

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Tapas Bimal Majumdar
Independent Director

Place: Mumbai
Date: December 26, 2022

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

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Dilip Mangilal Jain
Independent Director

Place: Mumbai
Date: December 26, 2022

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

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Dhara Haresh Thakkar
Independent Director

Place: Mumbai
Date: December 26, 2022

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

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Sonal Alok Doshi
Independent Director

Place: Mumbai
Date: December 26, 2022

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 regulations or guidelines issued by 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

SD/-

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Veenita Harshad Thakkar
Chief Financial Officer

Place: Mumbai
Date: December 26, 2022