

This is an abridged prospectus containing salient features of the Red Herring Prospectus dated September 18, 2024 (the “RHP”). You are encouraged to read greater details available in the RHP (Download link: <https://unilexcolours.in/ipo/>). Unless otherwise specified all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

THIS ABRIDGED PROSPECTUS CONSISTS OF EIGHT PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



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UNILEX COLOURS AND CHEMICALS LIMITED
CIN: U74999MH2001PLC131352; Date of Incorporation: March 23, 2001

| Registered Office | Contact Person | Email and Telephone | Website |
|---|--|---|--|
| 106-107, Advent Atria, Chincholi Bunder Road, Malad (W) Mumbai-400064 Maharashtra | Gourav Mundra, Company Secretary & Compliance Officer | E-mail: cs@unilexcolours.in Tel No: +91-22-28886235 | Website: https://unilexcolours.in/ |

| | |
|---------------------------------|---|
| Promoters of the Company | PURUSHOTTAM BRIJLAL SHARMA, NARENDRA PARAMESWARAPPA KOTEHALL, ADITYA SHARMA, MANOJKUMAR SHYAMSUNDER SHARMA, ROHIT KRISHNAKUMAR SHARMA AND KABIR RADHEYSHYAM SHARMA |
|---------------------------------|---|

Details of Offer to Public

| Type of Issue (Fresh/OFS/ Fresh & OFS) | Fresh Issue Size (by no. of shares or by amount in ₹) | OFS Size (by no. of shares or by amount in ₹) | Total Issue Size (by no. of shares or by amount in ₹) | Issue Under 6(1)/ 6(2) | Share Reservation | | | |
|--|---|---|---|---|---------------------------------------|---------------------------------|----------------------------------|-----------------------------|
| | | | | | QIB | NII | RII | Market Maker |
| Fresh Issue | Upto 36,00,000 Equity Shares | Nil | Upto 36,00,000 Equity Shares | This issue is being made in terms of regulation 229 (2) and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. | Not more than 17,02,400 equity shares | At least 5,12,000 equity shares | At least 11,93,600 Equity Shares | Upto 1,92,000 Equity shares |

These equity shares are proposed to be listed on NSE Emerge (i.e. SME platform of NSE).

OFS: Offer for Sale

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders

| Name | Type | No of Shares offered/ Amount in ₹ | WACA in ₹ per Equity | Name | Type | No of Shares offered/ Amount in ₹ | WACA in ₹ per Equity |
|---|------|-----------------------------------|----------------------|------|------|-----------------------------------|----------------------|
| NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES | | | | | | | |

Price Band, Minimum Bid Lot & Indicative Timelines

| | |
|--|--|
| Price Band* | For details of price band, minimum bid lot size, please refer to price band advertisement to be published in all editions of English National Newspaper “Business Standard”, all editions of Hindi National Newspaper “Business Standard” and Marathi edition of “Pratahkal” |
| Minimum Bid Lot Size | |
| Bid/Offer Open On** | Wednesday, September 25, 2024 |
| Bid/ Offer Closes On | Friday, September 27, 2024 |
| Finalization of Basis of Allotment (T+1) | On or about Monday, September 30, 2024 |
| Initiation of Refunds (T+2) | On or about Tuesday, October 01, 2024 |
| Credit of Equity Shares to Demat accounts of Allottees (T+2) | On or about Tuesday, October 01, 2024 |
| Commencement of trading of Equity Shares (T+3) | On or about Thursday, October 03, 2024 |

*For details of price band and basis of issue price, please refer to price band advertisement and page 77 of the RHP.

**Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working 0Day prior to the Bid/Issue Opening Date i.e., Tuesday, September 24, 2024

The Weighted average cost of acquisition of all Equity Shares transacted in the last one year, last eighteen months and three years from the date of RHP is as given below:

| Period | Weighted Average Cost of Acquisition (in ₹) | Upper end of the Price Band (₹ [●]) is 'X' times the weighted Average cost of Acquisition | Range of acquisition price: Lowest Price – Highest Price (in ₹) |
|-----------------------------|---|---|---|
| Last 1 year/ Last 18 months | Nil | [●] | [●] |
| Last 3 years | 2.89 | [●] | [●] |

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933 (the “U.S. Securities Act”) or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made. There will be no public offering of the Equity Shares in the United States.

RISKS IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is Rs. 10/- per equity share. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Issue Price*” beginning on page 77 of the RHP should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this 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 this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares 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 the RHP. Specified attention of the investors is invited to the section titled “*Risk Factors*” beginning on page 23 of the Red Herring Prospectus and on page 08 of this Abridged Prospectus.

PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stock brokers, underwriters, bankers to the issue, investors’ associations or Self Certified Syndicate Banks.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLMs or download it from the website of the Stock Exchange i.e. https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#sme_offer and the BRLM at www.hemsecurities.com

PRICE INFORMATION OF BRLM’s (SME IPO)

| Sr. No. | Issue name | Name of Merchant Banker | +/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing |
|---------|--|-------------------------|---|---|--|
| 1 | Aprameya Engineering Limited | Hem Securities Limited | 17.24% [1.31%] | N.A. | N.A. |
| 2 | Sunlite Recycling Industries Limited | | N.A. | N.A. | N.A. |
| 3 | Aeron Composite Limited | | N.A. | N.A. | N.A. |
| 4 | Namo eWaste Management Limited | | N.A. | N.A. | N.A. |
| 5 | My Mudra Fincorp Limited | | N.A. | N.A. | N.A. |
| 6 | Vision Infra Equipment Solutions Limited | | N.A. | N.A. | N.A. |
| 7 | Shubhshree Biofuels Energy Limited | | N.A. | N.A. | N.A. |

Source: Price Information www.bseindia.com & www.nseindia.com, Issue Information from respective Prospectus.

For further details, please refer to price information of past issues handled by BRLM starting on page 198 of the RHP.

| | |
|--|--|
| Name of BRLM and contact details (telephone and email id) of each BRLM | HEM SECURITIES LIMITED Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel. No.: +91- 22- 49060000 Email: ib@hemsecurities.com Contact Person: Neelkanth Agarwal/ Deeksha Kaku |
| Name of Syndicate Members | Hem Finlease Private Limited |

| | |
|--|---|
| Name of Market Maker | Hem Finlease Private Limited |
| Name of Registrar to the Issue and contact details (telephone and email id) | LINK INTIME INDIA PRIVATE LIMITED Address: C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083 Maharashtra, India Tel No: +91-8108114949 Email: unilex.smeipo@linkintime.co.in ; Website: www.linkintime.co.in Investor Grievance ID: unilex.smeipo@linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Regn. No: INR000004058 |
| Name of Statutory Auditor | M/s. Mittal & Associates, Chartered Accountants, FRN: 106456W |
| Name of Credit Rating Agency and the rating or grading obtained, if any | Not Applicable |
| Name of Debenture trustee, if any. | Not Applicable |
| Self-Certified Syndicate Banks | The list of banks is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 ; |
| Non-Syndicate Registered Brokers | You can submit Bid cum Application Forms in the Issue to Non-Syndicate Registered Brokers at the Non-Syndicate Broker Centres. For further details, see section titled “Issue Procedure” beginning at page 209 of the RHP |
| Details regarding website address(es)/link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable) | https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes |

PROMOTERS OF THE ISSUER COMPANY

| Sr. No. | Name | Individual/ Corporate | Experience & Educational Qualification |
|---------|-----------------------------------|-----------------------|--|
| 1 | Purushottam Brijlal Sharma | Individual | Aged 75 years is one of the Promoters and Chairman & Whole-time Director of the Company. He has been on the Board of Directors since the company's incorporation. He has been a qualified Chartered Accountant since 1975 and has over 37 years of experience in the chemical industry (dyes and pigments). He oversees the overall business operations of the company, including the Business Development and Finance departments. Under his guidance, the company has witnessed continuous growth and he has been instrumental in the business's success |
| 2 | Aditya Sharma | Individual | Aged 50 years is one of the Promoters and Managing Director of the Company. He has been associated with the company since incorporation. He has completed his Master of Science in Organic Chemistry from University of Mumbai, in 1996. With nearly 32 years of overall experience in the chemical industry (dyes and pigments), he primarily oversees the implementation and execution of the company's strategy. |
| 3 | Narendra Parameswarappa Kotehall, | Individual | Aged 62 years is one of the Promoters and Whole-time Director of the Company. He has been associated with the company since incorporation. He has completed his B.E. Degree Examination in Chemical Engineering from Siddaganga Institute of Technology, Tumkur in 1987. He has an overall experience of 31 years in the chemical industry (dyes and pigments) and is looking towards the technical and manufacturing operations of the company. Under his guidance, the company has witnessed continuous growth. |
| 4 | Manojkumar Shyamsunder Sharma | Individual | Aged 54 years is one of the Promoters and Executive Director of the Company. He has been associated with the company since 2022. He has completed his Bachelor of Commerce from University of Bombay in 1991. With 32 years of overall experience in the chemical industry (dyes and pigments), he focuses on cost management and finance for the company. |
| 5 | Kabir Radheyshyam Sharma | Individual | Aged 33 years is one of the Promoters and Executive Director of the Company. He has been associated with the company since 2022. He has completed his Master of Science in Internation Business from University of Birmingham in 2014. With 9 years of overall experience in the chemical industry (dyes and pigments), he focuses on international marketing and strategy formulation for the company. |
| 6 | Rohit Krishnakumar Sharma | Individual | Aged 33 years is one of the Promoters and Executive Director of the Company. He has been associated with the company since 2022. He has completed his Master of Science in Internation Business and Management from University of Manchester in 2014. With 9 years of overall experience in the chemical industry (dyes and pigments), he focuses on overall business, marketing and plant management of the company. |

BUSINESS OVERVIEW AND STRATEGY

Company Overview: Company is engaged in the manufacturing of Pigment, and the trading of chemicals and food colours. Our products find diverse applications across various industries such as plastic, rubber, textiles, paper, printing inks, paints and coating. Within Pigments, we specialize in Pigment Blue 15:3 and 15:4, with an annual production capacity of 1878 MTPA. Our products are marketed under the registered brand name “Unilex.” We cater to both domestic and international markets, providing a wide range of pigment solutions for various industries.

Product/Services offerings: Within Pigments, we specialize in Pigment Blue 15:3 and 15:4, with an annual production capacity of 1878 mtpa. We trade various pigments and food colours such as Pigment Green 7, Middle Chrome, Lemon Chrome, Pigment Violet 3, 23, and 27, Ultramarine Blue, and other Azo pigments like Red 57:1, 53:1, Orange 5, 13, and Yellow 12, 13, 14 as well as food colours such as Tartrazine, Sunset Yellow, Allura Red, Ponceau 4R, Carmoisine, and Brilliant Blue etc., which are sourced from third-party manufacturers to meet our clients’ specific needs and standards.

Revenue segmentation by product/service offering:

(₹ in lakhs except percentage)

| Particulars | FY 2023-24 | % to Total Sales | FY 2022-23 | % to Total Sales | FY 2021-22 | % to Total Sales |
|-------------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| Pigment Blue 15:3 | 3,717.83 | 25.85% | 4,378.93 | 31.41% | 5,704.47 | 39.27% |
| Pigment Green 7 | 2,735.43 | 19.02% | 3,063.31 | 21.98% | 3,158.00 | 21.74% |
| Pigment Blue 15:4 | 1,790.12 | 12.44% | 1,892.14 | 13.57% | 1,175.55 | 8.09% |
| Pigment Blue 15:0 | 590.98 | 4.11% | 573.73 | 4.12% | 979.37 | 6.74% |
| Pigment Blue 15:1 | 536.37 | 3.73% | 589.70 | 4.23% | 595.18 | 4.10% |
| Total | 9,370.73 | 65.15% | 10,497.81 | 75.31% | 11,612.57 | 79.94% |

Geographies Served: During the Fiscal 2024, Fiscal 2023 and Fiscal 2022, we derived, 79.44%, 88.39% and 88.39% of our revenue from operations from foreign countries and 20.56%, 11.61% and 11.61% of our revenue from operations from India.

Revenue segmentation by geographies:

| Revenue from Operations | FY 2023-24 | % of revenue from operations | FY 2022-23 | % of revenue from operations | FY 2021-22 | % of revenue from operations |
|-------------------------|------------------|------------------------------|------------------|------------------------------|------------------|------------------------------|
| India | 2,957.64 | 20.56% | 1,618.87 | 11.61% | 1,686.21 | 11.61% |
| Vietnam | 2,430.21 | 16.89% | 1,543.44 | 11.07% | 1,531.02 | 10.54% |
| U.A.E. | 1,215.15 | 8.45% | 313.77 | 2.25% | 164.99 | 1.14% |
| Nigeria | 994.73 | 6.92% | 1,057.23 | 7.58% | 1,067.69 | 7.35% |
| Poland | 945.93 | 6.58% | 726.21 | 5.21% | 281.08 | 1.93% |
| Brazil | 610.62 | 4.24% | 1,085.36 | 7.79% | 281.82 | 1.94% |
| USA | 522.39 | 3.63% | 133.75 | 0.96% | 243.17 | 1.67% |
| Netherlands | 483.85 | 3.36% | 835.33 | 5.99% | 502.03 | 3.46% |
| Russia | 431.00 | 3.00% | 982.91 | 7.05% | 390.29 | 2.69% |
| Spain | 393.15 | 2.73% | 455.98 | 3.27% | 583.32 | 4.02% |
| Others* | 3,400.34 | 23.64% | 5,186.18 | 37.22% | 7,795.84 | 53.65% |
| Total | 14,385.01 | 100.00% | 13,939.03 | 100.00% | 14,527.46 | 100.00% |

* Others countries having more than 1 % of revenue from operations consists of countries such as Philippines, Malaysia, Thailand, Mexico, Turkey, Ivory Coast, Ethiopia, China and Uzbekistan

Key Performance Indicators:

(₹ In Lakhs except percentages and ratios)

| Key Financial Performance | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|--|------------|------------|------------|
| Revenue from operations ⁽¹⁾ | 14,385.01 | 13,939.03 | 14,527.46 |
| EBITDA ⁽²⁾ | 430.57 | 274.01 | 100.34 |
| EBITDA Margin ⁽³⁾ | 2.99% | 1.97% | 0.69% |
| PAT ⁽⁴⁾ | 616.67 | 497.07 | 471.17 |
| PAT Margin ⁽⁵⁾ | 4.29% | 3.57% | 3.24% |
| RoE(%) ⁽⁶⁾ | 17.90% | 16.54% | 17.98% |


Notes:

- ⁽¹⁾ Revenue from operation means revenue from sales, service and other operating revenues
- ⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- ⁽³⁾ ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations
- ⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses
- ⁽⁵⁾ ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.
- ⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

Industries Served: Our company enjoys a wide product range with diverse applications across various industries such as paints & coatings, plastic, printing inks and textiles.

Revenue segmentation in terms of top 10 clients: Our top 10 customers contributed approximately 34.08%, 31.59% and 36.66% of our revenue from operations for year ended on 31st March 2024, 31st March 2023 and 31st March 2022 respectively

Intellectual Property, if any:

| Sr No. | Name Applied | Trademark Type | Application Date | Application No./ Certificate No. | Class | Present Status |
|--------|---|----------------|------------------|----------------------------------|-------|----------------|
| 1 |  | Device | March 11, 2020 | 4469283; 2619173 | 2 | Registered |

Market Share: Not ascertainable

Manufacturing plant, if any:

| Sr. No. | Usage | Address |
|---------|--------------------|---|
| 1. | Manufacturing unit | E-10/2, M.I.D.C. Tarapur, Boisar, Dist. Palghar-401506, Maharashtra |

Employee Strength: In addition to the 25 contract labours engaged by us at our manufacturing unit, as on March 31, 2024, we have 54 staff on payroll basis.

BOARD OF DIRECTORS

| Sr. No. | Name | Designation (Independent / Whole time / Executive / Nominee) | Experience & Educational Qualification | Other Directorships |
|---------|----------------------------------|--|--|--|
| 1 | Purushottam Brijlal Sharma | Chairman & Whole-time director | Experience: More than 37 Years Qualification: Chartered Accountant | Indian Companies: 1. Unisynth Overseas Limited Foreign Companies: Nil |
| 2 | Aditya Sharma | Managing Director | Experience: 32 Years Qualification: Master of Science (Organic Chemistry) | Indian Companies: 1. Greenviro Environmental Systems Private Limited 2. Vardhaman Dye-Stuff Industries Private Limited 3. Unisynth Overseas Limited Foreign Companies: 1. Goldstar Global Trading FZLLC |
| 3 | Narendra Parameswarappa Kotehall | Whole-time Director | Experience: 31 years Qualification: B.E. (Chemical) | Indian Companies: Nil Foreign Companies: Nil |
| 4 | Manojkumar Shyamsunder Sharma | Executive Director | Experience: 32 years Qualification: Bachelor of Commerce | Indian Companies: 1. Unisynth Overseas Limited 2. Vardhaman Dye-Stuff Industries Private Limited 3. Greenviro Environmental Systems Private Limited Foreign Companies: 1. Taizhou Xiaqi Import and Export Co., Ltd. |
| 5 | Kabir Radheyshyam Sharma | Executive Director | Experience: 9 years Qualification: Master of Science (International Business) | Indian Companies: 1. Unisynth Overseas Limited 2. Vardhaman Dye-Stuff Industries Private Limited 3. Greenviro Environmental Systems Private Limited Foreign Companies: Nil |

| Sr. No. | Name | Designation (Independent / Whole time / Executive / Nominee) | Experience & Educational Qualification | Other Directorships |
|---------|---------------------------|--|--|--|
| 6 | Rohit Krishnakumar Sharma | Executive Director | Experience: 9 years Qualification: Master of Science (International Business and Management) | Indian Companies: 1. Unisynth Overseas Limited 2. Vardhaman Dye-Stuff Industries Private Limited 3. Greenviro Environmental Systems Private Limited Foreign Companies: 1. Goldstar Global Trading FZLLC |
| 7 | Ketan Damji Saiya | Independent Director | Experience: 29 years Qualification: Chartered Accountant, DISA Qualified | Indian Companies: 1. KDS Capital Private Limited Foreign Companies: Nil |
| 8 | Amit Kumar Mundra | Independent Director | Experience: 22 years Qualification: Chartered Accountant, DISA Qualified, Forensic Accounting & Fraud Detection Qualified | Indian Companies: 1. Rathi Mundra Rubber Manufacturing Private Limited 2. S S R Wealth Solutions Private Limited Foreign Companies: Nil |
| 9 | Daya Amit Bansal | Independent Director | Experience: 13 years Qualification: Chartered Accountant, Concurrent Auditor and Social Auditors | Indian Companies: Nil Foreign Companies: Nil |

For further details in relation to our Board of Directors, see "Our Management" beginning on page 121 of the Red Herring Prospectus.

OBJECTS OF THE ISSUE

Details of means of finance – The fund requirements for each of the objects of the Issue are stated as follows:

| Sr. No | Objects of the Issue | Total estimate cost | Amount deployed till date | Amount to be financed from Net Proceeds | Estimated Net proceeds Utilization |
|--------|--|---------------------|---------------------------|---|------------------------------------|
| | | | | | FY 2024-25 |
| 1. | To Meet Working Capital Requirements | 1,500.00 | - | 1,500 | 1,500 |
| 2. | Repayment of a portion of certain borrowing availed by our Company | 1,000.00 | - | 1,000 | 1,000 |
| 3. | General Corporate Purpose | [●] | - | [●] | [●] |
| | Total | [●] | [●] | [●] | [●] |

⁽¹⁾ To be finalised upon determination 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 refer to the chapter titled "Object of the Issue" beginning on page 76 of this Red Herring Prospectus.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years: Nil

Name of monitoring agency, if any – Not Applicable

Terms of Issuance of Convertible Security, if any - Not Applicable

Shareholding Pattern:

| Sr. No. | Particulars | Pre-Issue number of shares | % Holding of Pre issue |
|---------|------------------------------|----------------------------|------------------------|
| 1. | Promoters and Promoter Group | 1,00,17,000 | 100.00 |
| 2. | Public | 0 | 0.00 |
| | Total | 1,00,17,000 | 100.00% |

Number/amount of equity shares proposed to be sold by selling shareholders, if any. – Not Applicable

RESTATED FINANCIAL STATEMENT

(₹ In Lakhs except percentages and ratios)

| Particulars | As at the Period/ Year ended | | |
|--|------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2022 |
| Total income from operations (Net) | 14,385.01 | 13,939.03 | 14,527.46 |
| Net Profit/(Loss) before tax and extra ordinary items | 828.35 | 657.94 | 634.93 |
| Net Profit / (Loss) after tax and extraordinary items | 616.67 | 497.07 | 471.17 |
| Equity Share Capital | 1,001.70 | 333.90 | 333.90 |
| Reserves and Surplus | 2,684.30 | 2,868.99 | 2,472.08 |
| Net worth | 3,686.00 | 3,202.89 | 2,805.98 |
| Basic earnings per share (₹) | 6.16 | 4.96 | 4.70 |
| Diluted earnings per share (₹) | 6.16 | 4.96 | 4.70 |
| Return on net worth (%) | 16.73% | 15.52% | 16.79% |
| NAV per Equity Shares (Based on Actual Number of Shares) (₹) | 36.80 | 31.97 | 28.01 |
| NAV per Equity Shares (Based on Weighted Average Number of Shares) (₹) | 36.80 | 31.97 | 28.01 |

INTERNAL RISK FACTORS:

The below mentioned risks are top 10 risk factors as per the RHP.

1. A significant portion of our revenue is generated from sales of our top five products. The loss of customers who purchase these products, or a significant reduction in the production and sales of, or demand for said products may adversely affect our business, financial condition, results of operations and prospects.
2. We are dependent upon third parties for trading and supply of the products we sell, with whom we may not had long term contracts or exclusive supply arrangements. Any delay or failure on the part of such vendors to deliver products, may adversely affect our business, profitability and reputation.
3. Our business is dependent and will continue to depend on our manufacturing facilities, and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations could have an adverse effect on our business, financial condition and results of operations.
4. We derive a significant part of our revenue from major customers and we do not have long term contracts with these customers. If one or more of such customers choose not to source their requirements from us, our business, financial position and results of operations may be adversely affected.
5. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956/2013. Some of our corporate records are not traceable. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate and other law could impact the reputation and financial position of the Company to that extent.
6. We are heavily reliant on a limited number of suppliers for raw materials, coupled with the absence of long-term agreements, exposes us to significant risks of supply disruptions, price fluctuations, and quality issues, which could adversely affect our business operations, financial condition, and results of operations.
7. Our reliance on certain industries for a significant portion of our sales could have an adverse effect on our business.
8. We derive a majority portion of our revenues from exports and are subject to risk of international trade.
9. We are exposed to foreign currency fluctuations risks, particularly in relation to export of products, which may adversely affect our results of operations, financial condition and cash flows.
10. We have significant working capital requirements. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.

For further details on “Risk Factors” please refer page 23 of the Red Herring Prospectus.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved:

| Name of Entity | Criminal Proceedings | Tax Proceedings | Action by Statutory and Regulatory Authorities | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigation | Aggregate amount involved (in ₹ Lakhs) |
|----------------------------------|----------------------|-----------------|--|---|---------------------------|--|
| Company | | | | | | |
| <i>By Company</i> | - | 1 | - | - | - | 1.88 |
| <i>Against Company</i> | - | - | - | - | - | - |
| Director | | | | | | |
| <i>By Director</i> | - | - | - | - | - | - |
| <i>Against Director</i> | - | - | - | - | - | - |
| Promoters & Directors | | | | | | |
| <i>By Promoter</i> | - | - | - | - | - | - |
| <i>Against Promoter</i> | - | - | - | - | - | - |

B. Brief details of top 5 material outstanding litigations against the Company and amount involved: **Nil**

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any - **Nil**

D. Brief details of outstanding criminal proceedings against Promoters – **Nil**

For further details on “Outstanding Litigations And Material Developments” please refer page 185 of the Red Herring Prospectus.

ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY - NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Red Herring Prospectus are true and correct.