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Draft Letter of Offer  
Dated: August 06 2025  
For Eligible Equity Shareholders only



## SUNSHIELD CHEMICALS LIMITED


Our Company was incorporated as "Sunshield Chemicals Private Limited" on November 19, 1986, as a Private Limited Company under the provisions of the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently our Company was converted into a Public Limited Company and the name of our Company was changed to "Sunshield Chemicals Limited" on May 28, 1992, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai.

**Registered Office:** 1501-A, Universal Majestic, P.L. Lokhande Marg Behind R.B.K International Academy, Chembur, Mumbai – 400043, Maharashtra, India

**Contact person:** Amit Ashok Kumashi

**Telephone:** +91 022-25550126 | **E-mail id:** [info@sunshieldchemicals.com](mailto:info@sunshieldchemicals.com) | **Website:** [www.sunshieldchemicals.com](http://www.sunshieldchemicals.com)

**Corporate Identity Number:** L99999MH1986PLC041612

PROMOTERS OF OUR COMPANY: INDUS PETROCHEM LIMITED			
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SUNSHIELD CHEMICALS LIMITED (OUR "COMPANY" OR THE "ISSUER" ONLY)			
NEITHER OUR COMPANY NOR ANY OF OUR PROMOTERS OR ANY OF OUR DIRECTORS HAVE BEEN DECLARED AS WILFUL DEFAULTERS OR FRAUDULENT BORROWERS BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY			
ISSUE OF UP TO [●] FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ 13,000 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE FOR EVERY [●] FULLY PAID UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS [●], 2025 (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE REFER TO "TERMS OF THE ISSUE" BEGINNING ON PAGE 66 OF THIS DRAFT LETTER OF OFFER.			
#Assuming full subscription with respect to Rights Equity Shares.			
PAYMENT SCHEDULE FOR RIGHTS EQUITY SHARES			
AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	[●]	[●]	[●]
Total (₹)	[●]	[●]	[●]
*For further details on Payment Schedule, see "Terms of the Issue" on page 66			
WILFUL DEFAULTER(S) OR FRAUDULENT BORROWER(S)			
Neither our Company nor our Promoter nor any of our Directors have been identified as Wilful Defaulter(s) or Fraudulent Borrower(s).			
GENERAL RISKS			
Investment 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 shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered 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 this Draft Letter of Offer. Specific attention of the investors is invited to "Risk Factors" beginning on page 19 of this Draft Letter of Offer before making an investment in this Issue.			
ISSUER'S ABSOLUTE RESPONSIBILITY			
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Draft Letter of Offer 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 Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.			
LISTING			
The existing Equity Shares are listed on BSE Limited ("BSE") (the "Stock Exchange"). Our Company has received 'in-principle' approval from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide letter dated [●]. Our Company will also make application to the Stock Exchange to obtain its trading approval for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is the BSE.			
REGISTRAR TO THE ISSUE			
 <p><b>Bigshare Services Private Limited</b> Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400 093 CIN: U99999MH1994PTC076534 Telephone: +91 22 6263 8200 Email: <a href="mailto:rightsissue@bigshareonline.com">rightsissue@bigshareonline.com</a> Investor grievance e-mail: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Contact Person: Suraj Gupta Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> SEBI registration no.: INR000001385</p>			
ISSUE PROGRAMME			
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATIONS*	ISSUE CLOSES ON#	
[●]	[●]	[●]	

\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

#The Rights Issue committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.*

*This Draft Letter of Offer uses the definitions and abbreviations set forth below, 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 Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in sections / chapters titled “**Summary of this Draft Letter of Offer**”, “**Risk Factors**”, “**Financial Statements**”, “**Statement of Possible Special Tax Benefits**” and “**Terms of the Issue**” on pages 17, 19, 59, 51 and 66, respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.*

#### General Terms

Term	Description
"Sunshield Chemicals Limited" or "Our Company" or "the Company" or "the Issuer" or "SCL"	Sunshield Chemicals Limited, a Public Limited Company incorporated under the Companies Act, 1956 and having its Registered Office at 1501-A, Universal Majestic, P.L. Lokhande Marg, Behind R.B.K. International Academy, Chembur, Mumbai – 400043.
"We", "Our", "Us", or "Our Group"	Unless the context otherwise requires, indicates or implies or unless otherwise specified, our Company

#### Company Related Terms

Term	Description
Articles of Association/ Articles / AoA	The Articles of Association of our Company, as amended from time to time
Audit Committee	The Board of Directors of our Company constituted the Audit Committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 177 of the Companies Act, 2013
Audited Financial Statements	Unless stated or the context requires otherwise, our financial data as at and for the Financial Year ended March 31, 2025 and March 31, 2024, included in this Draft Letter of Offer derived from the Audited Financial Statements for the Financial Year ended March 31, 2025 and March 31, 2024. For further information, see " <b>Financial Information</b> " on page 59 of this Draft Letter of Offer.
Auditor / Statutory Auditor	The current Statutory Auditor of our Company, namely, CNK & Associates LLP.
Board / Board of Directors	Board of Directors of our Company including duly constituted committee thereof. For details of the Board of Directors, see " <b>Our Management</b> " on page 56 of the Draft Letter of Offer
Chairperson	Dr. Maya Parihar Malhotra, the Chairperson of our Board
Chief Financial Officer / CFO	Ashish Kumar Agarwal, the Chief Financial Officer of our Company
Committee(s)	Duly constituted committee(s) of our Board of Directors
Company Secretary and Compliance Officer	Amit Ashok Kumashi, the Company Secretary and the Compliance Officer of our Company
Directors	Directors on the Board, as may be appointed from time to time
Equity Shareholder	A holder of Equity Share(s) of our Company, from time to time

<b>Term</b>	<b>Description</b>
Shareholders	
Equity Shares	Equity shares of face value of ₹ 10 each of our Company
Executive Directors	Executive Directors of our Company
Independent Director(s)	Independent Director(s) of our Company as per Section 2(47) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, and as described in the chapter " <b>Our Management</b> " on page 56 of this Draft Letter of Offer
Key Managerial Personnel / KMP	Key Managerial Personnel of our Company as per the definition provided in Section 2(51) of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI ICDR Regulations as described in the " <b>Our Management</b> " on page 56 of this Draft Letter of Offer.
Materiality Policy	Policy for Determination and Disclosure of Materiality of an Event or Information adopted by our Board in accordance with the requirements under Regulation 30 of the SEBI Listing Regulations, read with the materiality threshold adopted by the Board of Directors through its resolution dated August 11, 2023, for the purpose of litigation disclosures in this Draft Letter of Offer.
Memorandum of Association / Memorandum / MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The Board of Directors of our Company constituted the Nomination and Remuneration Committee in accordance with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 178 of the Companies Act, 2013.
Non-executive Director	Non-executive Director(s) on our Board, as described in " <b>Our Management</b> " on page 56 of this Draft Letter of Offer.
Registered Office	The registered office of our Company at 1501-A, Universal Majestic, P.L. Lokhande Marg, Behind R.B.K. International Academy, Chembur, Mumbai – 400043.
Registrar of Companies / RoC	The Registrar of Companies, Mumbai, Maharashtra.
Rights Issue Committee	The Committee of our Board of Directors constituted through the Board resolution dated July 31, 2025
Stakeholders' Relationship Committee	The Board of Directors of our Company constituted a Stakeholder Relationship Committee in accordance with Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 178 of the Companies Act, 2013.

#### **Issue Related Terms**

<b>Term</b>	<b>Description</b>
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment / Allot / Allotted	Unless the context otherwise requires, the Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account	The accounts opened with the Banker(s) to the Issue, into which the Application Money blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, HDFC Bank Limited.
Allotment Advice	The note, advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date / Date of Allotment	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue

<b>Term</b>	<b>Description</b>
Applicant(s) or Investors	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online / electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price
Application Form / Common Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Rights Equity Shares in the Issue
Application Money	Aggregate amount payable at the time of Application in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount / ASBA	Application (whether physical or electronic) used by an ASBA Applicants to make an application authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB.
ASBA Account	Account maintained with the SCSB and as specified in the Application Form or the plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being [●].
Banker to the Issue Agreement	Agreement dated [●], entered into by and among our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors making an application for the Rights Equity Shares
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in " <b>Terms of the Issue</b> " on page 66 of this Draft Letter of Offer
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor's address, PAN, DP ID, Client ID, occupation and bank account details, where applicable.
Designated Branches / Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time.
Designated Stock Exchange	BSE Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Draft Letter of Offer / DLOF	This Draft Letter of Offer dated [●], filed with Stock Exchanges in accordance with the SEBI ICDR Regulations
Eligible Equity Shareholder(s) / Eligible Shareholder(s)	Existing Equity Shareholder(s) as on the Record Date i.e., [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For, further details, see " <b>Notice to Investors</b> " on page 10 of this Draft Letter of Offer.

<b>Term</b>	<b>Description</b>
Fraudulent Borrower	Fraudulent Borrower as defined under Regulations 2(1) (III) of the SEBI ICDR Regulations
ISIN	International securities identification number i.e., INE199E01014
Issue / Rights Issue	Issue of up to [●] Rights Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹ 13,000.00 Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date .
Issue Closing Date	[●]
Issue Materials	Collectively, the Draft Letter of Offer, Letter of Offer, the Application Form and Rights Entitlement Letter, any other issue material relating to the Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants / Investors can submit their applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹ [●] per Rights Equity Share.
Issue Proceeds/ Gross Proceeds	The gross proceeds raised through the Issue
Issue Size	Amount aggregating up to ₹ 13,000.00 Lakhs <sup>#</sup> <sup>#</sup> Assuming full subscription with respect to Rights Equity Shares
Letter of Offer / LOF	The final letter of offer dated [●], to be filed with the Stock Exchange and with SEBI
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder / Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with / without using additional Rights Entitlements will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to " <b>Objects of the Issue</b> " on page 46 of this Draft Letter of Offer
Non-Institutional Investor / NII	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1) (jj) of the SEBI ICDR Regulations
Off Market Renunciation	Renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●]
Payment Schedule	Payment schedule under which entire Issue Price is payable on Application.
Qualified Institutional Buyer / QIB	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being
Registrar to the Issue	Bigshare Services Private Limited
Registrar Agreement	Agreement dated August 06, 2025[●] entered into between 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
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) has been opened in this case being [●]
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circulars, the Companies Act and any other applicable law

Term		Description
RE ISIN		ISIN for Rights Entitlement i.e. [●]
Renunciation Period		The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●], in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e., [●]
Rights Entitlement(s) RE(s)	/	<p>Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of the Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●], would be [●] Equity Shares for every [●] Equity Share held by an Eligible Equity Shareholder.</p> <p>Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.</p> <p>The Rights Entitlements with a separate ISIN will be credited to the respective demat account of Eligible Equity Shareholder before the Issue Opening Date, against the Equity Shares held by the Eligible Equity Shareholders as on the Record Date.</p>
Rights Entitlement Letter		Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements will also be accessible on the website of our Company and Registrar
Rights Equity Shares / Rights Shares	/	Equity Shares of our Company to be Allotted pursuant to this Issue
SEBI Rights Issue Circulars		SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, read with SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022, and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
SCSB(s) / Self-Certified Syndicate Banks		Self-certified syndicate banks registered with SEBI, which offers the facility of ASBA. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time.
Specific Investor(s)		Regulation 77B of the SEBI ICDR Regulations defines specific investor(s) as any investor who is eligible to participate in the Issue (a) whose name has been disclosed by the Company in terms of regulation 84(1)(f)(i) of the SEBI ICDR Regulations; or (b) whose name has been disclosed by the Company in terms of sub-clause 84(1)(f)(ii) of the SEBI ICDR Regulations.
Stock Exchange(s)		Stock exchange where the Equity Shares of our Company are presently listed, i.e., BSE Limited.
Transfer Date		The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter / Fraudulent Borrower		Company or person, as the case may be, categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Day(s)		In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Maharashtra are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, for the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

## Business and Industry Related Terms

Term	Description
Alkoxylation	The chemical reaction used to produce surfactants
Antioxidants	They are compounds that inhibit oxidation, a chemical reaction that can produce free radicals
B2B	Business-to-Business
EO	Ethylene Oxide
EOC	Ethylene Oxide Condensate
Ethoxylates	A chemical process where ethylene oxide reacts with amine, alcohol or phenol
Ethylene Oxide	Organic compound used extensively in the chemical industry
EU	European Union
HQEE	Hydroquinone Bis (2-Hydroxyethyl) Ether
ISO	International Organization for Standardization
JNPT	Jawaharlal Nehru Port Trust
KL	Kiloliters
KW	Kilowatt
MT	Metric ton
PLI	Production-linked incentive
PP	Propoxylate
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals (European Regulation)
R&D	Research and Development
RVA	Raad Voor Accreditatie, a Dutch Council for Accreditation
THEIC	Tris 2-Hydroxyethyl Isocyanurate
UF-resin	Urea Formaldehyde Resin
US/USA	The United States of America
US\$	United States Dollar or US Dollar
YoY	Year on Year

## Conventional and General Terms/Abbreviations

Term	Description
₹ / Rs. / Rupees / INR	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
API	Application Programming Interface
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
CBDT	Central Board of Direct Taxes, Government of India
Category I AIF	AIFs who are registered as "Category I 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 AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
Central Government	Central Government of India
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970

<b>Term</b>	<b>Description</b>
Civil Code	Code of Civil Procedure 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act, 1956	erstwhile Companies Act, 1956 along with the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with the rules made thereunder
CrPC	Code of Criminal Procedure, 1973
Depositories Act	Depositories Act, 1996
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant's Identification
DTAA	Double Taxation Avoidance Agreement
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, tax, depreciation and amortization
ECS	Electronic Clearance Service
EGM	Extraordinary General Meeting
EMI	Equated Monthly Instalments
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non-Resident (Bank) account opened in accordance with the FEMA
FDI	Foreign Direct Investment
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal Year / Fiscal	Period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year, unless otherwise stated
FIR	First Information Report
FOIR	Fixed Obligations to Income Ratio
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
Fugitive Offender	Economic An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
IBC / Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended

<b>Term</b>	<b>Description</b>
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IEPF	Investor Education and Protection Fund
IEPF Authority	Investor Education and Protection Fund Authority established by the GOI under Section 125 of the Companies Act, 2013
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles of India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
ISIN	International Securities Identification Number
IBC	Insolvency and Bankruptcy Code, 2016, as amended
IT	Information Technology
ITAT	Income Tax Appellate Tribunal
Ltd.	Limited
LTV	Loan-To-Value Ratio
MCA	Ministry of Corporate Affairs
MIS	Management Information System
Mn / mn	Million
MSME	Micro Small and Medium Enterprises
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
Net Asset Value per Equity Share / NAV per Equity Share	Net Worth / Number of Equity shares subscribed and fully paid outstanding as of March 31 of that Financial Year
Net Worth	Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NBFC	Non-Banking Financial Companies
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPA	Non-Performing Assets
NRE Account	Non-resident External Account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non-Resident Ordinary
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of 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 FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price / Earnings Ratio

<b>Term</b>	<b>Description</b>
PAN	Permanent Account Number
PAT	Profit after tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
Pvt. Ltd.	Private Limited
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
RCU	Risk Control Unit
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
RoC	Registrar of Companies, Mumbai
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SARFAESI	Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The 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, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI Master Circular	SEBI master circular (SEBI/HO/CFD/PoD-1/P/CIR/2024/0154) dated November 11, 2024
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations / SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations / Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Securities Act	The United States Securities Act of 1993
SMS	Short Message Service
STT	Securities Transaction Tax
State Government	The Government of a State in India
Supreme Court	Supreme Court of India
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
U.S.\$ / USD / U.S. Dollar / US\$ / US Dollar / \$	United States Dollar, the legal currency of the United States of America
USA / U.S. / US / United States	United States of America
U.S. SEC	U.S. Securities and Exchange Commission
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VCF	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
Year / Calendar Year	Unless context otherwise requires, shall refer to the twelve-months period ending December 31 of a particular year

## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, Application Form and Rights Entitlement Letter and any other offering material (collectively, the “**Issue Materials**”) and issue of Rights Entitlement as well as Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or Application Form may come or who receive Rights Entitlement and propose to renounce or apply for Rights Equity Shares in the Issue are required to inform themselves about and observe such restrictions. For more details, see “**Restrictions on Purchases and Resales**” beginning on page 97. Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Eligible Equity Shareholders who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any of the Issue Materials. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Materials shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Materials. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction or the United States where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Issue Materials are received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see “**Restrictions on Purchases and Resales**” beginning on page 97. Investors can also access this Draft Letter of Offer, the Letter of Offer, and the Application Form from the websites of our Company, the Registrar, and the Stock Exchanges. Our Company, and the Registrar will not be liable for non-dispatch of physical copies of the Issue Materials, including this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholders available with the Registrar in their records. No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in whole or in part, in (i) the United States, or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is outside the United States or such jurisdiction and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person’s jurisdiction and in India, without the requirement for our Company or our affiliates to make any filing or registration in the United States or any other jurisdiction (other than in India). In addition, each purchaser or seller of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the “**Restrictions on Purchases and Resales**” section beginning on page 97. Our Company, in consultation with the Registrar, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdiction where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory

requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of this Draft Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information. The contents of this Draft Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

## NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (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 STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” AS DEFINED IN AND IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS DRAFT LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Draft Letter of Offer and Application Form only to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who purchases or sells the Rights Entitlements or makes an application for Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the purchase or sale of Rights Entitlements, it will not be, in the United States and is authorized to purchase or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws and regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any U.S. federal or state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain Conventions

All references to "India" contained in this Draft Letter of Offer 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 or the context otherwise requires, all references in this Draft Letter of Offer to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer have been derived from our Audited Financial Statements. For details, please see "**Financial Information**" beginning on page 59 of this Draft Letter of Offer. Our Company's financial year commences on April 01 and ends on March 31 of 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 Government of India has adopted the Indian accounting standards ("**Ind AS**"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**") and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "**Ind AS Rules**").

Unless stated or the context requires otherwise, our financial data (a) as at and for the Financial Year ended March 31, 2025 and March 31, 2024, included in this Draft Letter of Offer is derived from the Audited Financial Statements for the Financial Year ended March 31, 2025 and March 31, 2024. For further information, see "**Financial Information**" on page 59 of this Draft Letter of Offer.

The Audited Financial Statements of our Company for the Financial Year ended March 31, 2025 and March 31, 2024, have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees in Lakhs.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Draft Letter of Offer in "lakh" units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to 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 Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Letter For further information, see "**Financial Information**" beginning on page 59 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two

decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

### 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.

### Exchange Rates

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

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

(in ₹)		
Name of the Currency	As of March 31, 2025	As of March 31, 2024
United States Dollar	85.58	83.37
Euro	92.32	90.21

(Source: RBI and FBIL reference rate)

*Note: In case if March 31 of any of the respective years / period is a public holiday, the previous Working Day not being a public holiday has been considered.*

## FORWARD LOOKING STATEMENTS

In this Draft Letter of Offer, we have included statements, which contain words or phrases such as "will", "may", "aim", "is likely to result", "believe", "expect", "continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "pursue" and similar expressions or variations of such expressions, that are "forward looking statements".

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

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

1. We derive a significant part of our revenue from select customers. The loss of revenues from such customers, could have an adverse impact on our financial condition.
2. Our business is significantly dependent on key suppliers, as mentioned in ***“Risk Factor No. 2 - Our business is significantly dependent on key suppliers for procurement of raw materials and an inability to procure the desired quality and/or quantity of raw materials in a timely manner and at a reasonable cost, or at all, may have a negative impact on our business, results of operations, financial condition and cash flows”*** on page number 19 of this Draft Letter of Offer, for procurement of raw materials and an inability to procure the desired quality and/or quantity of raw materials in a timely manner and at a reasonable cost, or at all, may have a negative impact on our business, results of operations, financial condition and cash flows.
3. Our business is dependent and will continue to depend on our manufacturing facility, and we are subjected to the risks in our manufacturing processes, as mentioned in ***“Risk Factor No. 3 -Our business is dependent and will continue to depend on our manufacturing facility, and we are subject to the following risks in our manufacturing processes. Any slowdown or shutdown in our manufacturing facility may have an adverse effect on our business and results of operations”*** on page number 19 of this Draft Letter of Offer. Any slowdown or shutdown in our manufacturing facility may have an adverse effect on our business and results of operations.
4. There are pending litigations against our Company, our promoters, and our directors, as mentioned in ***“Risk Factor No. 4 - Our Company is involved in various litigations. An unfavorable outcome in any of these matters could negatively affect our business, operations, financial condition and cash flows”*** on page number 21 of this Draft Letter of Offer. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, results of operations and financial condition. Any adverse outcome from pending environmental litigation may result in financial penalties, operational restrictions, or remediation obligations.
5. Any adverse outcome from pending environmental litigation may result in financial penalties, operational restrictions, or remediation obligations.
6. The Registered office from where we carry out our business activities is leased from our Promoter Entity,

Indus Petrochem Limited. Any termination of such lease/license and/ or non-renewal could adversely affect our operations.

7. We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.
8. The present corporate promoter Indus Petrochem Limited is in the similar line of business activity in which the issuer Company is engaged which may create a conflict of interest. Further, we do not enjoy contractual protection by way of a non-compete or other agreement or arrangement with our corporate promoter
9. We face competition from both domestic as well as multinational corporations and our inability to compete effectively may have a material adverse impact on our business, financial condition and results of operations.
10. Our success largely depends upon the services of our Directors, Senior Management Personnel, Key Managerial Personnel and our ability to retain them. Demand for Senior Management Personnel and Key Managerial Personnel in the industry is intense and our inability to attract and retain our Senior Management Personnel and Key Managerial Personnel may affect the operations of our Company.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, please refer to “**Risk Factors**” beginning on pages 19 of this Draft Letter of Offer.

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 reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although, 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, our Promoters, nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

## SUMMARY OF THIS DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of draft Offer or all details relevant to the 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 Letter of Offer, including, “**Risk Factors**”, “**Capital Structure**”, “**Objects of the Issue**” and “**Financial Statements**” beginning on pages 19, 43, 46, and 59 respectively of this Draft Letter of Offer.

### Primary Business of our Company

Our Company is engaged in the manufacturing of specialty chemicals, which comprise of low volume high value chemicals with specific applications, that constitute a part of the Indian chemical industry and are targeted towards specific end-use applications. They are produced by an interdependent industry and comprise of products that are sold based on their performance and function, rather than their composition.

### Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

<i>(in ₹ Lakhs)</i>	
Particulars	Amount
Repayment or prepayment, in full or in part, of borrowings availed by our Company	9,764
General Corporate Purposes <sup>#</sup>	[●]
<b>Total Net Proceeds*</b>	<b>[●]</b>

<sup>#</sup> The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

\*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement Ratio.

For further details, please see chapter titled “**Objects of the Issue**” beginning on page 46 of this Draft Letter of Offer.

### Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement, (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights, to any specific investor(s).

Our Promoter and Promoter Group have intended to subscribe their rights entitlement in part or full in the proposed Rights Issue, however they have yet not finalized the extent of their participation. They may renounce a part of their Rights Entitlement in the open market.

Therefore, the minimum subscription criteria (of at least 90% of the Issue) as provided in regulation 86(1) of the SEBI ICDR Regulations is applicable to this Issue. Pursuant to regulation 86(2) of the SEBI ICDR Regulations in case of non-receipt of minimum subscription, all application monies received shall be refunded to the applicants forthwith, but not later than four days from the closure of the Rights Issue.

Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

### Allotment of the Company to allot the under-subscribed portion of the Rights Issue to any Specific Investor(s)

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s). Accordingly, provisions of Regulation 84(1)(f) of the SEBI ICDR Regulations are not applicable to us.

### Details of the Company or any of its Promoters or Directors being a wilful defaulter or a fraudulent borrower

Our Company, Promoters and Directors 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.

### Summary of Outstanding Litigation

As on the date of this Draft Letter of Offer, neither our Company nor our Promoters or Directors have been issued any show cause notice(s) by SEBI or the Adjudicating Officer in a proceeding for imposition of penalty, nor have any prosecution proceedings been initiated against them by SEBI.

A summary of outstanding legal proceedings involving our Company and our Subsidiaries as on the date of this Draft Letter of Offer is set forth in the table below:

*(amounts in ₹ lakhs, unless otherwise specified)*

No.	Type of Proceedings	By the Company		Against the Company	
		Number of cases	Amount involved (to the extent quantifiable)*	Number of cases	Amount involved (to the extent quantifiable)
<b>I.</b>	<b>Litigation involving our Company</b>				
A.	Proceedings involving criminal liability	1	8.25	2	NA*
B.	Proceedings involving material violations of statutory regulations by our Company	Not Applicable	Not Applicable	Nil	Nil
C.	Matters involving economic offences where proceedings have been initiated against our Company	Not Applicable	Not Applicable	Nil	Nil
D.	Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Nil	Nil	3	NA*
E.	Tax proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Not Applicable	Not Applicable	2	1498.43
F.	Any other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company	Nil	Nil	Nil	Nil

\*not quantifiable

### Other Confirmations

Our Company has been in compliance of the equity listing agreement and the SEBI LODR Regulations, as amended, during the last three years immediately preceding the date of this Draft Letter of Offer.

## SECTION II – RISK FACTORS

*An investment in our Equity Shares involves a significant degree of risk. Prospective investors are advised to carefully review and consider all the information contained in this Draft Letter of Offer, including the risk factors detailed in this section, prior to making any investment decision. This section should be read in conjunction with our Audited Financial Statements for the financial year ended March 31, 2025.*

*The risks and uncertainties described herein are not exhaustive. There may be additional risks and uncertainties, currently unknown to us or deemed immaterial at present, which could also have a material adverse effect on our business, financial condition, results of operations and cash flows. Should any of the risks described herein, or any other unforeseen risks materialize, they may adversely impact our business and financial performance. Consequently, the market price of our Equity Shares may decline, and investors may lose all or part of their investment.*

*This Draft Letter of Offer also contains forward-looking statements, which are subject to various risks, assumptions, estimates and uncertainties. Actual results may differ materially from those expressed or implied in such forward-looking statements due to various factors, including but not limited to, those discussed in this section and elsewhere in this Draft Letter of Offer.*

*Unless otherwise specified or quantified, we are unable to determine the precise financial or operational impact of the risks described herein. For the purposes of this section, references to “we,” “us” or “our” shall mean our Company, unless the context otherwise requires.*

### INTERNAL RISK FACTORS

- We derive a significant part of our revenue from select customers. The loss of revenues from such customers could have an adverse impact on our financial condition.***

We depend on key customers for a significant portion of our revenues. For Fiscal 2025, our top ten customers contributed 66% of our total revenue from operations. We expect that we will continue to rely on key customers for the foreseeable future for a significant part of our revenues. We cannot, however, assure you that we will be able to continue to service these customers or obtain the same or enhanced business from them. The loss of one or more of our key customers or a reduction in the amount of business we obtain from them, whether due to circumstances specific to such customer, such as pricing pressures or adverse market conditions affecting our supply chain, could have an adverse effect on our business, results of operations, financial condition and cash flows.

For the Financial Year ended March 31, 2024 and March 31, 2025, our revenue from the top 10 customers was as follows:

Particulars	Financial Year ended March 31, 2024		Financial Year ended March 31, 2025	
	Amount	% of revenue	Amount	% of revenue
Revenue from top ten (10) customers	16,104	57	24,247	66

Further, for the Financial Year ended March 31, 2024 and March 31, 2025, the break-up of our revenue from domestic and exports sales was as follows

Particulars	Financial Year ended March 31, 2024		Financial Year ended March 31, 2025	
	Amount	% of revenue	Amount	% of revenue
Revenue domestic sales	21,700	77	30,370	83
Revenue from exports	6,503	23	6,130	17
Total	28,203	100%	36,500	100%

- Our business is significantly dependent on key suppliers for procurement of raw materials and an inability to procure the desired quality and/or quantity of raw materials in a timely manner and at a reasonable cost, or at all, may have an adverse impact on our business, results of operations, financial***

***condition and cash flows.***

We procure primary raw materials from a few concentrated domestic suppliers with whom we do not have long term agreements and import a few raw materials from foreign suppliers. For Fiscal 2025 and Fiscal 2024, our top ten domestic suppliers contributed approximately 65% and 72%, respectively of our total purchases.

For the Financial Year ended March 31, 2024 and March 31, 2025, our purchases from top 10 suppliers were as follows:

(₹ in lakhs)

Particulars	Financial Year ended March 31, 2024		Financial Year ended March 31, 2025	
	Amount	% of purchases	Amount	% of purchases
Purchases from top ten (10) suppliers	13,425	72	17,738	65

Further, for the Financial Years ended March 31, 2024 and March 31, 2025, the break-up of our purchases from domestic suppliers and imports from foreign suppliers were as follows:

(₹ in lakhs)

Particulars	Financial Year ended March 31, 2024		Financial Year ended March 31, 2025	
	Amount	% of purchases	Amount	% of purchases
Purchases from domestic suppliers	12,555	67	20,967	77
Imports from foreign suppliers	6,108	33	6,367	23
Total	18,663	100%	27,334	100%

We have a mutual understanding with our primary suppliers for the supply of raw materials. However, the absence of long term supply contracts subject us to risks such as price volatility caused by various factors such as market fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic government policies and regulatory changes. If we are not able to fully offset the increase in raw material prices with corresponding increase in the prices of our products, we will experience lower profit margins, which in turn may have a material adverse effect on our results of operations, financial condition and ultimately lead to a liquidity crunch. In the absence of such contracts, we are also exposed to the risk of unavailability of some raw materials in desired qualities and quantities, in a timely manner.

**3. *Our business is dependent and will continue to depend on our manufacturing facility, and we are subject to the following risks in our manufacturing processes. Any slowdown or shutdown in our manufacturing facility may have an adverse effect on our business and results of operations.***

Our manufacturing facility is situated at Raigad in Maharashtra, India. It is supported by adequate infrastructure for storage of raw materials and finished goods and experienced quality control equipment and team. Our manufacturing facility is subject to normal risks of industrial production, including natural disasters, directives from government agencies and power interruptions. Though, for the Financial Years ended March 31, 2024 and March 31, 2025, there were no instances of factory closure due to natural disasters, directives from government agencies and power interruptions, we cannot assure that, in the future, we will not go through closure or shutdown of our manufacturing facility. If a force majeure event were to take place in the future, we will not be able to shift our production to another location without significant expense or delay. As such, a significant disruption to our manufacturing facility at Raigad could materially and adversely affect our business, financial condition and results of operations.

We depend on public/state power supply utilities for supply of power to our manufacturing facility. Any extended power supply interruption may result in reduced production at our manufacturing facility. Any shortage or interruption in the supply of electricity may adversely affect our operations and increase our production costs. This could lead to delays in delivery or non-delivery of our products, resulting in loss of revenue and damage to our reputation or customer relationships. Our manufacturing facility uses

complex equipment and machinery, and the breakdown or failure of equipment or machinery may result in us having to make repairs or procure replacements, which may require considerable time and expense, which in turn may adversely affect our results of operations and financial condition. Though, for the Financial Years ended March 31, 2024 and March 31, 2025, there have been no such instances, we cannot assure you that such instances will not occur in the future.

**4. *Our Company is involved in various litigations. An unfavorable outcome in any of these matters could negatively affect our business, operations, financial condition and cash flows.***

Our Company has various outstanding legal proceedings filed by and against us. These proceedings are pending at different levels of adjudication before various courts, which also include certain criminal cases filed by and against our Company. On the date of this Draft Letter of Offer, neither our Company nor our Promoter or Directors have received any show cause notice by the SEBI or the Adjudicating Officer in relation to the criminal cases and neither have any prosecution proceedings been initiated against them. For further details please see “*Summary of this Draft Letter of Offer- Summary of outstanding litigation*” on page 18 of this Draft Letter of Offer. Further, from time to time, we receive notices and communications from tax authorities in relation to various matters, including certain matters that may be significant. We evaluate and contest such matters, where appropriate, based on the advice of legal and other professional advisors. While we believe we have valid grounds to defend our positions, any unfavourable decision in these or other proceedings could have a material adverse effect on our business, financial condition and results of operations.

If, in the future, legal proceedings are filed against our Company, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. In this regard, we may be subject to penalties and regulatory actions, including suspension of our business. There can be no assurance that these litigations will be decided in our favour or in favour of our Promoter or Directors. Such legal proceedings, if they materialise, may divert management time and attention and consume financial resources in their defence. An adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

**5. *Any adverse outcome from pending environmental litigation may result in financial penalties, operational restrictions, or remediation obligations.***

Our Company is currently involved in legal proceedings under the Environment (Protection) Act, 1986. The complainant filed a criminal complaint before the Judicial Magistrate First Class (“JMFC”), Pali, against our Company on January 13, 2020 under Sections 15 and 16 of the Environment (Protection) Act, 1986, alleging that our Company was discharging untreated effluent into the Amba river, causing water pollution. Following the issue of summons, our Company filed a revision application before the Court at Mangaon to quash the complaint, which was rejected. Aggrieved, our Company approached the Hon’ble High Court of Bombay seeking to quash the lower courts’ orders. On July 18, 2024, the Hon’ble High Court quashed and set aside the orders of JMFC, Pali and the Mangaon Court, remitting the matter to the Magistrate to issue a fresh order. The Court emphasized that the Magistrate must either conduct an inquiry himself or direct an investigation before proceeding with the case. The matter is currently pending.

While we are actively defending ourselves against these allegations, we cannot predict its outcome at this stage. Any adverse judgment or regulatory action could result in financial penalties, operational restrictions or remediation obligations, which may materially impact our financial condition and operations. Additionally, any negative publicity associated with this case could affect our reputation.

**6. *The Registered office from where we carry on our business activities is leased from our Promoter Entity, Indus Petrochem Limited. Any termination of such lease/license and/ or non-renewal could adversely affect our operations.***

Our Registered office is situated at 1501-A, Universal Majestic, P.L. Lokhande Marg Behind R.B.K International Academy, Chembur, Mumbai 400043, Maharashtra, India, from where we carry on our business activities. We have taken this office space from our Promoter, Indus Petrochem Limited, on

leave and license basis vide an agreement dated December 24, 2021 for a period of 36 months effective from December 01, 2021. The leave and license term was extended by 4 months vide agreement dated November 27, 2024 effective from December 01, 2024 and then by further period of 11 months vide an agreement dated April 04, 2025 effective from April 01, 2025. Any termination of the agreement whether due to any breach or otherwise or non-renewal thereof, could temporarily disrupt our functioning and affect our business operations.

7. ***We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.***

Our operations are subject to extensive government regulation, 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 the geographies in which we operate, generally for carrying on our business operations. We may need to apply for further 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. 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 operations 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 we fail to comply with the applicable regulations or if the regulations governing our business operations are amended, we may incur increased costs, be subjected to penalties, have our approvals and permits revoked or suffer disruption in our operations, any of which could adversely affect our business operations.

8. ***Our corporate promoter, Indus Petrochem Limited, is in a similar line of business activity as that of our Company, which may create conflict of interest. Further, we do not enjoy contractual protection by way of a non-compete or other agreement or arrangement with our corporate promoter.***

Our Corporate Promoter, Indus Petrochem Limited, is engaged in the business of trading in Oleochemicals. The Corporate Promoter does not manufacture any specialty chemicals and only trades in Oleochemicals. Our Company has not signed an agreement or document with our Corporate Promoter as to confirm that it will not manufacture or sell products to our customers. There can be no assurance that our Corporate Promoter will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have material adverse effect on our reputation, business, results of operations and financial condition.

We confirm that in the past, there has been no instance where the Corporate Promoter has undertaken competing business with that of our Company or that their interests have conflicted with the Company, such that it has had an adverse effect on the reputation, business, results of operations and financial condition.

We set out below the sales and purchase transactions of the Company in the last two financial years with its Corporate Promoter, in both absolute and percentage terms.

Particulars	(₹ in lakhs)			
	Financial Year ended March 31, 2024		Financial Year ended March 31, 2025	
	Amount	% of revenue	Amount	% of revenue
Sales to Corporate Promoter	359	1.27	390	1.06
Purchase from Corporate Promoter	-	-	134	0.37

9. ***We face competition from both domestic as well as multinational corporations and our inability to effectively compete may have a material adverse impact on our business, financial condition and results of operations.***


We face competition in our business based on pricing, relationships with customers, product quality, customization and innovation. We face pricing pressures from companies, who are able to produce same or similar products at competitive costs and consequently, supply their products at cheaper prices. We cannot assure you that we shall be able to meet the pricing pressures imposed by such domestic or multinational competitors, which would adversely affect our business, financial condition and results of operations. Additionally, some of our competitors may have greater financial, research and technological resources, larger sales and marketing teams and enhanced established reputation. They may also be in a better position to identify market trends, adapt to changes in industry, innovate and develop new products, offer competitive prices due to economies of scale and ensure product quality and compliance.

10. ***Our success largely depends on the contribution of our Directors, Key Managerial Personnel and Senior Management Personnel and our ability to retain them. Demand for Senior Management Personnel and Key Managerial Personnel in the industry is intense and our inability to attract and retain our Senior Management Personnel and Key Managerial Personnel may affect the operations of our Company.***

Our Directors, Key Managerial Personnel and Senior Management Personnel have substantially contributed to our growth. Our success is substantially dependent on the expertise and services of our Directors, Key Managerial Personnel and Senior Management 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 Key Managerial Personnel and Senior Management Personnel in the industry is intense. However, our Board of Directors, as a part of their role and responsibilities, have been entrusted with the obligation of selecting, compensating, monitoring, replacing and undertake succession planning for Key Managerial Personnel and Senior Management Personnel of our Company. In the event of an exit by any Key Managerial Personnel and/or Senior Management Personnel, appropriate steps for replacement of the person are taken by our Company to ensure smooth transition of roles and responsibilities so as to avoid any disruptions in the operations and management of the business of the Company.

The loss of the services of any director or key managerial personnel or senior management personnel and the failure of any succession plan to replace such key members could have an adverse effect on our business and results of our operations.

11. ***We may not be able to adequately protect our intellectual property rights, and our business, financial condition and results of operations may be adversely affected.***

Our corporate logo  is registered under classes 1, 2 and 17 of the Trademark Act, 1999. Our class 1 and 4 trademarks were advertised but opposed by PI Industries and Shield Lubricants, respectively. We also have 10 other trademarks, which are currently operational in India, for which we have obtained valid registration certificates under the Trademark Act, 1999. If we are unable to renew or register new trademarks for various reasons or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties, other than relief against passing off, thereby causing damage to our business prospects, reputation and goodwill. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, if we do not maintain our brand name and identity, which is one of the key factors that differentiates us from our competitors, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, our brand name may be affected

by actions which are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad.

12. ***We are dependent on third party transportation and logistics service providers for delivery of our products to our customers as well as raw material to our manufacturing facility. Any delay in delivery of our products or raw materials or increase in the charges of these entities could adversely affect our business, results of operations and financial condition. We may also be exposed to the risk of theft, accidents and/or loss of our products and raw material in transit.***

Our manufacturing operations are dependent on timely and cost efficient transportation of raw materials to our facilities and of our products to our customers. We transport our raw materials and our finished products by air, road and sea. Depending on the terms of supply, the raw material is delivered by our suppliers on to pay or paid basis or we rely on third party logistic companies and freight forwarders for delivery of our raw materials. We do not have formal contractual relationships with such logistic companies and freight forwarders. Any disruption in services by such third-party logistic companies and freight forwarders could impact delivery of raw materials to our manufacturing facility and finished products to our customers.

Further, transportation strikes could also have an adverse effect on supplies and deliveries to and from our customers and suppliers. For exports, we sell our finished products on a cost, insurance and freight basis (CIF) or freight on board basis (FOB). For exports, our freight forwarders co-ordinate with the shipping line to file and release the necessary bills of lading or waybills. We are subject to the risk of increases in freight costs. If we cannot fully offset any increase in freight costs through increase in the prices of our products, we could experience lower margins. In addition, any increase in export tariffs would increase our operating expenses, which in turn may adversely affect our business, results of operations and financial condition.

Furthermore, we are exposed to the risk of theft, accidents and/or loss of our products in transit. While we have adequately insured ourselves against such risk, we cannot assure you that our insurance will be sufficient to cover the losses arising due to such theft, accidents and/or loss of our products in transit. We cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured), which could adversely affect our business, results of operations and financial condition. Any losses or claims from damaged containers, not covered by our insurance, could adversely affect our business, results of operations and financial condition.

13. ***We are subject to the following risks consequent to our operations involving the manufacture, usage and storage of chemical and hazardous substances.***

Our manufacturing processes involve manufacturing, storage and transportation of various chemical substances and raw materials that we use in the production of our products, and we are required to obtain approvals from various authorities for storing these substances. We are subject to operating risks associated with handling such materials, such as possibility for leakages and ruptures from containers, explosions and discharge or release of hazardous substances, which in turn may cause personal injury and environmental contamination. However, there have been no such past incidences of leakages and ruptures from containers, explosions and the discharge or release of hazardous substances at our manufacturing facility. In the event of occurrence of any such accident, our business operations may be interrupted. Any of these occurrences may result in the shutdown of our manufacturing facility and expose us to civil and / or criminal liability which could have an adverse effect on our business, financial condition and results of operations. Further, such occurrences may result in the termination of our approvals for storing such substances or impose penalties thereunder.

14. ***An adverse outcome of ongoing litigation in relation to the title of land of our factory premises may divert the attention of our management.***

Mr. Laxman Karande has filed a case before the Pali Court on July 6, 2022 (Case No. 35/2022), claiming ownership of land bearing Survey No. 33/1 (“**Disputed Land**”), which is a part of the land parcel, on which the factory of the Company is situated. Mr. Karande has alleged that his predecessor, Mr. Rama Sadhu Karande, was the rightful owner of the Disputed Land and that, upon his death, ownership lawfully devolved upon Mr. Laxman Karande. He has further contended that neither Mr. Rama Sadhu Karande

nor he had executed any deed transferring the Disputed Land to Mr. Madhusudan Desai, who subsequently sold the same to our Company. He has further alleged that sale of the Disputed Land to our Company was fraudulent and based on a bogus sale deed. The Company has, on February 9, 2024, filed a reply against the abovementioned allegations. Although, the Hon'ble Court has conducted certain proceedings, the matter is still ongoing. The next date for hearing is August 13, 2025.

The Company acquired the Disputed Land in compliance with all legal procedures, however, if Mr. Laxman Karande convinces the court of his title to the Disputed Land and the court issues an adverse order against us, we will have to appeal such adverse order and that may divert the attention of our management and compel us to incur legal fees to establish our ownership of the Disputed Land.

15. ***Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business. Further, our inability to effectively manage any of these issues may adversely affect our businesses, financial condition and results of operations.***

Our success will depend largely on our ability to effectively implement our business and growth strategies. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our customers and other stakeholders. We understand that our business and growth strategies will place significant demands on our management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to incur further indebtedness. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations.

In addition, our ability to implement our business and growth strategies will also depend on our ability to expand the capacity at our existing manufacturing facility or setting up new manufacturing facility. Further, the increased manufacturing capacity at these facilities may not, in the future, be adequate for us to implement our business and growth strategies. In addition, our proposed expansion plans may be subject to time and cost overruns.

Our inability to maintain our growth or failure to successfully implement our growth strategies within time and cost expectations could have an adverse impact on the results of our operations, our financial condition and our business prospects.

16. ***We are subject to strict quality requirements and sales of our products is dependent on our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders.***

All our products and manufacturing processes are subject to stringent quality standards and specifications of our customers. As a result, any failure on our part to maintain applicable standards and manufacture products according to prescribed quality specifications, may lead to loss of reputation and goodwill, cancellation of orders, loss of customers, rejection of products, all of which will require us to incur additional cost, which in turn could have an adverse impact on our business prospects and financial performance. Additionally, it could expose us to pecuniary liability and/ or litigation. The quality of our products is critical to the success of our business, which, in turn, depends on a number of factors, including the design of our system, 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 substandard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products. Further, we may incur additional expenditure in upgrading our quality control systems and obtain and maintain additional quality certifications and accreditations.

17. ***We are subject to increasingly stringent environmental, health and safety laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.***

We are subject to a wide range of laws and government regulations, including in relation to safety, health, labour and environmental protection. This safety, health, labour and environmental protection laws and regulations impose controls on air and water release or discharge, noise levels, storage handling,

treatment and processing, along with other aspects of our manufacturing operations. For instance, there is a limit on the amount of pollutant discharge that our manufacturing facility may release into the air and water. Environmental laws and regulations in India have become and continue to be stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations may result in legal proceedings, including public interest litigation against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in criminal sanctions, revocation of operating permits or shutdown of our manufacturing facility. The occurrence of any of these events could have an adverse effect on our business, results of operations and financial condition.

**18. *Underutilization of our manufacturing capacity and an inability to effectively utilize our expanded manufacturing capacity could have an adverse effect on our business, prospects and future financial performance.***

As on the date of this Draft Letter of Offer, we operate one manufacturing facility. In particular, the level of our capacity utilization can impact our operating results. High capacity utilization allows us to spread our fixed costs, resulting in higher gross profit margin. Our product mix also affects capacity utilization of our manufacturing facility, the demand and supply balance and the average selling prices of our products, which could in turn affect our gross profit margin. Our capacity utilization is affected by the availability of raw materials, industry/ market conditions as well as by product requirements of, and procurement practice followed by, our customers. In the event we are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization at our manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business prospects and financial performance. Further, if our customers place orders for less than anticipated volume or cancel existing orders or change their policies resulting in reduced quantities supplied by us, it could result in underutilization of our manufacturing capacities. 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. Any change in demand for our products could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production or utilization of our manufacturing capacity. Any such mismatch leading to over or under utilization of our manufacturing facility could adversely affect our business, results of operations, financial condition and cash flows.

We set out below the capacity utilization of production/ facilities of our Company for the last 2 financial years.

	<b>FY 2024-25</b>	<b>FY 2023-24</b>
Installed Capacity - IC (MT)	27,336	18,076
Production Qty -PQ (MT)	18,757	14,978
<b>Utilisation (PQ/IC)</b>	<b>68%</b>	<b>83%</b>

**19. *Our business may expose us to potential product liability claims and recalls, which could adversely affect our results of operations, goodwill and the marketability of our products.***

We may be exposed to risks of product recalls and returns. In addition, we may be exposed to potential product liability claims, and the severity and timing of such claims are unpredictable. While we have availed insurance to protect us from such claims; however, such insurance coverage may not be adequate or not applicable to a particular set of claims. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling, which may lead to deterioration of our products. Product liability claims, regardless of their merits or the ultimate success of the defense against them, are expensive. Even unsuccessful product liability claims would require us to incur substantial amounts on litigation and require our management's time and focus. Accordingly, such product liability claims may adversely affect our results of operation, goodwill and marketability of our products. Our Company has not faced any negative publicity in relation to it or the business or staff, including publicity covering issues such as anti-corruption, safety and environmental protection in the past three financial years.

20. ***Negative publicity against us, our Promoters, our suppliers, our customers or any of the respective affiliates could cause reputational harm and could have a material adverse effect on our business, financial condition, results of operations and prospects.***

From time to time, we, our Promoters, our suppliers, our customers or any affiliate may be subject to negative publicity in relation to their respective business or staff, including publicity covering issues such as anti-corruption, safety and environmental protection. Such negative publicity, however, even if later proven to be false or misleading, and even where the entities or individuals implicated are members or employees of our suppliers, customers or their respective affiliates, could lead to a temporary or prolonged negative perception against us by virtue of our affiliation with such suppliers, customers or affiliates. Our reputation in the marketplace is important to our ability to generate and retain business. In particular, damage to our reputation could be difficult and time consuming to repair, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

21. ***We have entered into related party transactions in the ordinary course of our business, and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.***

We have entered into transactions with related parties in the past, and from, time to time, we may enter into related party transactions in the future. 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 and in compliance with the provisions of the Companies Act, 2013 and other applicable laws, 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.

The following table sets out details of related party transactions entered into by our Company for Fiscals 2025 and 2024:

(₹ in lakhs)				
Sr. No.	Name of Related Party	Nature of Transactions	FY 2025	FY 2024
1.		Sale of Goods	389.53	358.74
		Purchase of Goods	133.85	-
2.		Sale of Service	172.26	-
		Rent paid	10.61	9.31
3.		Corporate Guarantee fees paid	41.86	32.57
	Indus Petrochem Limited	Reimbursement of expenses	-	-
		Inter-corporate loan repaid	-	-
		Dividend paid	55.02	146.73
		Interest expense on inter-corporate loan taken	306.25	307.02
4.		Advance Received	2,484.48	-
5.	Jeet Malhotra	Purchase of Freehold Land	787.86	-
		Short-term employee benefits	51.70	27.94
6.	Virendrasingh Baidwal (up to December 23, 2022)	Short-term employee benefits	-	-
7.	Ashish Agarwal	Short-term employee benefits	53.82	57.18
8.	Amit Kumashi	Short-term employee benefits	27.90	27.25
9.	R.L. Shenoy (upto March 19, 2025)	Sitting fees	5.60	3.60
10.	Ajit Shah	Sitting fees	5.20	4.00
11.	Aruna Soman (upto October 28, 2024)	Sitting fees	2.80	4.00
12.	Maya Parihar Malhotra	Sitting fees	3.60	2.00
13.	Anand Parihar	Sitting fees	1.60	1.60

Sr. No.	Name of Related Party	Nature of Transactions	FY 2025	FY 2024
14.	Cyrus Poonevala	Sitting fees	4.80	1.60
15.	Ashni Logistics Private Limited	Purchase of Goods	215.22	-
16.	Percy Logistics and Infrastructure Private Limited	Purchase of Goods	1,055.57	-
17.	Hornbill Infrastructure Services Private Limited	Inter-Corporate Deposit received	300.00	-
		Inter-Corporate Deposit Repaid	300.00	-
		Interest expenses on Inter-Corporate Deposit	5.85	-

**Related Party Transactions balance outstanding as at end of Fiscal 2025**

(₹ in lakhs)				
Sr. No.	Name of Related Party	Nature of Transactions	FY 2025	FY 2024
1.	Indus Petrochem Limited	Loan outstanding	3500.00	3,500.00
		Trade Payable	380.06	109.80
		Corporate Guarantee provided	10,000.00	6,500
		Other Receivable	46.55	-
		Advance Received	2484.48	-
2.	Ashni Logistics Private Limited	Trade Payable	250.65	-
3.	Percy Logistics and Infrastructure Private Limited	Trade Payable	1244.46	-
4.	Jeet Malhotra	Other current financial liabilities	737.86	-

22. ***Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.***

We are insured for a number of risks associated with our businesses, such as insurance cover against loss or damage by fire, explosion, burglary, theft and robbery. However, there can be no assurance that any claim under the insurance policies will be honoured fully, in part or on time, to cover all losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected.

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

The amount of our future dividend payments 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. The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our Shareholders, subject to the provisions of our Articles of Association and applicable law, including the Companies Act, 2013. There can be no assurance that our Company will pay dividends in the future. We may decide to retain all our earnings for use in the operations and expansion of our business. Accordingly, realization of a gain on shareholder investments will depend on the appreciation of the price of the Equity Shares.

24. ***In the last financial year, we have faced a decrease in our profits despite increase in our revenue from operations. If we continue to face such decrease in our profits, it may have an adverse effect on our financial condition and results of operations.***

For Fiscal 2024, our profit after tax was ₹1,884.67 lakhs, representing a 37.96% increase compared to Fiscal 2023. However, in Fiscal 2025, our profit after tax declined to ₹1,458.41 lakhs, a decrease of 22.62% compared to Fiscal 2024. This decline in profitability was primarily attributable to lower margins.

While our revenue has continued to grow year-on-year, there can be no assurance that we will be able to maintain or improve our profit margins in the future. Any sustained decrease in our profitability may have a material adverse effect on our financial condition, cash flows and results of operations

## **ISSUE SPECIFIC RISK**

- 25. *We will not distribute this Draft Letter of Offer and the Letter of Offer, Application Form and Rights Entitlement Letter to overseas Shareholders who have not provided an address in India for service of documents.***

In accordance with the SEBI ICDR Regulations and SEBI Master Circular [Please define or mention date of the Master Circular] our Company will send, only through email, the Rights Entitlement Letter, Application Form and other Issue Materials to the email addresses of the Eligible Equity Shareholders who have provided their Indian addresses or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such Issue Materials in overseas jurisdictions. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties, if we distribute Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions.

- 26. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholder") may lapse if they fail to furnish details of their demat account to the Registrar.***

In accordance with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable credit of their Rights Entitlements in their demat accounts at least one day prior to the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish details of their demat account to the Registrar shall lapse. Further, pursuant to a press release dated December 3, 2018, issued by the SEBI, with effect from April 1, 2019, transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

- 27. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in dilution of shareholding.***

Rights Entitlements that are not exercised prior to expiry of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case the Rights Entitlements are not credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue for the Rights Entitlements. For details, please refer to "**Terms of the Issue**" beginning on page 66 of this Draft Letter of Offer.

- 28. *Any future issuance of Equity Shares or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional equity shares. The disposal of equity shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

- 29. *We face foreign exchange risks that could adversely affect our results of operations and cash flows.***

Our revenue from operations also includes revenue from export of our products. This exposes us to foreign currencies, while we prepare our financial statements in Indian Rupees. For Fiscals 2025 and 2024, our revenue from operations from exports were ₹ 6,130 lakhs and ₹6,503 lakhs, respectively, representing 17% and 23% of our revenue from operations. We do not hedge our foreign currency exposure. Accordingly, we are affected by fluctuations in exchange rates among the U.S. Dollar, Indian Rupees and other foreign currencies. For the Fiscals 2025 and 2024, we recorded foreign currency exchange gains of ₹ 129 lakhs and ₹ 120 lakhs, respectively due to fluctuations in foreign exchange rates. There can be no assurance that we will continue to record exchange gains from foreign exchange fluctuations or any hedging measures which we may take will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other foreign currencies.

In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign exchange currency exposures and may have an adverse effect on our results of operations and cash flows. Further, changes in export policies or an economic slowdown in countries to which we export our products may have a significant adverse impact on our business, financial condition and results of operations.

- 30. *Investors may be subject to Indian taxes arising out of capital gains on the sale of Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. 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 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 Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of the resident seller. 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 gains made on sale of the Equity Shares.

- 31. *Investors will be subject to market risks until the Equity Shares credited to the investors' demat account are listed and permitted to trade.***

Investors may trade the Equity Shares allotted to them only after they are credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they subscribe to the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

- 32. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all, which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares

will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. We must submit all relevant documents authorizing the issuing of Equity Shares to receive the approval. There could be a failure or delay in listing the Equity Shares on the Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

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

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares voted on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will not be able to exercise such pre-emptive rights, unless we make such a filing. We may elect not to file a registration statement in relation to the pre-emptive rights, otherwise available to you under Indian law. To the extent that you are not able to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company would be diluted.

**34. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

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

**35. *The sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of Equity Shares.***

Any instance of disinvestment of Equity Shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have difficulty in asserting their rights as a shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

## **EXTERNAL RISK FACTORS**

**37. *Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.***

Summary statements of assets and liabilities as at March 31, 2025 and March 31, 2024, and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscals 2025 and 2024, have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

**38. *Wage pressures and increases in operating costs in India may prevent us from sustaining our competitive advantage and may reduce our profit margins.***

Wage and operating expenses increase in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. Wages in India are increasing at a faster rate than in the developed economies, which could result in increased employee benefit expenses. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Further, the Code on Wages, 2019 received the assent of the President of India on August 8, 2019, and has subsumed 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. This may impact our wage structure and may lead to increased wage payments to our employees. Additionally, the cost of operating expenses is also increasing as India continues to grow. Compensation increases manifest a hike in operational costs which may reduce our profit margins.

**39. *Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.***

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional, and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional, and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

**40. *A slowdown in economic growth in India could cause our business to suffer.***

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy

could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

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

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition:

- the General Anti Avoidance Rules ("GAAR") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing and if the tax costs associated with that transaction may become greater than anticipated then it could affect the profitability of such transactions.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. 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 prospects. 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.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase

the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

**42. *A downgrade in credit ratings of India may affect the trading price of the Equity Shares.***

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are outside the control of our Company.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "stable" outlook by Moody's in June 2024 and from BBB- with a "stable" outlook to BBB- with a "negative" outlook (Fitch) in June 2020; and from BBB with a "negative" outlook to BBB (low) with a "stable" outlook by DBRS in May 2021. India's sovereign ratings from S&P is BBB- (long term) and A-3 (short term) with a "positive" outlook in May 2024. 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 reasons beyond our control such as, upon a change of government tax or fiscal policy. 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 the Equity Shares.

**43. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe, and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

**44. *Inflation in India could have an adverse effect on our profitability, and if significant, on our financial condition.***

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 previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

**45. *Investors may have difficulty in enforcing foreign judgments against our Company or our management.***

Our Company is incorporated under the laws of India and all of our Directors reside in India. Furthermore, significant portion of our assets, and the assets of our Key Managerial Personnel and Directors, are located in India. As a result, it may be difficult to effect service of process outside India upon us and our Directors or to enforce judgments obtained in courts outside India against us or our Directors, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("Civil Code"). India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or Directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. Furthermore, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of the judgment.

**46. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business

growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of 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. There can be no assurance that any approval required from the RBI, or any other government agency can be obtained on any particular terms or at all.

**47. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business***

The Competition Act prohibits any anti competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India. Any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Any breach of the provisions of Competition Act may attract substantial monetary penalties.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Furthermore, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. We are not currently party to any outstanding proceedings, nor have we ever received any notice in relation to non-compliance with the Competition Act. Any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition and results of operations.

**48. *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 disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. 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.

**49. *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. Consequently, our business, operations, financial performance 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 neighboring countries;
- hostile or war like situations with the neighboring 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;
- 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;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis; and

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or specific regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

Any global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in specific financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

## SECTION III – INTRODUCTION

### THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on July 31, 2025, pursuant to Section 62(1)(a) of the Companies Act. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Rights Issue Committee at its meeting held on [●]. The following is a summary of the Issue, and it should be read in conjunction with and is qualified entirely by, the information set out in the chapter titled “*Terms of the Issue*” beginning on page 66 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
<b>Rights Equity Shares proposed to be issued</b>	Up to [●] Equity Shares
<b>Rights Entitlement</b>	[●] Equity Share for every [●] fully paid-up Equity Share(s) held on the Record Date
<b>Fractional Entitlement</b>	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any
<b>Record Date</b>	[●]
<b>Face Value per Equity Share</b>	₹10
<b>Issue Price per Rights Equity Shares</b>	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
<b>Issue Size</b>	Upto [●] Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] (including a premium of ₹ [●]) per Rights Equity Share aggregating up to ₹ 13,000 Lakhs <sup>#</sup>  <i># Assuming full subscription, to be adjusted as per the Rights Entitlement ratio</i>
<b>Dividend</b>	Such dividend as may be declared by our Board and our shareholders, as per applicable laws
<b>Equity Shares issued, subscribed and paid up prior to the Issue</b>	73,53,060 Equity Shares. For details, please refer to “ <i>Capital Structure</i> ” beginning on page 43 of this Draft Letter of Offer.
<b>Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	[●] Equity Shares <sup>#</sup>  <i># Assuming full subscription</i>
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b>	[●]
<b>Money payable at the time of Application</b>	[●]
<b>Scrip Details</b>	ISIN: INE199E01014 BSE: 530845
<b>ISIN for Rights Entitlements</b>	[●]
<b>Use of Issue Proceeds</b>	For details, please refer to “ <i>Objects of the Issue</i> ” beginning on page 46 of this Draft Letter of Offer.
<b>Terms of the Issue</b>	For details, please refer to “ <i>Terms of the Issue</i> ” beginning on page 66 of this Draft Letter of Offer
<b>Terms of Payment</b>	For details, please refer to “ <i>Terms of the Issue</i> ” beginning on page 66 of this Draft Letter of Offer.
<b>Due Date</b>	On the Issue application (i.e. along with the Application Form)

Particulars	Details of Equity Shares
Amount payable per Rights Equity Shares (including premium)	[●]

Please refer to the chapter titled “*Terms of the Issue*” on page 66 of this Draft Letter of Offer.

### Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights*	[●]
Issue Closing Date**	[●]

*\*The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

*\*\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

## GENERAL INFORMATION

Our Company was incorporated as "Sunshield Chemicals Private Limited" on November 19, 1986, as a Private Limited Company under the provisions of the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently our Company was converted into a Public Limited Company and the name of our Company was changed to "Sunshield Chemicals Limited" on May 28, 1992, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is L99999MH1986PLC041612. The registered office of the Company was changed from Equinox Business Park, Tower - 4, 9th Floor Unit No. 903, LBS Marg, Kurla (West), Mumbai – 400070, Maharashtra, India to 1501-A, Universal Majestic, P.L. Lokhande Marg Behind R.B.K International Academy, Chembur, Mumbai – 400043, Maharashtra, India with effect from December 01, 2021.

### **Registered Office**

1501-A, Universal Majestic,  
P.L. Lokhande Marg,  
Behind R.B.K. International Academy,  
Chembur, Mumbai – 400043  
**Telephone:** +91 022-25550126  
**Website:** [www.sunshieldchemicals.com](http://www.sunshieldchemicals.com)  
**E-mail:** [info@sunshieldchemicals.com](mailto:info@sunshieldchemicals.com)  
**Corporate Identity Number:** L99999MH1986PLC041612  
**Registration Number:** 041612

Our Company does not have a corporate office.

### **Address of the Registrar of Companies**

Our Company is registered with the RoC, Mumbai, which is situated at the following address

**Registrar of Companies,**  
100, Everest, Marine Drive,  
Mumbai – 400002, Maharashtra.  
**Telephone:** +91 022-22812627  
**Website:** [www.mca.gov.in](http://www.mca.gov.in)  
**E-mail:** [roc.mumbai@mca.gov.in](mailto:roc.mumbai@mca.gov.in)

### **Company Secretary and Compliance Officer**

**Amit Ashok Kumashi**  
1501-A, Universal Majestic,  
P.L. Lokhande Marg,  
Behind R.B.K. International Academy,  
Chembur, Mumbai – 400043  
**Telephone:** +91 22-25550126  
**E-mail:** [amit.kumashi@sunshieldchemicals.com](mailto:amit.kumashi@sunshieldchemicals.com)

### **Advisor to the Issue**

**Fortress Capital Management Services Private Limited**  
2nd Floor, Daryanagar House,  
69, Maharshi Karve Road,  
Mumbai – 400002  
**CIN:** U67120MH2004PTC145815  
**Telephone:** +91 022-22007973  
**E-mail:** [hiteshdoshi@fortress.co.in](mailto:hiteshdoshi@fortress.co.in)  
**Investor grievance e-mail:** [info@fortresscapital.in](mailto:info@fortresscapital.in)  
**Contact person:** Hitesh Doshi  
**Website:** [www.fortresscapital.in](http://www.fortresscapital.in)

### **Legal Counsel to our Company**

**Rajani Associates**  
**Advocates and Solicitors**  
204-207, Krishna Chambers  
59, New Marine Lines  
Mumbai 400 020  
**Telephone:** +91 22 4096 1002  
**E-mail:** [sangeeta@rajaniassociates.net](mailto:sangeeta@rajaniassociates.net)  
**Contact Person:** Sangeeta Lakhi

#### **Details of Key Intermediaries pertaining to this Issue of our Company**

##### **Registrar and Share Transfer Agent to the Issue**

**Bigshare Services Private Limited**  
Office No. S6-2, 6th Floor,  
Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road,  
Andheri (East) Mumbai 400 093  
**Telephone:** +91 22 6263 8200  
**Email:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Investor grievance e-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Contact Person:** Suraj Gupta  
**SEBI Registration No.:** INR000001385  
**Validity of Registration:** Perpetual

##### **Banker to the Issue/ Escrow Collection Bank/ Refund Bank**

[•]

##### **Statutory Auditors of the Issuer**

**CNK & Associates LLP**  
Mistry Bhavan, 3<sup>rd</sup> Floor,  
Sir Dinshaw Vachha Road,  
Churchgate, Mumbai - 400020  
**Firm Registration Number:** 101961W/ W100036  
**Contact person:** Diwakar Sapre  
**Membership No.:** 040740  
**Telephone Number:** +91 22 6623 0600  
**E-mail:** [diwakar@cnkindia.com](mailto:diwakar@cnkindia.com)  
**Peer review Certificate Number:** 017169

##### **Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

##### **Experts**

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

Our Company has received a written consent dated August 06, 2025 from our Statutory Auditors, CNK & Associates LLP, to include their name in this Draft Letter of Offer as an "expert", as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as statutory auditors, and in respect of (i) in respect of the audited financial statements of the Company for the financial years ended March 31, 2025 and March 31,

2024, and our report issued thereon dated May 05, 2025 and May 16, 2024, respectively prepared in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended and (ii) the statement of possible special tax benefits prepared by us dated August 06, 2025. (the “Special Tax Benefits Statement”). in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received a written consent dated [●] from Ashok Sonje, Chartered Engineer, to include his name as an “expert” as defined under section 2(38) and 26(5) of the Companies Act, 2013 to the extent and in his capacity as the independent chartered engineer and in respect of the certificate issued by him and included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of offer.

### **Investor grievances**

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc.

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related problems such as non-receipt of Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

### **Credit Rating**

Our Company has obtained Credit Rating from India Rating & Research Private Limited dated May 05, 2025. The current rating is as follows:

<b>Facilities</b>	<b>Current Rated Amount (Rs. In crores)</b>	<b>Previous Credit Rating by CRISIL Ratings Limited</b>	<b>Current Credit Rating by India Rating &amp; Research Private Limited</b>
Working Capital Facility	45.00	CRISIL BBB+/Stable	IND BBB+/Stable/IND A2
Term Loan	55.00	CRISIL BBB+/Stable	IND BBB+/Stable

Also, there has been no downgrade in our rating.

### **Debenture Trustees**

This is an issue of Equity Shares; the appointment of Debenture trustees is, therefore, not required.

### **Monitoring Agency**

Our Company has appointed ICRA Limited as the monitoring agency to monitor the utilization of the Net Proceeds, in accordance with Regulation 82 of the SEBI ICDR Regulations, prior to filing of the Letter of Offer with the Stock Exchanges. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” on page 46 of this Draft Letter of Offer.

### **Underwriting Agreement**

The Issue is not underwritten, and our Company has not entered into any underwriting agreement.

### **Filing**

This Draft Letter of Offer is being filed with the Stock Exchanges as per the provisions of the SEBI ICDR Regulations.

## CAPITAL STRUCTURE

The share capital of our Company, as at the date of this Draft Letter of Offer, and details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below:

<i>(in ₹, except shares data)</i>		
	Aggregate value at Face Value	Aggregate value at Issue Price
<b>A AUTHORISED SHARE CAPITAL</b>		
1,50,00,000 Equity Shares of ₹10 each	15,00,00,000.00	
50,00,000 7% Non-Cumulative Redeemable Preference shares of Rs.10/- each	5,00,00,000.00	
<b>B ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
73,53,060 Equity Shares of ₹10 each	7,35,30,600	-
<b>C PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER<sup>(1)</sup></b>		
Up to [●] Equity Shares, each at a premium of ₹ [●] per Equity Share, i.e., at a price of ₹ [●] per Equity Share	[●]	[●]
<b>D ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE</b>		
[●] Equity Shares of ₹ [●] each, fully paid up <sup># (1)</sup>	[●]	[●]
<b>E SECURITIES PREMIUM ACCOUNT</b>		
Before the Issue		[●]
After the Issue <sup>(2)</sup>		[●]

<sup>#</sup> To be updated upon finalisation of the Issue Price.

<sup>(1)</sup> The Issue has been authorised by our Board pursuant to a resolution dated July 31, 2025. The terms of the Issue, including the Record Date and Rights Entitlement Ratio, have been approved by a resolution passed by our Rights Issue Committee at their meeting held on [●].

<sup>(2)</sup> Assuming full subscription for, and Allotment of, the Equity Shares. Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue related expenses.

### Notes to the Capital Structure

#### 1. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Our Promoter and Promoter Group vide their letters dated August 06, 2025 (the “**Subscription Letter**”), has undertaken to: (a) subscribe, to the full extent of its Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in its favour by any Promoter Group member or may renounce its Rights Entitlements in part or full to the Promoter Group members; and (b) subscribe for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. Such subscription, if any, to be made by Promoter Group, shall be in accordance with Regulation 3 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended (the “**Takeover Code**”) and the exemption under Regulation 10(4) of Takeover Code. Further, such subscription shall not result in breach of minimum public shareholding requirement stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities Contracts (Regulation) Rules, 1957, as amended.

Since our Promoter Group has decided to subscribe to the full extent of their Rights Entitlements or renounce its Rights Entitlements in part or full to the Promoter Group members as permissible by law, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations will not apply.

#### 2. The ex-rights price of the Equity Shares offered pursuant to this Issue and in compliance with the valuation formula set out in Regulation 10(4)(b)(ii) of the Takeover Regulations is ₹ [●] per Equity

Share.

3. As on the date of this Draft Letter of Offer, our Company has no partly paid-up Equity Shares. The Rights Equity Shares, pursuant to this Issue shall be fully paid-up.
4. **Shareholding Pattern of our Company as per the last filing with the Stock Exchange, in compliance with the provisions of the SEBI LODR Regulations:**
  - (i) The shareholding pattern of our Company, as on June 30, 2025, may be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/sunshield-chemicals-ltd/sunshield/530845/shareholding-pattern/>
  - (ii) A statement as on June 30, 2025, showing holding of Equity Shares of persons belonging to the category of "Promoter and Promoter Group", including details of lock-in, pledge and encumbrance thereon, may be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=530845&qtrid=126.00&QtrName=Jun-25>
  - (iii) A statement as on June 30, 2025, showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Trading Members", including equity shareholders holding more than 1% of the total number of Equity Shares, as well as details of shares which remain unclaimed may be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpdrPercent.aspx?scripcd=530845&qtrid=126.00&CompName=Sunshield%20Chemicals%20Ltd&QtrName=Jun-25&Type=TM>
  - (iv) A statement as on June 30, 2025, showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public", may be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=530845&qtrid=126.00&QtrName=Jun-25>
5. **Details of shareholders of our Company holding 1% or more of the paid-up capital of the issuer as last disclosed to the stock exchange**

The table sets forth the details of the Equity Shareholders holding more than 1% of the issued and paid-up Equity Share capital of our Company, as of June 30, 2025:

Sr. No.	Name of Equity Shareholders	Number of Equity Shares held	Percentage of Equity Shares held
1.	Indus Petrochem Limited	45,85,396	62.36
2.	Habrok India Master Lp	1,93,218	2.63
3.	Cassini Partners, L.P. Managed By Habrok Capital Management Llp	2,27,446	3.09
4.	Dipak Kanayalal Shah	75,000	1.02
5.	Lincoln P Coelho	80,000	1.09
6.	Coppersmith Energies And Project Pvt Ltd	1,16,900	1.59

6. **Details of shares locked-in, pledged, encumbrance by Promoters and Promoter Group:**

The details of shares locked-in, pledged and encumbered by the Promoters and Promoter Group may be accessed on the website of the BSE at [Shareholding Pattern](#)
7. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of filing this Draft Letter of Offer and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of such transaction.
8. At any given time, there shall be only one denomination of the Equity Shares of our Company.
9. **Details of outstanding securities of our Company**

As on date of this Draft Letter of Offer, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer.

Further, the Rights Equity Shares allotted pursuant to the Rights Issue, shall be fully paid up. For further details on the terms of the Issue, please see the section entitled “*Terms of the Issue*” on page 66.

## OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds towards the following objects:

1. Repayment or prepayment, in full or in part, of the borrowings availed by our Company;
2. General Corporate Purposes.  
(collectively, the “Objects”)

Our Memorandum of Association enables us to pursue our existing activities, and the activities for which the funds will be raised.

### Issue Proceeds

The details of the Net Proceeds are summarized in the table below.

		(in ₹ Lakhs)
Particulars	Amount	
Gross proceeds		[●]
Less: Estimated Issue related expenses*		[●]
Net Proceeds		[●]

\*See “Estimated Issue Related Expenses” on page 49 of this chapter.

### Requirement of Funds and utilisation of Net Proceeds

The proposed utilization of Net Proceeds is set forth in the table below.

		(in ₹ Lakhs)
Particulars	Estimated amount	
Repayment or prepayment, in full or in part, of borrowings availed by our Company		9,764
General Corporate Purposes		[●]*
<b>Total Net Proceeds**</b>		[●]

\* Subject to finalization of the Basis of Allotment and allotment of the Rights Equity Shares. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

\*\* Assuming full subscription in the Issue.

### Means of Finance

The funding requirements mentioned above are based on internal management estimates of our Company and have not been 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 from time to time on account of various factors beyond its control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of our management, subject to applicable law. If additional funds are required for the Objects, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or a combination of them, subject to compliance with applicable laws.

The fund requirement set out above is proposed to be funded entirely from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means for 75% of the stated means of finance, excluding the amount to be raised from the Issue.

### Schedule of Implementation and deployment of Net Proceeds

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

<i>(in ₹ Lakhs)</i>			
Particulars	Total estimated amount/expenditure	Estimated utilization from Net Proceeds	Estimated deployment of the Net Proceeds in [Fiscal 2026]
Repayment or prepayment, in full or in part, of borrowings availed by our Company	9,764	9,764	9,764
General Corporate Purposes*	[•]	[•]	[•]
<b>Total Net Proceeds**</b>	[•]	[•]	[•]

\* The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

\*\* Assuming full subscription in the Issue.

In the event the estimated utilization of the Net Proceeds in a scheduled Fiscal is not completely met (in full or in part), due to factors such as (i) economic and business conditions; (ii) the timing of completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company, in accordance with applicable laws. Any change in estimated schedule of utilization shall be subject to shareholders' approvals and in accordance with applicable laws.

In the event that the Net Proceeds are not completely utilized towards the Objects and as per the estimated schedule of utilization specified above, the same would be utilized in subsequent Financial Years to achieve the Objects.

### Details of the Objects

The details in relation to the Objects are set forth below:

#### 1. *Repayment or prepayment, in full or in part, of borrowings availed by our Company*

Our Company has, in the regular course of business, availed loans and credit facilities from scheduled commercial banks. The outstanding loans and credit facilities include debt, such as term loans and working capital loans. Further, our Company has availed an unsecured loan from our corporate promoter, Indus Petrochem Limited. The aggregate outstanding amounts under these borrowings may vary from time to time, and our Company may, in accordance with the relevant repayment schedule, repay, refinance or prepay some of our existing borrowings.

As on July 31, 2025, our aggregate outstanding borrowings were ₹9,920.51 Lakhs, of which the amount outstanding under long-term borrowing arrangements was ₹2,445.09 Lakhs, under short-term borrowing arrangement was ₹3,975.42 Lakhs and unsecured loan from our corporate promoter was ₹3,500 Lakhs. Our Company proposes to utilise an estimated amount of ₹9,764 Lakhs from the Net Proceeds towards full or partial repayment or pre-payment of the borrowings availed by our Company.

Our Company has obtained necessary no-objection certificates from existing lenders, wherever applicable, in accordance with the respective loan facility, to undertake the Issue, including but not limited to any actions required in connection with the Issue. The amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

The following two tables provide details of borrowings availed by our Company, which are outstanding as on July 31, 2025, and are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds.

### **Borrowings from Banks:**

Name of the Lender	Nature of Borrowing	Sanctioned Amount (in ₹ lakhs)	Date of Sanction	Date of Disbursement	Principal amount outstanding as on July 31, 2025 (in ₹ lakhs)	Tenure of repayment	Rate of interest as on July 31, 2025 (in %)
HDFC Bank Limited	Term Loan (Capex-1)	1,500	February 14, 2022	October 13, 2022	763.41	Repayable in 60 months	8.58%
HDFC Bank Limited	Term Loan (Capex-2)	1,000	February 14, 2022	July 28, 2022	46.51	Repayable in 36 months	7.78%
HDFC Bank Limited	Term Loan (Capex-3)	1,000	March 20, 2024	September 30, 2024	878.50	Repayable in 60 months	8.67%
HDFC Bank Limited	Working Capital Demand Loan	2,500	February 14, 2022	Running Account	2,500.00	Renewed every month	8.37%
HDFC Bank Limited	Cash Credit	1,500	February 14, 2022	Running Account	1,032.58	Repayable in 12 months	9.14%
Axis Bank Limited	Term Loan 1	1,000	June 09, 2024	June 29, 2024	756.67	Repayable in 60 months	8.50%
Axis Bank Limited	Cash Credit	500	June 09, 2024	Running Account	442.84	Repayable in 12 months	8.50%
<b>Total</b>		<b>9,000</b>			<b>6,420.51</b>		

Notes:

1. Our Company has obtained a certificate dated August 06, 2025, from CNK & Associates LLP., Chartered Accountants who have certified that the borrowings mentioned in the table above have been utilised towards the purposes for which such borrowings were availed.
2. There have been no instances of delays, defaults and rescheduling/restructuring of these borrowings.
3. These loans, when taken, were within the borrowing limits, approved by the shareholders of the Company. The resolution approving the increase in borrowing limits was intimated to the BSE and the MCA.

#### Unsecured borrowings from Indus Petrochem Limited:

Name of the lender	Date of Agreement	Purpose*	Nature of borrowing	Sanctioned Amount (in ₹ lakhs)	Principal amount outstanding as on July 31, 2025 (in ₹ lakhs)	Rate of interest Per annum	Tenure of loan
Indus Petrochem Limited	November 29, 2021	To repay the loans availed from banks during the pre-takeover period	Unsecured Loan	3,500	3,500	8.75%	Due Date: September 27, 2025

Notes:

1. Our Company has obtained a certificate dated August 06, 2025, from CNK & Associates LLP., Chartered Accountants who have certified that the unsecured borrowings availed by our Company from Indus Petrochem Limited was utilised towards the purpose for which such borrowing was availed.
2. There have been no instances of delays and defaults in relation to this unsecured loan. As per the Board resolution passed on May 5, 2025, the repayment of this loan was rescheduled from six quarterly equal instalments, starting February 24, 2024 to be repaid in one bullet payment on or before September 27, 2025.
3. Our Company disclosed the borrowing of this unsecured loan to the BSE on November 30, 2021.

\* In July 2021, Indus Petrochem acquired 62.36 % stake in Sunshield Chemicals from Rhodia Amines. During the pre-takeover period, our Company availed loans from various banks to meet its capex requirements for its projects and for working capital requirements. In order to repay these loans, our Company availed a loan from Indus Petrochem Limited. Our Company then used the loan from Indus Petrochem Limited to repay all the pre-takeover bank loans. As far as these loans are concerned, Indus Petrochem Limited is the lender, and the loan is reflected as "Term Loan to Sunshield Chemicals Limited" in the books of accounts of Indus Petrochem Limited.

Our Company proposes to repay and/or pre-pay the above secured and unsecured borrowings on or before

September 27, 2025, subject to receipt of the Issue Proceeds before such date. If on receipt of the Issue Proceeds, our Company does not use it for the Objects, the same will be construed as variation in the Objects and our Company will seek approval from the shareholders for such variation.

Such repayment and/or pre-payment of our borrowings will help reduce our outstanding indebtedness and debt servicing costs and enable utilisation of our internal accruals for further investment in our business growth and expansion.

We have considered the following factors when identifying the loans that will be repaid or prepaid out of the Net Proceeds:

1. Costs, expenses and charges relating to the facility including interest rates involved;
2. Presence of onerous terms and conditions under the facility;
3. Ease of operation with the lender;
4. Terms and conditions of consents and waivers;
5. Provision of any legal requirements governing such borrowings; and/or
6. Other commercial considerations, including, inter alia, the amount of the loan outstanding and the remaining tenor of the loan.

The aggregate amount to be utilised from the Net Proceeds towards repayment and/or prepayment, in part or full of the above borrowings, would not exceed ₹9,764 Lakhs. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular Financial Year may be repaid/ pre-paid in part or full by our Company in the subsequent Financial Year.

## 2. **General Corporate Purposes**

Our Company intends to deploy the balance Net Proceeds aggregating up to ₹ [●] Lakhs towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. Such utilization towards general corporate purposes shall be to drive our business growth, including acquiring assets, which our Company may require in the course of any business and any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/consents, as applicable. Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes in compliance with applicable laws.

### **Estimated Issue related expenses**

The estimated Issue related expenses are as follows:

Particulars	Estimated amount*	(in ₹ Lakhs)	
		As a % of the total estimated Issue expenditure	As a % of total issue size
Fee payable to the Registrar to the Issue	[●]	[●]	[●]
Fee payable to the legal counsels, advisors, other professional service providers including auditors	[●]	[●]	[●]
Printing and stationery, distribution, postage etc.	[●]	[●]	[●]
Advertising and marketing expenses and shareholder outreach expenses	[●]	[●]	[●]
Fees payable to regulators (including Stock Exchange, depositories and other statutory fee as applicable)	[●]	[●]	[●]
Other expenses (including miscellaneous expenses) #	[●]	[●]	[●]
<b>Total estimated Issue expenses*</b>	[●]	[●]	[●]

\*Includes applicable taxes. Subject to finalization of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

#Includes fees payable to Statutory Auditors and any such expense not specifically covered.

**Bridge financing facilities**

Our Company has not availed any bridge loans from any banks or financial institutions as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

**Interim use of funds**

Our Company shall deposit the Net Proceeds, pending utilization of the Net Proceeds for the Objects, by depositing the same with scheduled commercial banks included in second schedule of Reserve Bank of India Act, 1934.

**Monitoring of utilization of funds**

Our Company has appointed ICRA Limited as the Monitoring Agency to monitor utilization of the Net Proceeds, and the Monitoring Agency shall submit a report to our Board as required under Regulation 82 of the SEBI ICDR Regulations. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Financial Years, subsequent to receipt of listing and trading approval from the Stock Exchange. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the use and application of the Net Proceeds, including deviations or category wise variations, if any. Further, pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall prepare on an annual basis, a statement of funds utilized for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosures shall be made till such time that all of the Net Proceeds have been utilized. The statement shall be certified by the Statutory Auditors of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the Net Proceeds; and (ii) details of category wise variations in the actual utilization of the Net Proceeds. This information will also be published on our website and explanation for such variation (if any) will be included in our Director's report, after placing it before the Audit Committee.

**Appraising entity**

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

**Strategic or Financial Partners**

There are no strategic or financial partners to the Objects.

**Interest of Promoters, Promoter Group and Directors, in the objects of the Issue.**

Neither the Promoters, Promoter Group, Directors, Group Companies or Key Management Personnel have entered into, nor are planning to enter into, any arrangement/ agreements, except as mentioned above, with the Promoters, Promoter Group, Directors, Key Management Personnel or our Group Companies in relation to utilization of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects.

**Credit Rating**

Our Company has obtained a credit rating from India Rating & Research Private Limited pursuant to their letter dated May 5, 2025. The current rating is: IND BBB+/Stable. This letter continues to be valid and has not been withdrawn.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: August 06, 2025

**The Board of Directors,  
Sunshield Chemicals Limited**  
1501-A, Universal Majestic,  
P. L. Lokhande Marg,  
Mumbai 400043

Dear Sir/Ma'am,

**Re: Proposed rights issue of equity shares of face value of Rs. 10/- each ("Equity Shares") of Sunshield Chemicals Limited ("Company" and such rights issue, the "Issue").**

This certificate is issued in accordance with the terms of our engagement letter dated August 21, 2024 read with letter dated July 31, 2025 with the Company in the context of the Issue in accordance with Chapter III of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**the "SEBI ICDR Regulations"**) and applicable provisions of the Companies Act, 2013, as amended (**the "Companies Act"**).

We report that the enclosed statements in **Annexure I and Annexure II**, state the possible special tax benefits under direct tax laws i.e. Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by the Finance Act, 2025 (hereinafter referred to as "**Income Tax Laws**") , and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 (hereinafter referred to as "**Indirect Tax Laws**") as amended, including the the relevant rules and regulations, circulars and notifications issued there under, Foreign Trade Policy force in India, available to the Company and its shareholders. Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its shareholders, to derive the possible special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future, the Company and its shareholders may or may not choose to fulfill.

We confirm that the information herein is true, fair, correct, complete, accurate, not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading and adequate to enable investors to make a well informed decision.

We confirm that while providing this certificate, we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India. We also have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, '*Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements*,' issued by the ICAI.

The benefits discussed in the enclosed statements cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and do not cover any general tax benefits available to the Company or its shareholders. The tax benefits listed herein are only the possible special tax benefits which may be available under the current direct tax laws presently in force in India. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The benefits discussed in the enclosed statements in **Annexure I and Annexure II** are not exhaustive. The preparation of the contents stated in these Annexures is the responsibility of the Company's management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest in the Issue based on this statement.

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

- (i) The Company or its shareholders will continue to obtain these benefits in future; or
- (ii) The conditions prescribed for availing of the benefits, where applicable, have been/would be met with.

(iii) There venue authorities/courts will concur with the views expressed herein

The statement is intended solely for information and the inclusion in the Draft Letter of Offer & Letter of Offer in connection with the Rights Issue of Equity Shares of the Company and is not be used, referred to or distributed for any other purpose, without our prior consent, provided the below statement of limitation is included in the Offer Letter.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We also consent to the references to us as “Experts” as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and the Letter of Offer (“**Offer Documents**”) of the Company or in any other documents in connection with the Issue.

We hereby give consent to include this statement of possible special tax benefits in the Offer Documents and in any other material used in connection with the Issue.

This certificate may be relied on by the legal counsel to the Issue. We confirm that we will immediately inform the legal counsel to the Issue of any changes to the above information in writing until the date when the Equity Shares issued pursuant to the Issue commence trading on the BSE Limited (the “**Stock Exchange**”). In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares issued pursuant to the Issue commence trading on the Stock Exchanges.

We hereby consent to (a) the extracts of this certificate being used in the draft letter of Offer and/or letter of offer or any other material in connection with the Issue; and / or (b) submission of this certificate as may be necessary, to the Stock Exchange or to any regulatory authority and for the purpose of, but not limited to, any defence the legal counsel may wish to advance in any claim or proceedings in connection with the Issue or contents of the Issue related documents; and / or (c) the use of this certificate for the records maintained by the legal counsel in connection with the Issue and in accordance with applicable law.

We undertake to immediately update you, in writing, of any changes in the above mentioned information until the date the Equity Shares issued pursuant to the Issue commence trading on the recognized stock exchange. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date the Equity Shares commence trading on the recognized stock exchange.

Yours faithfully,

**For and on behalf of**

M/s C N K & Associates LLP

**Chartered Accountants**

**Firm Registration Number:** 101961W/W100036

**Name:** Diwakar Sapre

Partner

**ICAI Membership Number:** 040740

**UDIN:** [●]

**Cert No:**

**Date:** August 06, 2025

**Place:** Mumbai

**Encl:** As above

**CC:**

**Legal Counsel to the Issue**

**Rajani Associates**

**Advocates and Solicitors**  
204-207 Krishna Chambers  
59 New Marine Lines  
Mumbai 400020

## ANNEXURE I

### **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SUNSHIELD CHEMICALS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (HEREINAFTER REFERRED TO AS “INCOME TAX LAWS”)**

#### **1. Special tax benefits available to the Company under the Income Tax Laws**

There are no special tax benefits available to the Company.

#### **2. Special tax benefits available to the shareholders under the Income Tax Laws**

There are no special tax benefits available to the shareholders of the Company.

#### **Notes:**

- a. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c. The above statement of possible special tax benefits is as per the current direct tax laws relevant for the assessment year 2025-26.
- d. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## ANNEXURE II

### **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SUNSHIELD CHEMICALS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS UNDER THE CENTRAL GOODS AND SERVICES TAX ACT, 2017, INTEGRATED GOODS AND SERVICES TAX ACT, 2017, RESPECTIVE STATE GOODS AND SERVICES TAX ACT, 2017 (‘GST ACT), CUSTOMS ACT, 1962 (‘CUSTOM ACT’), CUSTOMS TARIFF ACT, 1975 (‘TARRIF ACT’) (HEREINAFTER REFERRED TO AS “INDIRECT TAX LAWS”)**

#### **1. Special tax benefits available to the Company under the Indirect Tax Laws**

There are no special indirect tax benefits available to the Company.

#### **2. Special tax benefits available to the shareholders under the Indirect Tax Laws**

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

#### **Notes:**

- a. The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b. The above statement covers only above-mentioned indirect tax laws benefits and does not cover any direct tax law benefits or benefit under any other law.
- c. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
- d. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## OUR MANAGEMENT

As per the Articles of Association of our Company, and subject to the provisions of the Companies Act, our Company is required to have not less than three (3) and not more than fifteen (15) Directors, provided that our Company may appoint more than fifteen (15) Directors through passing of a special resolution. As on the date of this Draft Letter of Offer, our Board comprises of 7 (seven) Directors, of which one (1) Director is the Managing Director and Chief Executive Officer, two (2) are Non-Executive Directors out of which one (1) is a woman Director and the Chairperson and four (4) are Non-Executive Independent Directors, out of which one (1) is a woman Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

### Our Board of Directors

The following table sets forth the details regarding our Board as on the date of this Draft Letter of Offer:

Sr. No.	Name, DIN, Date of Birth, Designation, Address, Occupation, Term of current Directorship, Period of Directorship and Nationality	Age	Other Directorships
1.	<b>Jeet Sudhir Malhotra</b>  <b>DIN:</b> 07208234  <b>Date of Birth:</b> January 09, 1997  <b>Designation:</b> Managing Director and Chief Executive Officer  <b>Address:</b> 102, Menka Ghatla Road, Diamond Garden, Chembur, Mumbai, Maharashtra – 400071  <b>Occupation:</b> Service  <b>Term of current Directorship:</b> for a period of 3 years commencing from January 01, 2022  <b>Period of Directorship:</b> Since November 30, 2021  <b>Nationality:</b> Indian	28	<i>Indian Companies</i> 1. Indus Petrochem Limited  <i>Foreign Companies</i> 1. Oriole Energy & Chemicals Pte. Ltd.
2.	<b>Dr. Anand Laxminarain Parihar</b>  <b>DIN:</b> 00513109  <b>Date of Birth:</b> June 18, 1963  <b>Designation:</b> Non-Executive Director  <b>Address:</b> 701, Madeline CHSL, Sainagar Colony, St. Anthony's Road, Near Uttam Society, Chembur, Mumbai – 400071  <b>Occupation:</b> Professional  <b>Term of current Directorship:</b> liable to retire by rotation  <b>Period of Directorship:</b> Since November 30, 2021  <b>Nationality:</b> Indian	62	<i>Indian Companies</i> 1. Indus Petrochem Limited  <i>Foreign Companies</i> 2. Oriole Energy & Chemicals Pte. Ltd.
3.	<b>Dr. Maya Parihar Malhotra</b>  <b>DIN:</b> 00513109  <b>Date of Birth:</b> June 18, 1963  <b>Designation:</b> Non-Executive Director  <b>Address:</b> 701, Madeline CHSL, Sainagar Colony, St. Anthony's Road, Near Uttam Society, Chembur, Mumbai – 400071  <b>Occupation:</b> Professional  <b>Term of current Directorship:</b> liable to retire by rotation  <b>Period of Directorship:</b> Since November 30, 2021  <b>Nationality:</b> Indian	59	<i>Indian Companies</i> Indus Petrochem Limited

Sr. No.	Name, DIN, Date of Birth, Designation, Address, Occupation, Term of current Directorship, Period of Directorship and Nationality	Age	Other Directorships
	<b>DIN:</b> 00302976  <b>Date of Birth:</b> June 08, 1966  <b>Designation:</b> Non-Executive Director and Chairperson  <b>Address:</b> 102 Menka Apartments CHSL, Ghatla Road No. 5, Diamond Garden Chembur, Mumbai – 400071  <b>Occupation:</b> Professional  <b>Term of current Directorship:</b> liable to retire by rotation  <b>Period of Directorship:</b> Since November 30, 2021  <b>Nationality:</b> Indian		
4.	<b>Ajit Chinubhai Shah</b>  <b>DIN:</b> 02396765  <b>Date of Birth:</b> October 11, 1946  <b>Designation:</b> Non – Executive Independent Director  <b>Address:</b> Mansen Barrister Building, 1 <sup>st</sup> floor, 17/A Banganga Cross Lane, Walkeshwar, Malabar Hill, Mumbai – 400006  <b>Occupation:</b> Professional  <b>Term of current Directorship:</b> for a period of 5 years commencing from October 20, 2020  <b>Period of Directorship:</b> Since October 20, 2015  <b>Nationality:</b> Indian	78	<i>Indian Companies</i> 1. Haldyn Glass Limited  2. Ambrosian Well-Being & Engagement Resources Private Limited
5.	<b>Cyrus Poonevala</b>  <b>DIN:</b> 09420865  <b>Date of Birth:</b> December 09, 1961  <b>Designation:</b> Non-Executive Independent Director  <b>Address:</b> B – 708 Rainbow, Raheja Vihar, Chandivali Road, Powai, Saki Naka, Mumbai – 400072  <b>Occupation:</b> Professional  <b>Term of current Directorship:</b> for a period of 5 years commencing from January 15, 2022  <b>Period of Directorship:</b> January 15, 2022  <b>Nationality:</b> Indian	63	<i>Indian Companies</i> 1. Indus Petrochem Limited

Sr. No.	Name, DIN, Date of Birth, Designation, Address, Occupation, Term of current Directorship, Period of Directorship and Nationality	Age	Other Directorships
6.	<b>Aniruddha Pandit</b>  <b>Designation:</b> Non-Executive Independent Director  <b>Address:</b> E-3, Prashant CHSL, SB Marg, near Ruparel College, Mahim, Mumbai – 400016  <b>DIN:</b> 02471158  <b>Date of birth:</b> December 07, 1957  <b>Term:</b> for a period of 5 years commencing from March 14, 2025  <b>Period of directorship:</b> till March 13, 2030  <b>Occupation:</b> Professional	67	<i>Indian Companies</i> 1. Aarti Industries Limited 2. Astra Aegis Private Limited 3. Scopgenx Private Limited 4. Revolteq Technologies Private Limited 5. HyCa Technologies Private Limited 6. ICT-Nice Venture Incubator and Foundation 7. ICT Mumbai Research Foundation 8. Sathi Foundation ICT Mumbai India 9. Chembond Chemical Specialties Limited
7.	<b>Mukesh Malhotra</b>  <b>Designation:</b> Additional Director under the category of Independent Director  <b>Address:</b> H-35/17, DLF City Phase-1, Sikanderpur Ghosi (68), Gurgaon –122002  <b>DIN:</b> 01131063  <b>Date of birth:</b> August 29, 1963  <b>Term:</b> for a period of 5 years commencing from May 05, 2025  <b>Period of directorship:</b> till May 4, 2030  <b>Occupation:</b> Professional	61	<i>Indian Companies</i> 1. Indo-Belgian Luxembourg Chamber of Commerce And Industry

## SECTION IV – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

Sr. No	Particulars	Website Link
1.	Audited financial results for the financial year ended March 31, 2025, March 31, 2024, and limited review of three months period ended June 30, 2025	<a href="https://sunshieldchemicals.com/investors/">https://sunshieldchemicals.com/investors/</a>

## FINANCIAL INFORMATION

Extract of the Fiscal 2025 Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards for the last financial year (with the comparative prior full year period), disclosed to the Stock Exchanges:

	<i>(Rs. In Lakhs)</i>	
Particulars	Fiscal 2025	Fiscal 2024
Total income from operations	36,893.98	28,485.58
Net profit/loss before tax	1,804.82	2,674.34
Net profit/loss after tax	1,458.41	1,884.67
Equity share capital	735.31	735.31
Reserves and surplus	8,833.55	7483.71
Net worth	9,568.86	8219.02
Basic Earnings per share	19.83	25.63
Diluted Earnings per share	19.83	25.63
Return on net worth (%)	16.40	25.44
Net Asset Value per Share	130.13	111.78

Notes:

1. Total income includes to Revenue from Operations and Other Income.
2. Net worth includes Equity share capital, general reserves, securities premium and retained earnings.
3. Return on Net Worth (RoNW) is calculated by dividing the net profit after tax by the average net worth.
4. Net Asset Value per Share is calculated by dividing the net worth by the number of paid-up shares.
5. Basic EPS: -Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares outstanding during the year.
6. Diluted EPS: - Net Profit for the year attributable to owners of the Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares.

### Detailed rationale for the Issue Price

The Issue Price will be determined by the Company on the basis of qualitative and quantitative factors described below:

#### Qualitative factors

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

- We have more than 35 years of experience in the specialty chemicals industry, providing us with knowledge of the market, customer needs, and manufacturing processes. This long-standing presence gives us a competitive edge in terms of product development, quality control, and customer trust.
- We offer a range of specialty chemicals across multiple product lines, including Surfactants, Antioxidants, and specialty chemicals like Urea Formaldehyde Resin. This product portfolio allows us to target a broader customer base and leverage synergies across different sectors.
- With more than 35 years of incident-free operations, we demonstrate commitment to safety and operational excellence in the chemical manufacturing sector.
- Our manufacturing facility, owned and operated by us, is strategically located at Village Rasal, Pali-Khopoli Road, Taluka Sudhagad, District Raigad, Maharashtra India, with easy access to transportation networks, being adjacent to National Highway and approximately 80 kilometres from JNPT Port. This facilitates seamless logistics and timely deliveries.
- We maintain close proximity and longstanding relationships with major raw material suppliers. One of our major suppliers of Ethylene Oxide which accounts for more than 35% of our raw material procurement is supplied by Reliance Industries Limited with whom we are conducting operations for more than 30 years.

#### Quantitative factors

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

**1. Basic and diluted earnings per Equity Share (“EPS”) (face value of each Equity Share is ₹10)**

<b>Fiscal</b>	<b>Basic EPS (₹)</b>	<b>Diluted EPS (₹)</b>
<b>March 31 2025</b>	19.83	19.83
<b>March 31, 2024</b>	25.63	25.63

*Notes: Basic EPS: -Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares outstanding during the year.*

*Diluted EPS: - Net Profit for the year attributable to owners of the Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares.*

**2. Return on Net Worth (“RoNW”)**

<b>Fiscal</b>	<b>RoNW (%)</b>
<b>March 31 2025</b>	16.40
<b>March 31, 2024</b>	25.44

*Note- Return on Net Worth (RoNW) is calculated by dividing the net profit after tax by the average net worth.*

**3. Net Asset Value (“NAV”) per Equity Shares**

<b>Fiscal</b>	<b>NAV (₹)</b>
<b>March 31 2025</b>	130.13
<b>March 31, 2024</b>	111.78

*Note: Net Asset Value per Share is calculated by dividing the net worth by the number of paid-up shares.*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Board, pursuant to its resolution dated July 31, 2025, authorized the Issue under Section 62(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

This Draft Letter of Offer was approved by the Rights Issue Committee pursuant to its resolution dated [●]. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Board at its meeting held on [●].

Our Board/Rights issue Committee, in its meeting held on [●] has resolved to issue the Rights Equity Shares to the Eligible Equity Shareholders, at ₹ [●] per Rights Equity Share of face value of ₹ 10 (including a premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 13,000\* Lakhs and the Rights Entitlement as [●] i.e [●] Rights Equity Share for every [●] fully paid-up Equity Share of face value of ₹ 10, held as on the Record Date. The Issue Price is ₹ [●] per Rights Equity Share and has been arrived at by our Company in consultation with the Board/Rights Issue Committee prior to determination of the Record Date.

*\*Assuming full subscription in the Issue, Allotment and receipt of all Call Monies with respect to the Right Equity Shares.*

Our Company has received in-principle approvals from BSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Rights Equity Shares to be allotted in this Issue pursuant to their respective letters each dated [●], respectively. Our Company will also make applications to BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Master Circular.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 66 of this Draft Letter of Offer.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited or debarred from accessing the capital market or debarred / restrained from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court.

Further, our Promoters and our Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors are associated with the securities market in any manner. Further, there is no outstanding action initiated by SEBI against any of our Directors, who have been associated with the securities market.

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.

The Equity shares of our Company have not been suspended from trading as a disciplinary measure imposed by SEBI or any regulatory authority during the last three years.

### Prohibition by RBI

Neither our Company, nor our Promoters, and Directors have been categorized or identified as willful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

### Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, as amended, to the extent applicable, as at the date of this Draft Letter of Offer.

### **Eligibility for the Issue**

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

### **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made an application to the BSE and has received its in-principle approval through its letter dated [●], for listing of the Rights Equity Shares to be Allotted pursuant to this Issue. BSE is the Designated Stock Exchange for the Issue.

### **Caution**

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc., after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer and Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and Rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Our Company and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

### **Disclaimer in respect of Jurisdiction**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra, India only.

### **Disclaimer Clause of the BSE**

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

“[●]”

### **Designated Stock Exchange**

The Designated Stock Exchange for the purposes of the Issue is BSE.

### **No Offer in the United States**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT, OR ANY U.S. STATE SECURITIES LAWS AND**

**MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE U.S. STATE SECURITIES LAWS. ACCORDINGLY, THE EQUITY SHARES AND THE RIGHTS ENTITLEMENTS REFERRED TO IN THIS DRAFT LETTER OF OFFER ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” IN RELIANCE ON REGULATIONS TO EXISTING SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE EQUITY SHARES AND/ OR RIGHTS ENTITLEMENTS IS PERMITTED UNDER LAWS OF SUCH JURISDICTIONS AND IN COMPLIANCE WITH THE APPLICABLE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY OR TRANSFER ANY OF THE SAID SECURITIES.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under the Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch, only through email, the Letter of Offer, the Application Form and other applicable Issue materials only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States, and is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Equity Shares and/ or the Rights Entitlements is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and is eligible to subscribe for the Equity Shares and/ or the Rights Entitlements under applicable securities laws, and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue and have obtained requisite approvals before applying in this Issue; or (iii) where either a registered Indian address is not provided or our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements. Our Company shall not be bound to issue or allot any Equity Shares and/ or the Rights Entitlements in respect of any such Application Form

### **Filing**

This Draft Letter of Offer is being filed with the Stock Exchanges for their approval. Once the in-principle approval from Stock Exchange is received, the Letter of Offer shall be filed with the Stock Exchange and with the SEBI for information and dissemination.

### **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the corporate governance requirements in compliance with the Listing Agreements and the SEBI LODR Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/OIAE/ 2/ 2011 dated June 03, 2011, and shall comply with the SEBI circular no. SEBI/HO/OIAE/CIR/P/2023/156 dated September 20, 2023 and any other circulars issued in this regard. Consequently, investor grievances are also tracked online by our Company through SCORES mechanism.

Our Company has a Stakeholders' Relationship Committee which meets at least once every year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Bigshare Services Private Limited is our Registrar and Share

Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

The investor complaints received by our Company are generally disposed of within 30 days from the date of receipt of the complaint. As on March 31, 2025, our Company has redressed all complaints received from investors.

**Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on page 66 of this Draft Letter of Offer.**

**The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:**

**Registrar to the Company:**

**Bigshare Services Private Limited**  
Office No S6-2, 6th Floor  
Pinnacle Business Park  
Next to Ahura Centre, Mahakali Caves Road  
Andheri (East), Mumbai 400 093  
**Telephone:** +91 22 6263 8200  
**Email:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)  
**Investor grievance e-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Contact Person:** Suraj Gupta  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**SEBI Registration No.:** INR000001385

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

**Amit Ashok Kumashi** is the Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder:

1501-A, Universal Majestic,  
P.L. Lokhande Marg,  
Behind R.B.K. International Academy,  
Chembur, Mumbai – 400043  
**Telephone:** +91 22-25550126  
**E-mail:** [amit.kumashi@sunshieldchemicals.com](mailto:amit.kumashi@sunshieldchemicals.com)

**Other Confirmations**

Our Company, in accordance with Regulation 79 of the SEBI ICDR Regulations, shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person for making an Application.

*[Remainder of the page is intentionally left blank]*

## SECTION V – ISSUE INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Master Circular, Investors proposing to apply in this Issue can apply only through ASBA.*

*Investors are requested to note that Application in this Issue can only be made through ASBA or any other mode which may be notified by SEBI.*

*For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question on the website of the Registrar at [\[●\]](#) and on the website of our Company at [\[●\]](#)*

**Please note that our Company has opened a separate demat suspense escrow account (namely, “[●]”) (“Demat Suspense Account”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund (“IEPF”) authority; or (c) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed / suspense escrow account / demat suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons. Please also note that our Company has credited Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.**

**With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are requested to provide relevant details / documents as acceptable to our Company or the Registrar (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner.**

**Further, with respect to Equity Shares for which Rights Entitlements are being credited to the Demat Suspense Account, the Application Form along with the Rights Entitlement Letter shall not be dispatched**

till the resolution of the relevant issue/concern and transfer of the Rights Entitlements from the Demat Suspense Account to the respective demat account other than in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date who will receive the Application Form along with the Rights Entitlement Letter. Upon submission of such documents /records no later than two clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

## Overview

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA NDI Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SEBI Master Circular and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

## I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see *“Restrictions on Purchases and Resales”* beginning on page 97.

The Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

Investors can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe to the Rights Equity Shares under applicable laws) on the websites of:

- (i) our Company at [/●/](#);

- (ii) the Registrar at [\[●\]](#);
- (iii) the Stock Exchange at [www.bseindia.com](http://www.bseindia.com)

**To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar, Eligible Equity Shareholders, should visit[●]**

**Eligible Equity Shareholders, can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [\[●\]](#)) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at [\[●\]](#) Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e- mail addresses of Eligible Equity Shareholders, or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The distribution of the Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchanges and the Letter of Offer will be filed with the Stock Exchanges and SEBI. Accordingly, Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, such Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is outside the United States and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

**The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders, and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.**

## **II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE**

- **In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Master Circular and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders, as well as the Renouncees to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein that the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

**Applicants should carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see “- Grounds for Technical Rejection” on page 76. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders, making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 72.

- **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder, is entitled to in the Issue.

If the Eligible Equity Shareholder, applies in this Issue, then such Eligible Equity Shareholder, can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

- **Making of an Application through the ASBA process**

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34).

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

*Do's for Investors applying through ASBA:*

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- (i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

*Don'ts for Investors applying through ASBA:*

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.

- (c) Do not send your physical Application to the Registrar, the Bankers to the Issue (assuming that such Bankers to the Issue are not SCSB's), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
  - (d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
  - (e) Do not submit Application Form using third party ASBA account.
  - (f) Avoiding applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.
  - (g) Do not submit Multiple Application Forms.
- ***Application by Specific Investor(s), if any and applicable***

*In case of renunciation of Rights Entitlement to Specific Investor(s) by our Promoter or members of our Promoter Group*

Our Promoter or members of our Promoter Group may renounce any portion of their Rights Entitlement to one or more Specific Investor(s) subject to disclosure of the same in terms of the SEBI ICDR Regulations. The name of the Specific Investor(s) (i.e. the Renouncee), the name of our Promoter or members of our Promoter Group (i.e. renouncer) and the number of Rights Entitlements renounced in favour of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date.

In case of such renunciation of Rights Entitlement by our Promoter or members of our Promoter Group to any Specific Investor, all rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Specific Investor(s) (i.e. the Renouncee) as well.

Time limit for renouncing of Rights Entitlements by promoter and members of promoter and credit of RE to specific investor should be specified such that specific investor is able to apply before 11:00 am on Issue Opening Date. On-market Rights Entitlements renunciation may not be possible in such case considering T+2 rolling settlement.

The Application by such Specific Investor(s) shall be made on the Issue Opening Date before 11:00 a.m. (Indian Standard Time) and no withdrawal of such Application by the Specific Investor(s) shall be permitted. Our Company undertakes to disclose to the Stock Exchange(s) whether such Specific Investor(s) have made the Application or not, for dissemination on the Issue Opening Date by 11:30 a.m. (Indian Standard Time).

In this regard, our Promoter has confirmed that they will (i) subscribe to the full extent of their Rights Entitlements in the Issue in accordance with the minimum public shareholding norms prescribed under the SEBI Listing Regulations, and (ii) subscribe to additional Equity Shares, if any, as well as to any unsubscribed portion in the Issue up to the total Issue Size subject to meeting requirements under the SEBI Takeover Regulations. Accordingly, our Promoter has no intention to renounce their Rights Entitlement in the Issue in favour of any Specific Investor(s).

As on the date of this Draft Letter of Offer, members of our Promoter Group do not hold any Equity Shares of our Company. The acquisition of Rights Equity Shares by our Promoter and other members of our Promoter Group, shall be eligible for exemption from open offer requirements, subject to our Company meeting the pricing criteria and other conditions, if any in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations, and the Issue shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

*In case of allotment of any undersubscribed portion of the Rights Issue to Specific Investor*

Our Company may allot any undersubscribed portion (if any) of the Rights Issue to one or more Specific Investor(s) and the names of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date. The Application by such Specific Investor(s) shall be made along with their Application Money before the finalisation of Basis of Allotment for undersubscribed portion of the Rights Issue in co-ordination with our Company and

Registrar.

- ***Making of an Application by Eligible Equity Shareholders, on Plain Paper under ASBA process***

An Eligible Equity Shareholder, in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder, not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, or the Stock Exchanges. An Eligible Equity Shareholder, shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder, who has not provided an Indian address.

Please note that in terms of Regulation 78 of SEBI ICDR Regulations, the Eligible Equity Shareholders, who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder, including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company being, Sunshield Chemicals Limited ;
2. Name and address of the Eligible Equity Shareholder, including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder, in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total Application amount paid at the rate of ₹[●] per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders, making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the

Application Money in the ASBA Account;

15. Signature of the Eligible Equity Shareholder, (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders, shall be deemed to have made the representations, warranties and agreements set forth in “*Restrictions on Purchases and Resales - Representations, Warranties and Agreements by Purchasers*” on page 98, and shall include the following:

*“I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (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. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in “offshore transactions” in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to Eligible Equity Shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

*I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*

*I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of this Draft Letter of Offer titled “**Restrictions on Purchases and Resales**” on page 97.*

*I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”*

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [●]

Our Company, and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

- ***Making of an Application by Eligible Equity Shareholders, holding Equity Shares in physical form***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders, holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and/or whose demat account details are not available with our Company or the Registrar, shall be credited in the Demat Suspense Account.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders, shall visit [●]w, to upload their client master sheet and also provide the other details as required, no later than two Clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders, to their demat accounts at least one day before the Issue Closing Date; and
- (c) The remaining procedure for Application shall be same as set out in the section entitled “- *Making of an Application by Eligible Equity Shareholders, on Plain Paper under ASBA process*” on page 72.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the Demat Suspense Account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

#### *Application for Additional Rights Equity Shares*

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled “- *Basis of Allotment*” on page 89.

**Eligible Equity Shareholders, who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders, cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.**

*Intention and extent of participation by our Promoter and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s).*

Our Promoter has confirmed that they will (i) subscribe to the full extent of their Rights Entitlements in the Issue, and (ii) subscribe to additional Equity Shares, if any, as well as to any unsubscribed portion in the Issue up to the total Issue Size subject to meeting requirements under the SEBI Takeover Regulations. Accordingly, our Promoter has no intention to renounce their Rights Entitlement in the Issue in favour of any Specific Investor(s).

As on the date of this Draft Letter of Offer, members of our Promoter Group do not hold any Equity Shares of our Company.

### *Allotment of the under-subscribed portion of the Issue*

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

### *Additional general instructions for Investors in relation to making of an Application*

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section titled “*Terms of the Issue – Making of an Application by Eligible Equity Shareholders, on Plain Paper under ASBA process*” on page 72.
- (d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (e) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- (f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-Tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- (g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor.** Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

- (h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (j) Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- (k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders, should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders, should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders, holding Equity Shares in physical form.
- (m) Investors are required to ensure that the number of Rights Equity Shares applied for by them does not exceed the prescribed limits under the applicable law.
- (n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (r) Do not submit Multiple Applications.
- (s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply in this Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA NDI Rules, as amended.
- (t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

- ***Grounds for Technical Rejection***

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to our Company, Registrar, Bankers to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.

- (r) Application from Investors that are residing in U.S. address as per the depository records.
- (s) Applicants not having the requisite approvals to make Application in the Issue.
- (t) RE not available in DPID on Issue Closing Date.

- ***Multiple Applications***

In case where multiple Applications are made using same demat account in respect of the same set of Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “*Terms of the Issue - Procedure for Applications by Mutual Funds*” on page 80.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications may be treated as multiple applications and are liable to be rejected or all the balance shares other than Rights Entitlement will be considered as additional shares applied for, other than multiple applications submitted by any of our Promoter or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in the section entitled “*Summary of this Draft Letter of Offer – Intention and extent of participation by our Promoter and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s)*” on page 17.

## ***Procedure for Applications by certain categories of Investors***

### ***Procedure for Applications by FPIs***

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

### ***Procedure for Applications by AIFs, FVCIs, VCFs and FDI route***

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

### ***Procedure for Applications by NRIs***

Investments by NRIs are governed by the FEMA NDI Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA NDI Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital

instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in 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 of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

#### *Procedure for Applications by Mutual Funds*

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funded or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

#### *Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)*

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

#### *Last date for Application*

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in the section entitled “**Terms of the Issue - Basis of Allotment**” on page 89.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

### *Withdrawal of Application*

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor applying through ASBA facility may withdraw their Application post the Issue Closing Date.

### *Disposal of Application and Application Money*

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board or a committee thereof reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of two (2) days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

## **III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

### **• Rights Entitlements**

As your name appears as a beneficial owner in respect of the paid-up and subscribed Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder, in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders, can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, [●]) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.* [●]).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders, in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders, and the Demat Suspense Account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders, can be accessed by such respective Eligible Equity Shareholders, on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders, before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders, of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who

are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders, holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders, holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e.* [●]). Such Eligible Equity Shareholders, can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders, holding the Equity Shares in dematerialised form.

#### IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

- ***Renounees***

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

- ***Renunciation of Rights Entitlements***

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

- ***Procedure for Renunciation of Rights Entitlements***

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

## Payment Schedule of Rights Equity Shares

₹ [●] per Rights Equity Share (including premium of ₹ [●] per Rights Equity Share) shall be payable on Application.

**Our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.**

### (a) *On Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

### (b) *Off Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

The Off Market Renunciation shall take place only during the Renunciation Period for Off Market Renunciation, *i.e.*, from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of

the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

## **V. MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Under the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer and the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### *Mode of payment for Resident Investors*

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### *Mode of payment for Non-Resident Investors*

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA NDI Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income- Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

## **VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement, see “*The Issue*” beginning on page 38.

### • ***Fractional Entitlements***

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] ([●]) Equity Share for every [●] ([●]) Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares as on Record Date shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

### • ***Ranking***

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue, shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

### • ***Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue***

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●] and from the NSE through letter bearing reference number [●] dated [●]

for listing of the Rights Equity Shares to be Allotted in this Issue. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 530845) under the ISIN: INE199E01014. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within fifteen days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- ***Subscription to this Issue by our Promoter and members of our Promoter Group***

For details of the intent and extent of subscription by our Promoter and members of our Promoter Group, see “***Summary of this Draft Letter Of Offer – Intention and extent of participation by our Promoter and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s)***” on page 17.

- ***Rights of Holders of Equity Shares of our Company***

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- (a) The right to receive dividend, if declared;
- (b) The right to receive surplus on liquidation;
- (c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- (d) The right to free transferability of Rights Equity Shares;
- (e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- (f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

## **VII. GENERAL TERMS OF THE ISSUE**

- ***Market Lot***

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

- ***Joint Holders***

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for

allotment of Equity Shares offered in this Issue.

- ***Nomination***

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- ***Arrangements for Disposal of Odd Lots***

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- ***Restrictions on transfer and transmission of shares and on their consolidation/splitting***

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant this Issue. However, the Investors should note that pursuant to the provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

- ***Notices***

Our Company will send through email and speed post, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai, where our Registered Office is situated).

This Draft Letter of Offer, Letter of Offer, and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

- ***Offer to Non-Resident Eligible Equity Shareholders***

As per Rule 7 of the FEMA NDI Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. The permissions available under (i) and (ii) above are not available to investors who have been allotted such shares as Overseas Corporate Bodies. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall

be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com). It will be the sole responsibility of the Investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder are eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

An Application made shall be subject to the provisions of FEMA and the FEMA NDI Rules. Further, the shareholding on the basis of which an Eligible Equity Shareholder is entitled to their respective Rights Entitlement, must have been acquired and held as per the provisions of the FEMA NDI Rules.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar to the Issue by submitting their respective copies of self-attested proof of address, passport, etc. at [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)

## **ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 90.**

## **VIII. ISSUE SCHEDULE**

<b>LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS</b>	<b>[•]</b>
<b>ISSUE OPENING DATE</b>	<b>[•]</b>
<b>LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #</b>	<b>[•]</b>
<b>DATE OF CLOSURE OF OFF MARKET TRANSFER OF RIGHTS ENTITLEMENTS</b>	<b>[•]</b>
<b>ISSUE CLOSING DATE*</b>	<b>[•]</b>
<b>FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)</b>	<b>[•]</b>
<b>DATE OF ALLOTMENT (ON OR ABOUT)</b>	<b>[•]</b>
<b>DATE OF CREDIT (ON OR ABOUT)</b>	<b>[•]</b>
<b>DATE OF LISTING (ON OR ABOUT)</b>	<b>[•]</b>

# Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

\* Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but

*not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, *i.e.*, [●], to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, [●].

## **IX. BASIS OF ALLOTMENT**

Subject to the provisions contained in the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part including to the specific investor(s) making an application under Regulation 84(1)(f)(i) of the SEBI ICDR Regulations.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis having due regard to the number of Rights Entitlement held by them as on Issue Closing Date and in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account;

- and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

#### **X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable, or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in Demat Suspense Account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a two Working days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at such other rate as specified under applicable law from the expiry of such two Working days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

#### **XI. PAYMENT OF REFUND**

- **Mode of making refunds**

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- (a) Unblocking amounts blocked using ASBA facility.
- (b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“**MICR**”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

- (d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

#### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

## **XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

The demat credit of securities to the respective beneficiary accounts will be credited within no later than two Working days from the Issue Closing Date or such other timeline in accordance with applicable laws.

### **• Receipt of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Company, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement dated September 29, 2001, amongst our Company, NSDL and the Registrar to the Company; and
- b) Tripartite agreement dated September 27, 2001, amongst our Company, CDSL and the Registrar to the Company.

**INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors

who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, on their registered email address or through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

### **XIII. IMPERSONATION**

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who –*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹0.10 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹0.10 crore 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 ₹0.50 crore or with both.

### **XIV. UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## **XV. UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
- 3) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within two Working days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) No further issue of equity shares and convertible securities shall be made till the securities offered through the Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than any issuance of Equity Shares upon exercise of options under the ESOS Schemes as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
- 7) Adequate arrangements shall be made to collect all ASBA Applications.
- 8) As on date, our Company does not have any convertible debt instruments.
- 9) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

## **XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS**

- 1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
- 2. All enquiries in connection with the Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "Sunshield Chemicals Limited– Rights Issue" on the envelope and postmarked in India) to the Registrar at the following address:

**Bigshare Services Private Limited**

Office No. S6-2, 6th Floor,  
Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road,  
Andheri (East) Mumbai- 400 093

**Telephone.:** +91 22 6263 8200

**E-mail:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)

**Investor grievance e-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Contact Person:** Suraj Gupta

3. In accordance with SEBI Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([●]). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 22 6263 8200/22.
4. The Investors can visit following links for the below-mentioned purposes:
  - a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: [●]
  - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: [www.bigshareonline.com](http://www.bigshareonline.com)
  - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.bigshareonline.com](http://www.bigshareonline.com)
  - d) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: [www.bigshareonline.com](http://www.bigshareonline.com)

This Issue will remain open for a minimum seven days. However, our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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 Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("FDI") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("DPIIT"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("FDI Policy"), which, with effect from October 15, 2020, consolidated and superseded 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 Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular. Further, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

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 falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI 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 SEBI and 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 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. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the issue as an incorporated non-resident must do so in accordance with the FDI Policy and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

*The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors 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.*

## RESTRICTIONS ON PURCHASES AND RESALES

### *Eligibility and Restrictions*

#### *General*

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with the Stock Exchange.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into (i) the United States or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Draft Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

#### **No offer in the United States**

**The Rights Entitlements and the Rights 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 state securities laws. Accordingly, the Rights Equity Shares are only being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares 98 for sale in the United States or as a solicitation therein of an offer to buy any of the said**

**securities. Accordingly, you should not forward or transmit the Letter of Offer into the United States at any time.**

### **Representations, Warranties and Agreements by Purchasers**

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in “*offshore transactions*” in reliance on Regulation S.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor 105 accounts, on behalf of each owner of such account (such person being the “*purchaser*”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.
2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “*directed selling efforts*” (as defined in Regulation S under the U.S. Securities Act).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
7. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
8. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Draft Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in

any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.

9. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
11. Prior to making any investment decision to exercise the Rights Entitlements and renounce and/or subscribe for the Rights Equity Shares, the Investor (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Draft Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of 87 our Company (including any research reports) (other than, with respect to our Company and any information contained in this Draft Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares is listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "**Exchange Information**"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) our Company, any of its affiliates, has not made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
13. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Draft Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company.
14. The purchaser will not hold our Company responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
15. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Draft Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
16. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise

transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.

17. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.
18. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
19. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
20. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
21. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
22. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Draft Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

## **SECTION VI – OTHER INFORMATION**

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

## **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these documents for inspection referred to hereunder, will be made available at our Registered Office between 10:30 am to 5:00 pm on all working days from the date of this Draft Letter of Offer until the Issue Closing Date.

### **A. Material Contracts for the Issue**

1. Registrar Agreement dated August 06, 2025, between our Company and the Registrar to the Issue.
2. Bankers to the Issue Agreement dated [●], among our Company, the Registrar to the Issue and the Bankers to the Issue.
3. Monitoring Agency Agreement dated 24 December 2024 read with addendum dated 13 August 2025, between our Company and the Monitoring Agency.

### **B. Material Documents in Relation to the Issue**

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation dated November 19, 1986 under the name “Sunshield Chemicals Private Limited”
3. Fresh Certificate of Incorporation dated May 28, 1992 under the name of “Sunshield Chemicals Limited”.
4. Copy of Prospectus in respect of the initial public offering of Equity Shares by our Company.
5. Draft Letter of Offer dated May 24, 2006 and Letter of Offer dated November 03 2006 issued pursuant to the first rights issue of our Company
6. Copy of the Letter of Offer dated March 11, 2005 issued by the Acquirers in respect of the Open Offer to the shareholders of Sunshield Chemicals Limited
7. Copy of the Letter of offer dated November 27, 2012 issued by the Acquirers in respect of the Open Offer to the shareholders of Sunshield Chemicals Limited
8. Copy of the Draft Letter of Offer dated October 26, 2021 and Letter of Offer dated November 30, 2021 issued by the Acquirers in respect of the Open Offer to the shareholders of Sunshield Chemicals Limited.
9. Resolution of the Board of Directors at its meeting held on July 31, 2025, approving the Rights Issue.
10. Resolution of the Rights Issue Committee dated August 06, 2025, approving and adopting the Draft Letter of Offer.
11. Resolution of the Right Issue Committee dated [●] approving and adopting the Letter of Offer.
12. Resolution of the Rights Issue Committee dated [●], finalizing the terms of the Issue including Issue Price, Record Date and Rights Entitlement Ratio.
13. Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Independent Chartered Account, Statutory Auditor, Bankers to our Company, Bankers to the Issue, Advisor, Legal Counsel, Monitoring Agency and the Registrar to the Issue for inclusion of their named in this Draft Letter of Offer to act in their respective capacities.
14. Consent letter dated August 06, 2025, from our Statutory Auditors, namely, CNK & Associates LLP,

Chartered Accountants, to include their name in this Draft Letter of Offer, as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the audited financial statements of the Company for the financial years ended March 31, 2025 and March 31, 2024, and our report issued thereon dated May 05, 2025 and May 16, 2024, respectively prepared in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended and (ii) the statement of possible special tax benefits prepared by us dated August 06, 2025 (the “**Special Tax Benefits Statement**”), included in this Draft Letter of Offer.

15. Copy of Audited Financial Statement (Report) of our Company for the financial year 2024 - 2025.
16. Annual Reports of the Company for the past three years.
17. Statement of Tax Benefits dated August 06, 2025, issued by Statutory Auditor, included in this Draft Letter of Offer.
18. Tripartite Agreement dated September 29, 2001 between our Company, NSDL and the Registrar to the Company.
19. Tripartite Agreement dated September 27, 2001 between our Company, CDSL and Registrar to the Company.
20. In-principal approval issued by the BSE dated [●].

Any of the contracts or documents mentioned in this Draft Letter of Offer 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 Eligible Equity Shareholders, subject to compliance with applicable law.

## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/- \_\_\_\_\_

**Mr Jeet Malhotra**

*Managing Director and CEO*

**Date:**

**Place:** *Mumbai*

## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/- \_\_\_\_\_  
**Dr. Anand Parihar**  
*Non-Executive Director*  
**Date:**  
**Place:** *Mumbai*

## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/- \_\_\_\_\_

**Dr. Maya Parihar Malhotra**

*Chairperson & Non-Executive Director*

**Date:**

**Place:** *Mumbai*

## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/- \_\_\_\_\_

**Mr. Mukesh Malhotra**

*Independent Director*

**Date:**

**Place:** *Mumbai*

## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/- \_\_\_\_\_

**Prof. Aniruddha Pandit**

*Independent Director*

**Date:**

**Place:** *Mumbai*

## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

## SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/- \_\_\_\_\_

**Mr Ajit Shah**

*Non-Executive - Independent Director*

**Date:**

**Place:** *Mumbai*

## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/- \_\_\_\_\_

**Mr Cyrus Poonevala**

*Non-Executive - Independent Director*

**Date:**

**Place:** *Mumbai*

## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

Sd/- \_\_\_\_\_

**Mr Aashish Kumar Agarwal**

*Chief Financial Officer*

**Date:**

**Place:** *Mumbai*