Preliminary Placement Document
Subject to Completion
Not for Circulation and Strictly Confidential
Serial Number: ___

AMI ORGANICS LIMITED

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for Eligible QIBs under Chapter VI of the SEBI ICDR Regulations, on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. It is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be issued through the Placement Document.

Ami Organics Limited was initially formed as a partnership firm under the Partnership Act, 1932 as "Ami Organics" with effect from January 3, 2004 at Surat, Gujarat, India pursuant to a deed of partnership dated January 3, 2004 executed amongst our Promoters, along with others, as partners. The firm was converted into a private limited company under the Companies Act 1956, under the name of "Ami Organics Private Limited" and a certificate of incorporation dated June 12, 2007 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into a public limited company, following which our Company's name was changed to "Ami Organics Limited", and a fresh certificate of incorporation was issued by the RoC on April 18, 2018. For further details, see "*General Information*" on page 397.

Registered and Corporate Office: Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230, Gujarat, India.
Contact Person: Ekta Kumari Srivastava, Company Secretary and Compliance Officer
Tel: +91 72279 77744/ 75730 15366; **E-mail**: cs@amiorganics.com; **Website**: www.amiorganics.com; **CIN:** L24100GJ2007PLC051093

Issue of up to [●] equity shares of face value ₹ 10 each of our Company ("**Equity Shares**") at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share (the "**Issue Price**"), aggregating up to ₹ [●] lakhs (the "**Issue**"). For further details, see "*Summary of the Issue*" on page 39.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT")

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR. THE ISSUE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE COMPANIES ACT, THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 46 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE, EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT (AS DEFINED HEREINAFTER). PROSPECTIVE INVESTORS OF THE EQUITY SHARES OFFERED SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

The Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE as on Tuesday, June 18, 2024, was ₹ 1,310.30 and ₹ 1,310.95 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), for listing of the Equity Shares to be issued and allotted pursuant to the Issue have been received from each of BSE and NSE on June 18, 2024. Our Company shall make applications to the Stock Exchanges for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges and a copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges in due course. Our Company shall also make requisite filings with the RoC (as defined hereinafter), within the stipulated timeframe prescribed under the Companies Act and the PAS Rules (as defined hereinafter), as amended. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "*Issue Procedure*" on page 212. The distribution of this Preliminary Placement Document or the disclosure of its contents, without our Company's prior consent, to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold 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. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and in accordance with the applicable laws of the jurisdictions where those offers and sales occur. For the selling restrictions in certain other jurisdictions, see "*Selling Restrictions*" on page 228. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 228 and 234, respectively.

The information on our Company's website or any website directly or indirectly linked to our Company's website or the website of the BRLM (as defined hereinafter) or any of its affiliates does not constitute nor form a part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

This Preliminary Placement Document is dated June 18, 2024.

BOOK RUNNING LEAD MANAGER
JM FINANCIAL
JM FINANCIAL LIMITED

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NOTICE TO INVESTORS

The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein. Our Company accepts full responsibility for all the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all the information with respect to us and the Equity Shares which is material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to us and the Equity Shares are, in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to us and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to us and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, all reasonable enquiries have been made by our Company to ascertain such facts and to verify the accuracy of all such information and statements.

Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company nor the BRLM have any obligation to update such information to a later date and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with the Company.

The BRLM has made reasonable enquiries but has not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the BRLM nor any of its shareholders, employees, counsels, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM and/or by any of its shareholders, employees, counsels, officers, directors, representatives, agents, associates or any other affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information (financial, legal or otherwise) supplied in connection with us, the Issue and the Equity Shares. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied either on the BRLM or on any of its shareholders, employees, counsels, officers, directors, representatives, agents, associates or any other affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Group and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or by or on behalf of the BRLM.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including SEBI. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The distribution of this Preliminary Placement Document and the Issue in certain countries or jurisdictions may be restricted by law. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, except for in India, no action has been taken by our Company or the BRLM that would permit an offering of the Equity Shares in the Issue or the distribution of this Preliminary Placement Document in any country or jurisdiction where action for that purpose is required. Accordingly, the Equity Shares issued pursuant to the Issue may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any other materials issued in connection with the Issue may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in 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 any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S. For the selling restrictions in certain other jurisdictions, see *"Selling Restrictions"* on page 228.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs specified by the BRLM or its representatives and those persons retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require in order to make an investment decision in relation to the Equity Shares offered in the Issue. In making an investment decision, the prospective investors must rely on their own examination of our Company, Joint Venture and Subsidiaries and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, our Company and the BRLM are not making any representation to any purchaser of the Equity Shares offered in the Issue regarding the legality or suitability of an investment in the Equity Shares by such purchaser under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company.

Each purchaser of the Equity Shares in the Issue shall be deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62 of the Companies Act, Rule 14 of the PAS Rules and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority, in India or any other jurisdiction, from buying, selling or dealing in securities including the Equity Shares or otherwise accessing the capital markets in India.

Prospective investors are advised to make their independent investigations and satisfy themselves that they are eligible to apply to purchase Equity Shares in the Issue. Prospective investors are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, prospective investors are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and the prospective investors shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

This Preliminary Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

Neither our Company nor the BRLM are liable for any amendment or modification or change to applicable laws or regulations that may occur after the date of this Preliminary Placement Document.

The information on our Company's website, www.amiorganics.com, or any website directly or indirectly linked to the website of our Company or on the website of the BRLM or any of its affiliates, does not constitute nor form part of this Preliminary Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.

REPRESENTATIONS BY INVESTORS

All references to "you" or "your" in this section are to the Bidders in this Issue. By bidding for and/or subscribing to any of the Equity Shares in this Issue, you are deemed to have represented, warranted, acknowledged and agreements set forth in "*Notice to Investors*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 3, 228 and 234, respectively, and to have represented, warranted and acknowledged to and agreed to our Company and the BRLM as follows:

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or our Subsidiaries that is not set forth in this Preliminary Placement Document;

- You are a "**qualified institutional buyer**" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

- You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets;

- If you are not a resident of India, but are an Eligible QIB, (i) you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Preliminary Placement Document and have a valid and existing registration with SEBI under the applicable laws in India and can participate in the Issue only under Schedule II of FEMA Rules, or (ii) a multilateral or bilateral development financial institution and you are eligible to invest in India under applicable laws, including FEMA Rules, and any other notifications, circulars or clarifications issued thereunder. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws, in connection with the Issue. Since FVCIs are not permitted to participate in the Issue, you confirm that you are not an FVCI;

- You will provide the information as required under the Companies Act, the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;

- You are eligible to invest and hold the Equity Shares of our Company in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules. You confirm that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended;

- If you are Allotted Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges and in accordance with any other resale restrictions applicable to you. You hereby make the representations, warranties, acknowledgements, undertakings and agreements in "*Purchaser Representations and Transfer Restrictions*" on page 234;

- You are aware that this Preliminary Placement Document has not been and the Placement Document will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;

- You are permitted, are entitled to and have the necessary capacity to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

- You are aware that none of our Company, the BRLM or any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions you may enter into in connection with the Issue.

- You agree that your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLM. You acknowledge that the BRLM and any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not, in any way, acting in any fiduciary capacity in relation to you;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM has advised you not to place undue reliance in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, SEBI PFUTP Regulations, each as amended, and the Companies Act;

- You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared.

- You acknowledge that all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. You are aware that such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You acknowledge that such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You have not placed undue reliance on forward-looking statements, which speak only as at the date of this Preliminary Placement Document. You acknowledge that none of our Company, the BRLM or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs, and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the BRLM;

- You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the

Placement Document, as applicable. However, you acknowledge that disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to you, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;

- You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges;

- You are aware that if you together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

- You have been provided a serially numbered copy of this Preliminary Placement Document and have read it in its entirety, including in particular, "*Risk Factors*" on page 46;

- In making your investment decision, you have (i) relied on your own examination of us, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of us, the Equity Shares and the terms of the Issue, based solely on and in reliance of the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of us and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither the Company nor the BRLM nor any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares);

- You will obtain your own independent tax advice from a service provider and will not rely on the BRLM or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including in relation to limited to the Issue and the use of the proceeds from the Equity Shares). You waive, and agree not to assert any claim against us or the BRLM or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You and any managed accounts for which you are subscribing for the Equity Shares (i) are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) are each able to bear the economic risk of the investment in the Equity Shares, including a complete loss on the investment in the Equity Shares, (iii) will not look to our Company and/or the BRLM or any of its shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute and have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares acquired in the Issue;

- You are not a 'promoter' of our Company as defined under the Companies Act and the SEBI ICDR Regulations, and are not a person related to our Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent our Promoters or members of our Promoter Group (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;

- You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of

Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares, the acquisition of which shall not deem you to be a Promoters or a person related to the Promoters;

- You acknowledge that in terms of Section 42 of the Companies Act and Rule 14 of the PAS Rules, we are required to file the list of Eligible QIBs to whom this Preliminary Placement Document will be circulated along with other particulars with the RoC and SEBI within 30 days of circulation of this Preliminary Placement Document, and you agree that that we may disclose in those filings and you agree that we may disclose in such filings, your name, complete address, phone number, e-mail address, permanent account number and bank account details, and any such other details as may be prescribed or otherwise required;

- You acknowledge that you have no right to withdraw your Bid or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);

- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

- The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations as defined herein) and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

- Your aggregate equity shareholding in our Company, together with other Eligible QIBs that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

  (a) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIBs; and

  (b) 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations;

- You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchanges;

- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares, to be issued pursuant to this Issue, will be obtained in time or at all. Neither our Company nor the BRLM nor any of its respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

- You are aware and understand that the BRLM has entered into a Placement Agreement with our Company whereby the BRLM has, subject to the satisfaction of certain conditions set out therein, undertaken to use its reasonable efforts to procure subscription for the Equity Shares on the terms and conditions set forth therein;

- You acknowledge that the contents of this Preliminary Placement Document are exclusively the responsibility of our Company, and that neither the BRLM nor any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting a participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLM or our Company or any other person, and the BRLM or our Company or any of its affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLM and its affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- You understand that the BRLM or its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including the non-performance by our Company or any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- You are able to purchase the Equity Shares in accordance with the restrictions described in "*Selling Restrictions*" on page 227 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "*Selling Restrictions*" on page 228;

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Issue, this Preliminary Placement Document or the Placement Document;

- You agree to indemnify and hold our Company, the BRLM and its respective directors, officers, employees, affiliates, associates, controlling persons and representatives 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 the foregoing representations, warranties, acknowledgements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

- You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

- You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than fifty percent or common control) shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

- You confirm that neither is your investment as an entity of a country which shares a land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;

- You acknowledge that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to you. You acknowledge that allotment of Equity Shares will be undertaken by our Company in its absolute discretion, in consultation with the BRLM;

- You represent that you are not an affiliate of our Company or the BRLM or a person acting on behalf of such affiliate;

- You agree to make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

- If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

- You agree that each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue; and

- You acknowledge that our Company, the BRLM, its affiliates, directors, officers, counsels, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLM;

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including affiliates of the BRLM, which is registered as a Category I 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 a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**Offshore Derivative Instruments**"), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such Offshore Derivative Instruments provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, Offshore Derivative Instruments may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs, subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Offshore Derivative Instruments have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning Offshore Derivative Instruments or the issuer(s) of any Offshore Derivative Instruments, including without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). The SEBI has, *vide* a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of Offshore Derivative Instruments and two or more subscribers of Offshore Derivative Instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the Offshore Derivative Instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, the Investment Restrictions shall apply on the aggregate of the FPI investments and Offshore Derivative Instruments positions held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with the FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of Offshore Derivative Instruments.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. Any Offshore Derivative Instruments that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any Offshore Derivative Instruments, or in the establishment of the terms of any Offshore Derivative Instruments, or in the preparation of any disclosure related to any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in Offshore Derivative Instruments and do not accept any responsibility whatsoever in connection with any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be issued are not securities of the BRLM and does not constitute any obligations of or claims on the BRLM.

Bidders interested in purchasing any Offshore Derivative Instruments have the responsibility to obtain adequate disclosures as to the issuer(s) of such Offshore Derivative Instruments and the terms and conditions of any such Offshore Derivative Instruments from the issuer(s) of such Offshore Derivative Instruments. Neither SEBI nor any other regulatory authority has reviewed or approved any Offshore

Derivative Instruments or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in Offshore Derivative Instruments, including whether Offshore Derivative Instruments are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

2. warrant that the Equity Shares to be issued pursuant to this Issue, will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company;

It should not, for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'bidder', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'prospective investor(s)' and 'potential investor(s)' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to our 'Company', the 'Company' or the 'Issuer' are to Ami Organics Limited on a standalone basis and references to 'we', 'us', 'our' or the 'Group' are to Ami Organics Limited together with our Joint Venture and Subsidiaries, on a consolidated basis.

Currency and units of presentation

In this Preliminary Placement Document, references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to legal currency of Republic of India. All references herein to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

Figures in this Preliminary Placement Document have been presented in lakhs or in whole numbers where the numbers have been too small to present in lakhs unless stated otherwise. Further, certain figures in the "*Industry Overview*" section of this Preliminary Placement Document have been presented in lakhs, crores and billions.

In this Preliminary Placement Document, references to "crore(s)" represents "1,00,00,000", "million" represents "0.1 crore" or "1,000,000", "lakh(s)" represents "1,00,000" or "0.1 million" and "billion" represents "1,000,000,000" or "1,000 million" or "100 crore".

Unless otherwise specified, all financial numbers in parentheses represent negative figures.

Page numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial data and other information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to the terms "Fiscal", "Fiscals" or "Fiscal year", "FY", refer to the 12-month period ending March 31 of that particular year.

Our Company reports its financial statements in Indian Rupees.

Our Company has published its Audited Consolidated Financial Statements as at and for the Fiscal years ended March 31, 2024, March 31, 2023, and March 31, 2022, in compliance with the SEBI Listing Regulations. As required under the applicable regulations, and for the convenience of prospective investors, we have included the following in this Preliminary Placement Document:

(i) audited consolidated financial statements of our Company, joint venture and its subsidiaries as at and for each of the Fiscal years ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with the Indian Accounting Standard (referred to as "**Ind AS**"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act (collectively, the "**Audited Consolidated Financial Statements**");

The Audited Consolidated Financial Statements for Fiscal year ended March 31, 2024 included in this Preliminary Placement Document are yet to be placed before the Shareholders which would be done at the next convening AGM, which will be scheduled in accordance with the requirements of the Companies Act, 2013.

The Audited Consolidated Financial Statements should be read along with the respective reports issued thereon. For further information, see "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 253 and 95, respectively.

Maheshwari & Co, Chartered Accountants have audited the consolidated financial statements for Fiscal years 2024, 2023 and 2022 on which they have issued audit reports dated May 10, 2024, May 13, 2023 and May 16, 2022, respectively. The Audited Consolidated Financial Statements should be read along with the respective audit reports. The Audited Consolidated Financial Statements have been subjected to audit that has been performed in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act.

Unless the context otherwise requires or except as specifically indicated, the financial information as at and for Fiscal years ended March 31, 2024, March 31, 2023, and March 31, 2022 in this Preliminary Placement Document is derived from the Audited Consolidated Financial Statements.

Our Company prepares its financial statements under Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor does our Company provide a reconciliation of its audited consolidated financial statements to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Prospective investors are advised to consult their advisors before making any investment decision. For further details, see *"Risk Factors – 52. This Preliminary Placement Document includes certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the broking industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other broking companies."* on page 70.

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. All figures from or derived from the Audited Consolidated Financial Statements are in decimals and have been rounded off to two decimal points, as has been presented in the Audited Consolidated Financial Statements. Certain operational numbers may have been rounded off to one decimal point in some instances. Unless otherwise specified, all financial numbers in parenthesis represent negative figures. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Non-GAAP financial measures

As used in this Preliminary Placement Document, a non-GAAP financial measure is one that purports to measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable Ind AS measures. From time to time, reference is made in this Preliminary Placement Document to certain "non-GAAP financial measures," such as EBITDA, profit before tax, EBITDA Margin, Return on Capital Employed, Return on Equity and PAT Margin. Our management believes that EBITDA and other non-GAAP financial measures provide investors with additional information about our performance, as well as ability to incur and service debt and make capital expenditures and are measures commonly used by investors. Such non-GAAP financial measures are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these non-GAAP financial measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these non-GAAP financial measures are not standardised terms, hence a direct comparison of these non-GAAP measures between companies may not be possible. Other companies may calculate these non-GAAP financial measures differently from us, limiting its usefulness as a comparative measure. The non-GAAP financial measures described herein are not a substitute for Ind AS (or IFRS) measures of earnings and may not be comparable to similarly titled *measures* reported by other companies due to differences in the way these measures are calculated. In addition, you should note, that other companies in the same industry as ours may calculate and present these data in a different manner and, therefore, you should use caution in comparing our data with data presented by other companies, as the data may not be directly comparable.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations, industry publications and analysts and on data from other external sources, and on our knowledge of markets in which we compete. The statistical information included in this Preliminary Placement Document relating to the various sectors in which we operate has been reproduced from various trade, industry and regulatory / government publications and websites, more particularly described in "*Industry Overview*" on page 124.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled "*Market Overview of the Global Pharmaceutical API & Key Intermediates Industry*" ("**F&S Report**"), which is a report commissioned and paid for by our Company and prepared by Frost & Sullivan (India) Private Limited, pursuant to an engagement letter dated April 30, 2024, in connection with the Issue.

The F&S Report contains the following disclaimer:

*"Market Overview of the Global Pharmaceutical API & Key Intermediates Industry" has been prepared for the proposed qualified institutions placement of equity shares by Ami Organics Limited (the "**Company**").*

*This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("**Frost & Sullivan**") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

This information is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey. The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Further, the calculation of certain statistical and/ or financial information/ ratios specified in "*Our Business*", "*Risk Factors*", "*Management's Discussions and Analysis of Results of Operations and Financial Condition*" on page 176, 46 and 95, respectively, and otherwise in this Preliminary Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the F&S Report. Data from these sources may also not be comparable.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – 10. Industry information included in this Preliminary Placement Document has been derived from* *an industry report commissioned and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.*" on page 52.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements." Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'estimate', 'expect', 'intend', 'can', 'could', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', 'will likely result', 'is likely', 'are likely', 'believe', 'expect', 'expected to', 'will continue', 'will pursue', 'will achieve', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial condition, results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our 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 Preliminary Placement Document that are not historical facts.

The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

These forward-looking statements and any other projections contained in this Preliminary Placement Document (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 our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

- We are subject to strict quality requirements, regular inspections and audits, and the success and wide acceptability of our products is largely dependent upon our quality controls and standards;

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

- We derive a significant portion of our revenue from the sale of products in certain therapeutic areas and any reduction in demand for these products, or if such products become obsolete due to a breakthrough in the development of alternate drugs, could have an adverse effect on our business;

- Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and cash flows; and

- Our operations are dependent on continuous R&D to develop and commercialise new products and our inability to identify and understand evolving industry trends, technological advancements, customer preferences and develop new products to meet our customers' demands may adversely affect our business.

Additional factors that could cause our actual results, performance or achievements to differ include but are not limited to, those discussed in "*Risk Factors*", "*Our Business*", *"Industry Overview"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 46, 176, 124 and 95, respectively.

By their nature, certain of the market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains, losses or impact on revenue or income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by and information currently available to the management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and neither we, the BRLM nor any of its affiliates undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or cash flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. All our Directors, Key Managerial Personnel and members of the Senior Management named in this Preliminary Placement Document, are residents of India and a significant portion of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except:

1. where the judgment has not been pronounced by a court of competent jurisdiction;

2. where the judgment has not been given on the merits of the case;

3. where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

4. where the proceedings in which the judgment was obtained were opposed to natural justice;

5. where the judgment has been obtained by fraud; and

6. where the judgment sustains a claim founded on a breach of any law then in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record, but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

The following territories have been declared to be reciprocating territories within the meaning of Section 44A of the Civil Code by the Government: the United Kingdom; Aden; Fiji; Republic of Singapore; Federation of Malaysia; Trinidad and Tobago; New Zealand, the Cook Islands (including Niue) and the Trust Territories of Western Samoa; Hong Kong; Papua New Guinea; Bangladesh; and United Arab Emirates. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment.

A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws. It is unlikely that an Indian court would enforce foreign judgments that would be contrary to or in violation of Indian law. Our Company and the BRLM cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for or as of the period indicated with respect to the exchange rates between the Rupee and other foreign currencies, for the periods indicated. The exchange rates are based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("**FBIL**"), which are available on the website of the RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

(₹ per US$)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal ended:				
March 31, 2024	83.37	82.79	83.40	81.65
March 31, 2023	82.22	80.39	83.20	75.39
March 31, 2022	75.81	74.51	76.92	72.48
Month ended				
May 31, 2024	83.30	83.39	83.52	83.08
April 30, 2024	83.52	83.41	83.52	83.23
March 31, 2024	83.37	83.00	83.37	82.68
February 29, 2024	82.92	82.96	83.09	82.84
January 31, 2024	83.08	83.12	83.33	82.85
December 31, 2023	83.12	83.28	83.40	83.02

(Source: www.fbil.org.in)

1. *The price for the period end refers to the price as on the last trading day of the respective annual or monthly periods.*
2. *Average of the official rate for each Working Day of the relevant period.*
3. *Maximum of the official rate for each Working Day of the relevant period.*
4. *Minimum of the official rate for each Working Day of the relevant period.*

Note:

- *If the FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
- *High, low and average are based on the RBI reference rates and rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document 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 Preliminary Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "*Industry Overview*", "*Taxation*", "*Legal Proceedings*" and "*Financial Information*" on pages 124, 243, 248 and 253, respectively, shall have the meaning given to such terms in such sections.

General Terms

Term	Description
Our Company / the Company / the Issuer	Ami Organics Limited, a public limited company incorporated under the Companies Act 1956, having its registered and corporate office at Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230 Gujarat, India
the Group / us / we / our	Ami Organics Limited together with its Joint Venture and Subsidiaries on a consolidated basis, unless otherwise specified or the context otherwise requires

Company Related Terms

Term	Description
Articles/ Articles of Association/ AoA	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, as disclosed in *"Board of Directors and Senior Management"* on page 196
Audited Consolidated Financial Statements	Collectively, the audited consolidated financial statements of our Company, its joint venture and subsidiaries as of and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 which have been prepared in accordance with the Ind AS, as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013 to the extent applicable and SEBI Listing Regulations, each comprising of the consolidated balance sheet, consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated cash flow statement for the years then ended, and notes to the respective consolidated financial statements.
Auditors or Statutory Auditors	The statutory auditors of our Company, M/s Maheshwari & Co., Chartered Accountants
Board of Directors / Board	The board of directors of our Company or a duly constituted committee thereof
Executive Chairman and Managing Director	The executive chairman and managing director of our Company being Nareshkumar Ramjibhai Patel
Chief Financial Officer	The chief financial officer of our Company being Bhavin Navinchandra Shah
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely Ekta Kumari Srivastava
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, as disclosed in *"Board of Directors and Senior Management"* on page 196
Director(s)	Director(s) on the Board of our Company, unless otherwise specified
Equity Shares	The fully paid up equity shares of our Company of face value of ₹ 10 each
Joint Venture	The joint venture of our Company, namely, Ami Onco-Theranostics, LLC as on the date of this Preliminary Placement Document, as described in the section "*Organisational Structure of our Company – Joint Ventures*" on page 207.
Key Managerial Personnel / KMP(s)	Key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, as disclosed in "*Board of Directors and Senior Management*" on page 196

Term	Description
Materiality Threshold	Materiality threshold adopted by our Company in relation to the disclosure of outstanding civil proceedings including arbitration proceedings, involving our Company and its Subsidiaries, where the amount involved is equal to or exceeds ₹ 339.91 lakhs (being 5% of the average of the absolute value of profit after tax from operations, as per our Audited Consolidated Financial Statements for the last three years)
Memorandum of Association / Memorandum / MoA	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, as disclosed in *"Board of Directors and Senior Management"* on page 196
Non-Executive Independent Director(s)	Non-executive independent director of our Company. For details, see *"Board of Directors and Senior Management*" on page 196
Promoter(s)	The Promoters of our Company, namely, Nareshkumar Ramjibhai Patel, Chetankumar Chhaganlal Vaghasia, Shital Nareshbhai Patel and Parul Chetankumar Vaghasia
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered and Corporate Office	The registered and corporate office of our Company is located at Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230 Gujarat, India
Registrar of Companies / RoC	The Registrar of Companies, Gujarat at Ahmedabad
Risk Management Committee	The risk management committee of our Company, as disclosed in *"Board of Directors and Senior Management"* on page 196
Senior Management/ SMP(s)	Members of the senior management of our Company as determined in accordance with the Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see *"Board of Directors and Senior Management"* on page 196
Shareholders	The holder(s) of Equity Shares from time to time, unless otherwise specified in the context thereof
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, as disclosed in *"Board of Directors and Senior Management"* on page 196
Subsidiaries	The subsidiaries of our Company, as on the date of this Preliminary Placement Document, as described in the section "*Organisational Structure of our Company - Subsidiaries"* on page 207.

Issue Related Terms

Term	Description
Allocated/ Allocation	The allocation of Equity Shares in connection with the Issue, in consultation with the BRLM following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	The issue and allotment of Equity Shares pursuant to this Issue
Allottee(s)	Bidders who are Allotted Equity Shares of our Company pursuant to this Issue
Application Form	The form (including any revisions thereof) which will be submitted by the Bidder for registering a Bid in the Issue during the Issue Period
Bid(s)	An indication of interest by an Eligible QIB, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for Equity Shares to be issued pursuant to this Issue. The term "Bidding" shall be construed accordingly.
Bid Amount	With respect to each Bidder, the price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
Bidding Period/ Issue Period	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates, during which Bidders can submit their Bids including any revision and/or modifications thereof
Book Running Lead Manager/ BRLM	JM Financial Limited
CAN/ Confirmation of Allocation Note	Note or advice or intimation sent to Successful Bidders confirming the Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price, and requesting payment for the entire applicable Issue Price for all the Equity Shares Allocated to such Successful Bidders

Term	Description
Closing Date	The date on which the Allotment of the Equity Shares issued pursuant to this Issue shall be made, i.e., on or about [•], 2024
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees' demat accounts, as applicable to the relevant Allottees
Eligible FPI(s)	FPIs as defined under FEMA, the SEBI FPI Regulations and any other applicable law, that are eligible to participate in this Issue in terms of applicable law, other than individuals, corporate bodies and family offices and including persons who have been registered under the SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended, that are eligible to participate in this Issue and excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations
Eligible QIBs	QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, are not restricted from participating in the Issue under applicable law, and is a resident of India or is an Eligible FPI participating through Schedule II of the FEMA Rules
Escrow Account	The non-interest bearing, no-lien, current bank account titled "*AMI ORGANICS LIMITED – ESCROW ACCOUNT QIP - 2024*" opened with the Escrow Bank, subject to the terms of the Escrow Agreement, into which the Bid Amount payable by Bidders in connection with subscription to Equity Shares pursuant to the Issue shall be deposited and refunds, if any, shall be remitted to unsuccessful Bidders as set out in the Application Form
Escrow Bank	Axis Bank Limited
Escrow Agreement	The escrow agreement dated June 18, 2024 entered into amongst our Company, the Escrow Bank and the BRLM for collection of the Bid Amounts and remitting refunds, if any, of the amounts collected, to the Bidders in relation to the Issue.
Floor Price	The floor price ₹ 1,228.71 per Equity Share, which has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. Our Company may offer a discount of not more than 5% on the floor price in accordance with a special resolution passed by the Shareholders through postal ballot on May 14, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue	The offer, issue and Allotment of [•] Equity Shares each at a price of ₹ [•] per Equity Share, including a premium of ₹ [•] per Equity Share, aggregating ₹ [•] lakhs pursuant to Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[•], 2024 the last date up to which the Application Forms and the Bid Amount shall be accepted by our Company (or the BRLM, on behalf of our Company)
Issue Opening Date	June 18, 2024, the date on which the acceptance of the Application Forms and the Bid Amount shall have commenced by our Company (or the BRLM, on behalf of our Company)
Issue Price	A price per Equity Share of ₹ [•]
Issue Size	The aggregate size of the Issue up to ₹ [•] lakhs
Monitoring Agency	CARE Ratings Limited
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is available for Allocation to Mutual Funds
Net Proceeds	The aggregate proceeds from the Issue, after deducting fees, commissions and expenses of the Issue. For further details regarding the use of the Net Proceeds, see "*Use of Proceeds*" on page 83
Placement Agreement	The placement agreement dated June 18, 2024 between our Company and the BRLM
Placement Document	The placement document to be issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document / PPD	This preliminary placement document dated June 18, 2024 along with the Application Form issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
Qualified Institutional Buyers / QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and applicable sections of the Companies

Term	Description
	Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Relevant Date	June 18, 2024 which is the date of the meeting wherein the Board of Directors, or a duly authorised committee, decides to open the Issue
Stock Exchanges	Together, NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India or a trading day of the Stock Exchanges, as applicable

Conventional and General Terms/Abbreviations

Term	Description
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
AMFI	Association of Mutual Funds in India
BOLT	BSE On-line Trading
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CGST	Central Goods and Services Tax
CIN	Corporate identity number
Civil Code	The Indian Code of Civil Procedure, 1908
Companies Act/ Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made and clarifications issued thereunder
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules issued thereunder
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CCRL	CDSL Commodity Repository Limited
CSR	Corporate Social Responsibility
CY	Calendar year
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPDP Act	Digital Personal Data Protection Act, 2023
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
DIN	Director Identification Number
EBITDA	EBITDA is calculated as net profit after tax, plus finance cost, depreciation, amortization and impairment expenses and tax expenses, and less other income
EBITDA Margin	EBITDA divided by revenue from operations
EGM	Extraordinary general meeting
EPS	Earnings per share
FBIL	Financial Benchmark India Private Limited
FDI	Foreign Direct Investment
FEMA	The 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/ FY	A period of 12 months ending March 31, unless otherwise stated

Term	Description
Form PAS-4	Form PAS-4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPI/ Foreign Portfolio Investor(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
GAAP	Generally accepted accounting principles
GAAR	General Anti-Avoidance Rules
GDP	Gross domestic product
GoI/ Government	Government of India
GST	Goods and Services Tax
IAS Rules	The Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	The Institute of Chartered Accountants of India
IRDAI	Insurance Regulatory and Development Authority of India
Ind AS	Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules
Income-tax Act/IT Act	The Income-tax Act, 1961
Ltd.	Limited
MCA	Ministry of Corporate Affairs
MCX	Multi Commodity Exchange of India Limited
Net worth	Paid up share capital plus all reserves and surplus (excluding revaluation reserves)
Non-Resident Indian(s)/ NRI	Non-Resident Indian, as defined under Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
Offshore Derivative Instruments	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying
P.A./ p.a.	Per annum
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
PAT	Profit after tax / profit for the respective period / year
PBT	Profit before tax
PFRDA	Pension Fund Regulatory and Development Authority
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
ROCE	Return on capital employed
ROE	Return on equity
Rs. / ₹ / Rupees / Indian Rupees	The legal currency of India
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Investment Advisers Regulations	Securities and Exchange Board of India (Investment Advisers) Regulations, 2013
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Portfolio Managers Regulations	The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
SEBI PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
SEBI Research Analysts Regulations	The Securities and Exchange Board of India (Research Analysts) Regulations, 2014

Term	Description
SEBI Stock Brokers Regulations	The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEC	United States Securities and Exchange Commission
UIDAI	Unique Identification Authority of India
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S.$ / USD / U.S. dollar	United States Dollar, the legal currency of the United States of America
U.S. Securities Act	United States Securities Act of 1933, as amended
USA/ U.S./ United States	The United States of America
VCF	Venture capital fund 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
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

Technical and Industry Terms

Term	Description
ADL	Analytical Development Laboratory
API	Active Pharmaceutical Ingredients
CDMO	Contract Development and manufacturing Organisation
CPHI	Convention on Pharmaceutical Ingredients
DCS	Direct Control System
DISCOM	Distribution company
DSIR	Department of Scientific and Industrial Research, Ministry of Science and Technology of India
F&S Report	Market Overview of the Global Pharmaceutical API & Key Intermediates Industry dated June 4, 2024
GCMASS	Gas Chromatography Mass Spectrometry
GIDC	Gujarat Industrial Development Corporation
KL	Kilolitre
KLD	Kilolitre per day
KSM	Key Starting Materials
KvAH	Kilovolt-Ampere hour
LCMASS	Liquid Chromatography Mass Spectrometry
MEE	Multi Effect Evaporator
MW	Mega Watt
NCE	New Chemical Entities
PMDA	Pharmaceutical and Medical Devices Agency, Japan
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
SBT	Soil Biological Treatment
SEI	Solid Electrolyte Interphase
ZLD	Zero Liquid Discharge

SUMMARY OF BUSINESS

Overview

We are a research and development ("**R&D**") driven manufacturer of speciality chemicals focused towards the development and manufacturing of advanced pharmaceutical intermediates ("**Pharma Intermediates**") for regulated and generic active pharmaceutical ingredients ("**APIs**") and chemicals for New Chemical Entities ("**NCE**"), and other specialty chemicals including parabens and paraben formulations, methyl salicylate , semiconductor chemicals, electrolyte additives and niche key starting materials (**"KSM"**) for cosmetics, fine chemicals and agrochemical industries. The Pharma Intermediates which we manufacture, find application in certain high-growth therapeutic areas including anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder. We are the market leader for various key intermediates across the globe and the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale.

We have developed and commercialised over 550 Pharma Intermediates for generic and regulated APIs across more than 17 key therapeutic areas since inception and chemicals for NCE, with a strong focus on R&D across select high-growth high margin chronic segment therapeutic areas such as anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder, for use across the global pharmaceutical market. Our Pharma Intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs portfolio has expanded from over 450 products as of March 31, 2022, to over 550 products as of March 31, 2024. We believe that our focus on R&D and continuous process improvement has positioned us as a preferred supplier to our customers.

As on the date of this Preliminary Placement Document, we have been granted 10 process patents, two of our process patents are under publication and we have filed applications for three process patents, in respect of intermediates used in the manufacture of generic APIs across therapeutic segments.

Along with the domestic market, we supply various speciality chemicals and Pharma Intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs to various multi-national pharmaceutical companies which cater to the large and fast-growing markets of Europe, China, Japan, Israel, UK, Italy, Finland, Latin America, Africa and the USA. In the Fiscals 2024, 2023 and 2022, our revenue from exports contributed ₹ 39,969.02 lakhs, ₹ 36, 436.58 lakhs and ₹ 30,103.83 lakhs i.e. 55.71%, 59.08% and 57.88%, respectively, of our total revenue from operations. Our revenues from exports have grown at a CAGR of 15.23% between Fiscals 2022 and 2024.

We supply our products to more than 500 customers (including international customers) directly in India and in more than 55 countries overseas since inception, using distributorship network in certain cases. We have established long standing relationships with some of our key customers. Over 30 of our customers have been customers since the past 10 years.

We also manufacture specialty chemicals including parabens and paraben formulation, methyl salicylate, semiconductor chemicals, electrolyte additives and niche KSM for cosmetics, fine chemicals and agrochemical industries. In 2022, we forayed into battery chemicals - electrolytes additives segment by incorporating wholly owned subsidiaries, namely Ami Organics Electrolytes Private Limited ("**Ami Organics Electrolytes**") and Enchem Ami Organics Private Limited (100% subsidiary of Ami Organics Electrolytes). We have created fundamental electrolyte additives which are used in manufacturing lithium battery cells utilized in energy storage devices, through Ami Organics Electrolytes. Notably, we are the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale (*Source: F&S Report*). Furthermore, we have signed a Memorandum of Understanding (MOU) with the Government of Gujarat on December 27, 2023, signalling our commitment to investment amounting up to ₹ 53,000 lakhs for the establishment of manufacturing facilities for our pharma intermediates and specialty chemicals business within the state of Gujarat, India.

In addition, as part of our strategic expansion into the semiconductor industry, we have acquired a 55% stake in Baba Fine Chemicals ("**BFC**"), manufacturer of high-value custom speciality chemical products essential for semiconductor applications by way of a purchase agreement dated April 22, 2023 and the said acquisition came into effect on April 1, 2023 ("**BFC Acquisition**"). With the semiconductor industry's high barriers to entry, the acquisition provides us with a strong foothold in this market. This acquisition is in line with our strategy of expanding our speciality chemicals division to focus on niche products manufactured using advanced technology with low competition and high entry barriers.

We have three manufacturing units located at (i) GIDC, Sachin, Gujarat, India, spread over an aggregate land area of 8,250 sq. mtrs. with an installed reactor capacity of 144 KL ("**Sachin Facility**"), (ii) GIDC, Ankleshwar Industrial Estate, Gujarat, India, spread over an aggregate land area of 10,375 sq. mtrs. with an installed reactor capacity of 442 KL ("**Ankleshwar Facility**"), and (iii) GIDC Industrial Estate, Jhagadia, Gujarat, India, spread over an aggregate land area of 56,698 sq. mtrs. with an installed reactor capacity of 512 KL ("**Jhagadia Facility**" and together with Sachin Facility and Ankleshwar Facility, the "**Manufacturing Facilities**"). Our Sachin Facility is inspected and approved (EIR issued) by US FDA for manufacture and supply of advanced pharmaceutical intermediates for manufacturing of generic and regulated APIs and chemicals for NCEs since 2016. The management systems of our Sachin Facility has been certified by the Bureau Veritas Certification Holding SAS – UK Branch to be compliant with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 27001:2022 for designing, manufacturing and dispatching of pharmaceutical intermediates for bulk drugs & warehouse management and SA 8000:2014 for manufacture, supply of pharmaceutical intermediates, pharmaceutical excipients and speciality chemicals. Similarly, our Jhagadia Facility is compliant with ISO 9001:2015, ISO 14001:2015 and SA8000:2014 standards and has been issued Kosher certification and Halal registration in respect of certain of our products manufactured at Jhagadia Unit. Further, our subsidiary Baba Fine Chemicals has a manufacturing unit spread over an aggregate land area of 999 sq. mtrs. with an installed reactor capacity of 1.80 KL located at Export Promotion Industrial Park, Site V, Industrial Area, Kasna, Greater Noida, Gautam Budh Nagar 201306, Uttar Pradesh ("**Noida Facility**").

We also have two warehouses (i) a 1,500 MT warehouse facility ("**Warehouse I**") for storage of raw materials and packing materials which is spread over 2,812 sq. mtrs in the vicinity of our Sachin facility and (ii) an industrial plot admeasuring 8,000 sq. mtrs at Plot No. 5538, in GIDC Sachin Industrial Area, Sachin, Surat which has been developed as a 800 MT warehouse facility ("**Warehouse II**") and catering to the incremental warehousing requirement for its Sachin Unit.

We continually invest in R&D activities to stay ahead and create a differentiating factor vis-à-vis our competitors. In addition to the Manufacturing Facilities, we have a dedicated in-house R&D facility located in GIDC, Sachin ("**R&D Facility**") spread over an aggregate built-up area of 2,200 sq. mtrs and is also supported by our analytical development laboratory ("**ADL**") in relation to research and developmental activities, freezing specifications and developing the method of analysis for finished products, in process intermediates, KSMs and raw materials. We have applied for renewal of certification from the Department of Scientific and Industrial Research, Ministry of Science and Technology of India ("**DSIR**") with respect to our R&D Facility.

Our Promoter, Executive Chairman and Managing Director, Nareshkumar Ramjibhai Patel holds a bachelor's degree in engineering (in chemical branch) from the Gujarat University and has been associated with the Company since incorporation and responsible for research and development, marketing, secretarial and legal, finance and product implementation divisions of our Company and our Promoter, Whole-time Director, Chetankumar Chhaganlal Vaghasia has been associated with the Company since its incorporation and has extensive experience in the specialty chemicals manufacturing sector. Presently, he is responsible for handling the human resource, logistics and dispatch, IT, procurement and administration divisions of our Company.

Key Financial Information

(₹ in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (₹ in lakhs)	71,747.45	61,673.45	52,013.50
EBITDA (₹ in lakhs)	12,848.98	12,260.67	10,517.56
EBITDA/revenue from operations (in %)	17.91	19.88	20.22
Profit after tax ("**PAT**") (₹ in lakhs)	4,870.80	8,328.97	7,194.61
PAT Margin (in %)	6.79	13.50	13.83
Earnings per share (basic)	11.67	22.86	21.03
Earnings per share (diluted)	11.66	22.86	21.03
Return on capital employed (in %)*	10.10	20.21	19.08
Return on equity (in %)**	7.13	14.02	13.78

* *Return on capital employed is calculated as Earnings before interest and taxation ("**EBIT**")/ Capital employed (Net of cash and bank balances) at the end of the year. EBIT is calculated as EBITDA net of depreciation and amortisation, Capital employed is calculated as Net Worth + Net Borrowings (Net Borrowings is calculated as total borrowing (including current and non-current borrowing) less cash and cash equivalents at the end of the year).*

** *Return on equity is calculated as Net Profit after taxes / Net worth at the end of the year.*

Our Strengths

Niche product portfolio with strong market share

We manufacture and market advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs in select high-growth high margin chronic segment therapeutic areas such as anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder. Based on our existing business strategy of early identification of molecules for development and supply, we have developed and commercialised over 550 molecules used for manufacture of APIs and chemicals for NCEs across more than 17 high growth chronic segment therapeutic areas. Our key intermediate products for the therapeutic areas have a global market share of over 50% based on F&S Report. We are the market leader for various key intermediates across the globe.

In addition to advanced pharmaceutical intermediates, we specialize in producing KSM tailored for cosmetics, agrochemicals and fine chemical enterprises. Our portfolio also encompasses parabens and paraben formulations, methyl salicylate, and a range of other specialty chemicals crucial to industries such as cosmetics, dyes, polymers, agrochemicals, animal nutrition, and personal care. These products thrive within market niches characterized by limited competition and guided by our strategy of proactive molecule identification and development, we have successfully cultivated a catalogue comprising of over 70 specialty chemical products as on March 31, 2024. We have specialized products in photo resist chemicals for semi conductor industry.

Revenue Break-up

Product Category	Revenue (₹ in lakhs) and % of from total revenue from operations					
	Fiscal 2024	**%**	**Fiscal 2023**	**%**	**Fiscal 2022**	**%**
Advance Pharma Intermediates	56,779.76	79.14	51,806.00	84.00	42,426.65	81.57
Specialty Chemicals	14,967.69	20.86	9,867.45	16.00	9,586.85	18.43
Total	**71,747.45**	**100%**	**61,673.45**	**100%**	**52,013.50**	**100%**

Ability to launch innovative products ably supported by strong R&D and process chemistry skills

We are a R&D driven manufacturer of speciality chemicals focussed towards the development and manufacturing of advanced pharmaceutical intermediates for regulated and generic APIs and chemicals for NCE, and other specialty chemicals including parabens and paraben formulations, methyl salicylate, semiconductor chemicals, electrolyte additives and niche KSM for cosmetics, fine chemicals and agrochemical industries. We are present across the value chain of the Intermediates business, supplying chemicals for NCE to innovators, providing a wide range of products with the different routes of synthesis and different levels of intermediates. Our strategy to be the first to market with target products has helped us in positioning us to be the preferred suppliers for innovators as well as big generic pharma companies.

Our Company has a strong market research-based model wherein we focus on development of Pharma Intermediates either for molecules which are under clinical trials; or for molecules which have been launched in the patented as well as generic space. Our Company has developed capability to provide product from N-1 to N-12 stage with different routes of synthesis. As on the date of this Preliminary Placement Document, we have been granted 10 process patents, two of our process patents are under publication and we have filed applications for three process patents in respect of intermediates used in the manufacture of generic API across therapeutic segments. We have also developed a core electrolyte additive for manufacturing lithium battery cells used in energy storage devices, through Ami Organics Electrolytes. We are the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale.

We have applied for renewal of certification from the DSIR with respect to our R&D Facility which has a specialised team of 118 people across various sections including R&D, regulatory affairs, quality control, quality assurance and analytical development laboratory. With a view to further strengthen our R&D capabilities, we continuously recruit and appoint scientists of varied experience and expertise at our R&D laboratory with an objective to successfully implement our strategy of early identification of development and manufacturing opportunities. Our investments in R&D has been critical to our success and a differentiating factor vis-à-vis our competitors in becoming one of the key suppliers of pharmaceutical intermediates for API in both domestic and global markets.

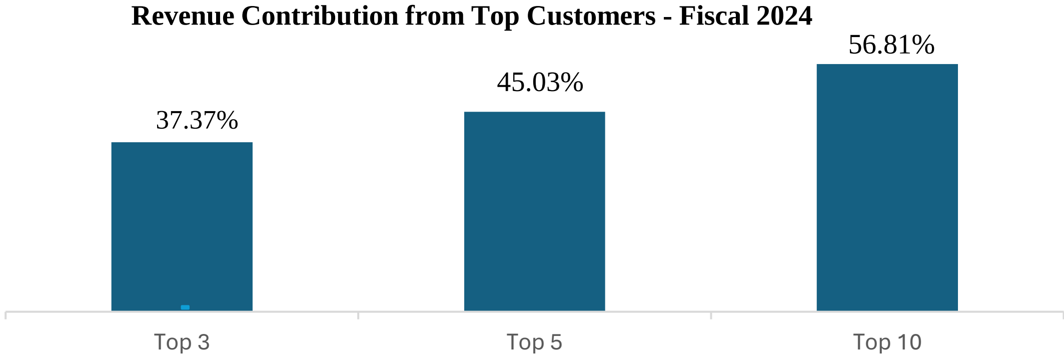
Extensive geographical presence and diversified customer base with long standing relationships

We cater to domestic and certain multi-national pharmaceutical companies which cater to the large and fast-growing markets of Europe, China, Japan, Israel, UK, Italy, Finland, Latin America, Africa and the USA. In Fiscals 2024, 2023 and 2022, our revenue from exports contributed ₹ 39,969.02 lakhs, ₹ 36,436.58 lakhs and ₹ 30,103.83 lakhs i.e. 55.71%, 59.08% and 57.88%, respectively, of our revenue from operations**.** As on March 31, 2024, we supply our products to over 55 countries and have long standing relationships with numerous domestic and global pharmaceutical companies. Specifically, we cater extensively to the large geographies of Italy, Finland, USA, and China, which contributed to 25.51%, 33.42%, 7.35% and 6.99%, respectively, of our total revenue from exports for Fiscal 2024.

Diversification of our customer base across the domestic and global markets has limited our exposure to a risk of concentration, enabling us to further diversify and expand our business relationships. We believe that our ability to diversify into new markets, with limited exposure to the risk of dependence on any specific market is a key strength in our business operations.

We have established long standing relationships with our key customers. Our top 10 customers for Fiscal 2024 have been our customers for over 5 years and have contributed to 56.81% of our total revenue from operations. Further over 30 of our customers have been customers since the past 10 years. Ability to address the varied and stringent client requirements over long periods enables the Company to obtain additional business from existing clients as well as new clients in an industry marked by high entry barriers.

Revenue Contribution from Top Customers - Fiscal 2024



High entry barriers in the chemicals manufacturing industry in which the Company operates

We manufacture and market advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs in select high-growth high margin chronic segment therapeutic areas such as anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder. This pharmaceutical intermediates business has high entry barriers *inter alia* due to: (a) a long gestation period to be enlisted as a supplier with the customers, particularly with the customers in US and European countries, which requires suppliers to adhere to strict compliance requirements, leading to a high regulatory gestation period; and (b) the involvement of complex chemistries in the manufacturing process, which is difficult to commercialize on a large scale. Our Sachin facility is USFDA inspected and in respect of which we have received the EIR twice, in 2018 and 2020.

Further, APIs and NCEs manufactured by our customers, where our products are used, and where such use has been formally recognised in filings with regulatory agencies, any change in the vendor of the product may require significant time and cost for the customer resulting in a propensity amongst customers to continue with the same set of suppliers. Hence, customer acquisition involves a long gestation period, resulting in very few players being involved in manufacturing of the products.

Further, post 2018, in order to import into, market and sell chemical drugs in the European Union, the drugs need to be registered under the Registration, Evaluation, Authorization and Restriction of Chemicals ("**REACH**") Regulations. A registration under REACH is primarily a comfort registration for the purposes of ensuring local support point on behalf of the non-EU manufacturer that does not have a local presence in the said country within the European Union. As a consequence of this measure, no new entrants can supply products into the European Union market unless such entrant holds a valid registration under the REACH Regulations. Our Company secured REACH registration for some of its products for the purposes of selling and marketing these products in the European Union with an added advantage of being a 'preferred supplier' to its customers in the said territory. We believe that this is a significant entry barrier that works in favour of our Company and places it in a major advantageous position vis-à-vis its competitors in the critical European market wherein our Company intends to cater to the regulated players (i.e., the originators and not generic makers).

Further, given the nature of the application of our products, our processes and products are subject to, and measured against, high quality standards and stringent impurity specifications. We believe that we have, over the years, built strong relationships with our customers, who recognise our technical capabilities and timely deliveries and associate our Company with good and consistent quality products.

Moreover, handling of some of the raw materials that we use requires a high degree of technical skill and expertise, and operations involving such hazardous chemicals ought to be undertaken only by personnel who are well trained to handle such chemicals. We believe that the level of technical skill and expertise that is essential for handling such chemicals can only be achieved over a period of time, creating a further barrier for new entrants.

Strong sales and marketing capabilities

We believe that we have strong sales, marketing and distribution capabilities. Since our Company's incorporation in 2007, we have created a sales division, aligned with our key therapeutic areas and have focused on developing and growing our engagement with specialists and super specialists. Our marketing team utilizes a variety of sales and marketing techniques and programs to promote our products, including promotional materials, speaker programs, key pharmaceutical trade exhibitions such as CPHI and CHEMSPEC, advertising and other media besides reliance on a strong market research-based model wherein we focus on development of advanced pharmaceutical intermediates either for molecules which are under clinical trials; or for molecules which have been launched and approved by pharmaceutical regulators worldwide, including the US-FDA. As on March 31, 2024, we have a dedicated team of 11 members in our marketing team.

As a result of its continuous marketing efforts, our Company has received new product requirements from multiple innovators which shall help our Company remain relevant with respect to our reliability for servicing future product requirements. Our Company services its domestic and its export customers through its marketing and sales team in India and by way of certain distributorship arrangements in overseas jurisdictions.

Focus on long term sustainability through various environment friendly and social initiatives

We have a strong focus on sustainability in all aspects of our operations and over the years have adopted various green initiatives. We have adopted "zero" liquid discharge based in-house effluent plant at Sachin Unit wherein no treated effluent from our manufacturing operations is discharged on to the land or into any water body. Our Units are fitted with effluent treatment plants. Our Sachin Unit is SA 8000:2014 Certified. Our occupational health and safety management system at Sachin facility has been certified to be in compliance with ISO 45001:2018 standards by the Bureau Veritas Certification Holding SAS – UK Branch.

Our manufacturing units located at Sachin and Jhagadia are ISO 9001:2015, ISO 14001:2015 certified. Moreover, we maintain adequate green belt near our Sachin Unit, Ankleshwar Unit and Jhagadia Unit. We believe that having such a strong focus on sustainability is beneficial for our business operations as (i) we face minimal disruptions from neighbouring communities where our manufacturing facilities are located; (ii) we receive more enquiries from potential customers for custom manufacturing due to their increased focus on sustainability; and (iii) it helps reduce our power and water costs.

Our Company has been awarded Gold Rating accreditation from EcoVadis in Fiscal 2024, recognizing our Company's outstanding commitment to sustainability. The EcoVadis Gold Rating is the Sustainability scorecard which puts the Company amongst top 5% of the companies assessed by EcoVadis globally. Company has been rated by EcoVadis across the four themes of Environment, Labour & Human Rights, Ethics and Sustainable Procurement.

Experienced and Dedicated Management Team

We are led by qualified and experienced Board of Directors, key managerial personnel and senior management personnel, who we believe have extensive knowledge and understanding of the global generic pharmaceutical business environment and have the expertise and vision to organically scale up our business. Our executive directors have a collective pharmaceutical industry experience of more than 5 decades and almost all of them have been associated with our Company since our formative years.

Our Promoter, Executive Chairman and Managing Director, Nareshkumar Ramjibhai Patel, holds a bachelor's degree in engineering (in chemical branch) from the Gujarat University and has been associated with the Company since incorporation and responsible for research and development, marketing, secretarial and legal, finance and product implementation divisions of our Company and our Promoter, Whole-time Director, Chetankumar Chhaganlal Vaghasia has been associated with the Company since its incorporation and has extensive experience in the specialty chemicals manufacturing sector. Presently, he is responsible for handling the human resource, logistics and dispatch, IT, procurement and administration divisions of our Company. Both Nareshkumar Ramjibhai Patel and Chetankumar Chhaganlal Vaghasia are ably supported by Virendranath Mishra and Ram Mohan Lokhande, our Whole-time Directors. We believe that our stable, senior management team has helped us in successfully implementing our development and operating strategies over the years. We believe that owing to the understanding of the industry trends, demands and market changes of our senior management team, we have been able to adapt and diversify our operating capabilities and take advantage of market opportunities since the incorporation of the Company.

Apart from the members on our Board, we believe that the knowledge and experience of our senior and middle-level management team members in the pharmaceutical business provides us with a significant competitive advantage as we seek to grow our business. For further details of our key managerial personnel, see "*Board of Directors and Senior Management*" on page 196.

Consistent financial performance

We have a track record of operations of over a decade and have a strong balance sheet with stable cash flows. We have experienced sustained growth in various financial indicators including our revenue and PAT, as well as a consistent improvement in our balance sheet position in the last three Fiscals, wherein we have seen an increase in our net worth.

The table below sets forth some of the key financial indicators for the Fiscals 2024, 2023 and 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (₹ in lakhs)	71,747.45	61,673.45	52,013.50
EBITDA (₹ in lakhs)	12,848.98	12,260.67	10,517.56
EBITDA/revenue from operations (in %)	17.91	19.88	20.22
Profit after tax ("**PAT**") (₹ in lakhs)	4,870.80	8,328.97	7,194.61
PAT Margin (in %)	6.79	13.50	13.83
Earnings per share (basic)	11.67	22.86	21.03
Earnings per share (diluted)	11.66	22.86	21.03
Return on capital employed (%)*	10.10	20.21	19.08
Return on equity (%)**	7.13	14.02	13.78

* *Return on capital employed is calculated as Earnings before interest and taxation ("**EBIT**")/ Capital employed (Net of cash and bank balances) at the end of the year. EBIT is calculated as EBITDA net of depreciation and amortisation, Capital employed is calculated as Net Worth + Net Borrowings (Net Borrowings is calculated as total borrowing (including current and non-current borrowing) less cash and cash equivalents at the end of the year).*

*** Return on equity is calculated as Net Profit after taxes / Net worth at the end of the year.*

We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. Our strong balance sheet and positive operating cash flows coupled with low levels of debt enable us to fund our strategic initiatives, pursue opportunities for growth and better manage unanticipated cash flow variations. Our financial strength provides us a valuable competitive advantage over our competitors with access to financing, which are factors critical to our business.

For further details on a comparative analysis of our financial position and revenue from operations, see the section titled "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 95.

Our Strategies

Continue to develop innovative products for the global market by strengthening the R&D capabilities

With the objective of early identification and attaining early development, we constantly seek to introduce new product verticals and develop our R&D capabilities to distinguish ourselves from our competitors particularly with a view to enhance our development of advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs, either for molecules under clinical trial or those which have been launched. We have applied for renewal of certification from the DSIR with respect to our R&D Facility. As on March 31, 2024, the R&D Facility has specialised team of 118 people across various teams including R&D, regulatory affairs, quality control, quality assurance and analytical development laboratory. Our total spend on R&D *vis-à-vis* our turnover has increased from 1.35% in Fiscal 2022 to 1.97% in Fiscal 2024.

With a view to further strengthen our R&D capabilities, we continuously recruit and appoint scientists of varied experience and expertise at our R&D laboratory with an objective to successfully implement our strategy of early identification of development and manufacturing opportunities. Our investments in R&D have been critical to our success and a differentiating factor vis-à-vis our competitors in becoming one of the key suppliers of pharmaceutical intermediates for API in both domestic and global markets.

We have also developed and manufactured speciality chemicals for pharmaceutical, cosmetics, fine chemicals, semiconductors, battery chemicals, among others.

Our Company's focus has been to develop cost effective processes for manufacturing our products and as on March 31, 2024 we have been granted 10 process patents, two of our process patents are under publication and we have filed applications for three process patents (in respect of intermediates used in the manufacture of generic API across therapeutic segments) and have developed significant expertise in chemistry and series of molecules. Additionally, we have recently diversified our product portfolio into manufacturing of electrolyte additives segment and very high entry barrier custom made chemical products for semi-conductor industries as a result of our acquisition of Baba Fine Chemicals by way of a purchase agreement dated April 22, 2023 which came into effect on April 1, 2023.

We intend to develop, test and manufacture new products meeting regulatory standards subsequent to receipt of requisite regulatory approvals from the relevant authorities in India and overseas and make investments on an ongoing basis in new product launches and research and development for future products. We also intend to invest in development of products which are used in manufacture of APIs being used in formulations whose patents are expiring, which would lead to increase in demand for the Pharma Intermediates for such APIs.

Expand our innovator business with more focus on CDMO opportunities

We are a R&D driven manufacturer of speciality chemicals and are present across the value chain of the Intermediates business, supplying chemicals for NCE to innovators, providing a wide range of products with different routes of synthesis and different levels of intermediates. Our Company has developed capability to provide product from N-1 to N-12 stage with different routes of synthesis. We endeavour to be first to market with target products which are used for manufacturing APIs and pharmaceutical products by innovators as well as big generic pharma companies. We endeavour to expand into generic markets for patented products that are going to go off patent. There is a robust pipeline of generic drugs, which provide a tremendous growth opportunity for pharmaceutical companies once the patented products go off patent. We are focusing on building a robust range of intermediate products to cater to the increased demand from generic drugs manufacturing companies, both domestic and foreign.

Additionally, we are also focusing on CDMO opportunities, where in we offer services for Advance Intermediate development and commercial manufacturing to the innovators and formulators. This provides us with avenues for growth and collaboration.

Focus on electrolyte additives market expansion

We are the first international company, apart from China, to spearhead the pioneering development of electrolyte additives on a global scale (*Source: F&S Report*). This shows our profound understanding of market dynamics and consumer needs. We intend to capitalize on this achievement to solidify our position as industry leaders and drive further innovation in the energy storage sector. Firstly, we will focus on strengthening our research and development capabilities to continue innovating in electrolyte additive technology. This involves investing in cutting-edge research facilities, forging partnerships with leading research institutions, and attracting top talent in the field. Secondly, we will prioritize strategic partnerships and collaborations to expand our reach and accelerate the adoption of our electrolyte additives globally. This includes collaborating with battery manufacturers and energy companies to integrate our additives into their products and initiatives. Thirdly, we will invest in marketing and branding efforts to enhance awareness of our pioneering role in the industry. This involves participating in industry conferences and events, showcasing our innovations through thought leadership content, and engaging with stakeholders through various channels.

Augmenting scale through organic and inorganic routes in the current geographic markets and expanding into new geographic markets

As per the F&S Report, the Government of India's proposition to support local manufacturing of many possible raw materials and intermediates especially in the pharmaceutical space will enhance the growth in domestic market and reduce imports, especially from China. With shift in investments from regulated markets like Europe to developing countries like India, domestic production is expected to increase, reducing dependency on imports encouraging the current trend of exports of intermediates to grow substantially. With many global end users looking for alternative to China, India stands as an immediate alternate due to its significant years of experience in handling global regulatory requirements, strong process know how, strength in R&D and low cost.

Our Company supplies advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs to over 500 customers in India and over 55 countries overseas since inception and has established itself as a trusted and reliable supplier of advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs, globally. As one of the biggest manufacturers of intermediates for the target therapies, our Company is in a unique position to cross-sale new molecules to existing clients (*Source: F&S Report*).

As on March 31, 2024, the installed reactor capacity of our Manufacturing Facilities was 1,098 KL bifurcated as 144 KL, 442 KL and 512 KL respectively for Sachin, Ankleshwar and Jhagadia facilities. Moreover, our subsidiary, Baba Fine Chemicals has installed reactor capacity of 1.80 KL. We believe that our Company is well positioned to consolidate its existing capacity to capitalise upon future growth that is envisaged. We aim to strengthen our manufacturing capability and achieve better economies of scale by organic and inorganic growth. We have, and continue to, expand our business through organic growth to increase our production capacities and product portfolio, including by way of our recent acquisitions which we believe significantly increases our production capabilities. Consistent with past practice, we will look to add capacity in a phased manner to ensure that we utilize our capacity at optimal levels.

We had acquired our Ankleshwar Facility and Jhagadia Facility in Fiscal 2021 which enabled us to expand our product portfolio to include the manufacture of speciality chemicals and has also enabled us with backward integration in relation to our products. During Fiscal 2023, we relocated our speciality chemical manufacturing plant in Ankleshwar Unit to the Jhagadia unit. This was undertaken to build a brownfield plant in Ankleshwar, Gujarat while supporting the growth of advance pharmaceutical intermediates segment. In December 2023, we inaugurated a state-of-the-art technology driven plant in Ankleshwar Unit which focuses on advanced pharmaceutical intermediate business.

Further, as part of our strategic expansion we have forayed into the semiconductor industry in Fiscal 2023 by acquiring 55% stake in Baba Fine Chemicals, manufacturer of high-value custom speciality chemical products essential for semiconductor applications. Baba Fine Chemicals makes high purity chemicals with its main application in photo resistance chemicals in semiconductor industries.

Going forward, we may consider acquisition/ investment opportunities to selectively expand in other verticals. We believe such acquisitions will support our long-term strategy, strengthen our competitive position, particularly in acquiring technical expertise and provide greater scale to grow our earnings and increase shareholder value.

Expand our production capacities and broadening the footprint of manufacturing operations

Our Company's existing manufacturing facilities are located in Surat, Ankleshwar and Jhagadia in Gujarat and our Subsidiary, Baba Fine Chemicals' manufacturing unit at Noida, UP. Our manufacturing facilities are equipped with cutting-edge technology and adhere to stringent quality control measures, ensuring the production of high-quality chemicals and intermediates. We propose to expand our manufacturing capacities by increasing the capacity of our existing facilities at Ankleshwar and Jhagadia facilities. The Board of Directors of our Company in Fiscal 2024 approved the capex of ₹ 31,000.00 lakhs in order to build a brownfield plant in Ankleshwar, Gujarat while supporting the growth of advance pharmaceutical intermediates segment. Currently, we also have access to additional land at our existing manufacturing facility at Jhagadia Facility, which provides significant headroom for future growth. Going forward, we will continue to periodically review the functioning of our in–house product development strategy, identify scope for expansion and undertake projects to increase our production capabilities.

Continue to focus on cost efficiency and improving productivity while employing environmentally friendly processes

Our Company strongly believes in conducting its business operations in an environmentally responsible manner. We have set up a Zero Liquid Discharge based in-house effluent plant at our Sachin Unit. Our Jhagadia unit also has a state-of-the-art ETP solution, which aids in separating solids from liquids that can be recycled. We follow a comprehensive approach to disposing of wastes. This entails directing a portion of it to landfills, some to recycling facilities and remaining portions to co-processing plants. The Jhagadia Facility is equipped with state of art effluent treatment plant equipped with multiple effect evaporator, reverse osmosis for purification of waste and bioreactors for treatment of effluents and removal of organic load. The cutting-edge Zero Liquid Discharge (ZLD) in-house effluent plant in Sachin enables us to recycle and reuse wastewater, thereby reducing water consumption and stress on local water resources. We have been awarded Gold Rating accreditation from EcoVadis in Fiscal 2024, recognizing the Company's outstanding commitment to sustainability. In line with our Company's net-zero ambitions, we are making investments in renewable energy projects. This includes the planned installation of 15.80 MW solar power plant in coming years. This will reduce our emissions and help us to progress towards our target of achieving 100% of our current energy consumption from renewable energy sources.

As we operate in a fiercely competitive industry wherein technology plays a critical role for being a relevant market player with no assurance that the technology developed or adopted by our peers and competitors shall not render our products less competitive or attractive, we continuously strive to keep our technology, facilities and machinery current and updated with the latest international standards. Further, we intend to position ourselves as a leading market player in our product verticals, both domestically and internationally by adopting the latest technological changes and be responsive to the constant technological upgradations and emerging standards to ensure cost efficiency and environmentally friendly processes in our business operations. We believe that making timely and cost-effective enhancements and additions to our technological infrastructure shall ensure that we keep up with technological improvements in order to meet our customer requirements.

Sourcing of raw materials also plays an important part in ensuring competitiveness, price flexibility and profitability. We also depend on third-party vendors and suppliers for the purchase of raw materials. However, we have now developed backward integration capabilities for key raw materials which helps us manufacture our raw materials up to basic chemical level which helps us minimise reliance on third party vendors. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Pricing and volumes are negotiated for each purchase order. The purchase price of our raw materials generally follows market prices. We have historically sourced raw materials from multiple vendors in India, China, Europe, Israel and Japan and continue to diversify our procurement base. We also enter into contract manufacturing agreements with vendors to supply raw materials. This allows us to minimise supply failure risk and generate greater negotiating power over our suppliers.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including "*Risk Factors*", "*Use of Proceeds*", "*Placement and Lock-up*", "*Issue Procedure*" and "*Description of the Equity Shares*" on pages 46, 83, 226, 212 and 239, respectively.

Issuer	Ami Organics Limited
Face value	₹ 10 per Equity Share
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Floor Price	₹ 1,228.71 per Equity Share, calculated on the basis of Regulation 176 of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company may offer a discount of up to 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of a special resolution through postal ballot on May 14, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Size	Issue of up to [●] Equity Shares, aggregating up to ₹ [●] lakhs, including a premium of ₹ [●] each. A minimum of 10% of the Issue Size, i.e., at least [●] Equity Shares shall be available for Allocation to Mutual Funds only and the balance [●] Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation only to Mutual Funds, such undersubscribed portion may be Allotted to other Eligible QIBs.
Date of Board resolution authorizing the Issue	April 12, 2024
Date of Shareholders' resolution authorizing the Issue	May 14, 2024
Dividend	See "*Description of the Equity Shares*" and "*Dividends*" on pages 239 and 94.
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, see "*Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 212, 228 and 234, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered has been determined by our Company in consultation with the BRLM.
Equity Shares issued and outstanding immediately prior to the Issue	3,76,79,755 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares
Issue procedure	This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, see "*Issue Procedure*" on page 212.
Listing and trading	Our Company has obtained in-principle approvals from the BSE and the NSE each dated June 18, 2024 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue. The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.

	Our Company will make applications to each of the Stock Exchanges after Allotment and credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final listing and trading approval for the Equity Shares, to be issued pursuant to this Issue.	
Lock-up	For details of the lock-up, see "*Placement and Lock-up*" on page 226.	
Transferability restrictions	The Equity Shares Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchange. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. See "*Issue Procedure*", "*Selling Restrictions*" *and "Purchaser Representations and Transfer Restrictions"* on pages 212, 228 and 234, respectively.	
Use of proceeds	The gross proceeds from the Issue will be aggregating to approximately ₹ [●] lakhs. The Net Proceeds from the Issue, after deducting fees, commissions and estimated expenses of the Issue of approximately ₹ [●] lakhs, will be approximately ₹ [●] lakhs. See "*Use of Proceeds*" on page 83 for information regarding the use of Net Proceeds from the Issue.	
Risk factors	See "*Risk Factors*" on page 46 for a discussion of risks you should consider before investing in the Equity Shares.	
Taxation	See *"Taxation"* on page 243 for the statement of possible tax benefits available to our Company and its Shareholders.	
Closing Date	The Allotment of the Equity Shares is expected to be made on or about [●], 2024.	
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including rights in respect of voting rights and dividends. The Shareholders who hold Equity Shares as on the relevant record date will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders' meetings on the basis of one vote for every Equity Share held in accordance with the provisions of the Companies Act. See *"Description of Equity Shares"* on page 239	
Voting Rights	See *"Description of Equity Shares"* on page 239	
Security codes/ symbols for the Equity Shares	**ISIN**	INE00FF01017
	BSE Code	543349
	NSE Symbol	AMIORG

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information derived from our Audited Consolidated Financial Statements and are to be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" on pages 95 and 253, respectively.

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SUMMARY OF CONSOLIDATED BALANCE SHEET

(in ₹ lakhs, unless stated otherwise)

Particulars	As at		
	March 31, 2024	March 31, 2023	March 31, 2022
Non Current Assets			
Property, Plant and Equipment	32,290.32	18,435.38	15,844.31
Right-of-Use Assets	3,715.21	3,741.91	1,936.57
Capital work-in-progress	12,542.32	2,551.76	189.16
Goodwill	5,680.09	2,032.29	1,859.56
Other Intangible assets	1,030.50	1,685.74	813.05
Intangible assets under development	-	427.78	106.89
Financial Assets			
i) Investments	19.53	165.07	171.31
ii) Loans	-	22.06	-
iii) Other financial assets	257.72	624.11	1,085.73
Other non-current assets	4,473.31	1,294.85	924.57
Total Non-current Assets	**60,009.00**	**30,980.95**	**22,931.15**
Current assets			
Inventories	15,673.41	11,917.30	11,217.09
Financial Assets			
Trade receivables	20,635.21	23,026.11	16,370.22
Cash and cash equivalents	2,970.44	3,053.26	1,029.66
Bank balances other than Cash and Cash equivalents	2,360.75	2,813.76	8,925.49
Loans	155.06	133.58	65.39
Current Tax Assets (Net)	250.97	322.09	494.06
Other current assets	7,535.49	4,446.79	4,855.23
Total Current Assets	**49,581.33**	**45,712.89**	**42,957.14**
Total Assets	**1,09,590.33**	**76,693.84**	**65,888.29**
EQUITY and LIABILITIES			
Equity			
Equity Share Capital	3,688.06	3,643.71	3,643.71
Other Equity	63,711.68	55,752.21	48,583.69
Non controlling interests	876.06	-	
Total Equity	**68,275.80**	**59,395.92**	**52,227.40**
Non-current liabilities			
Financial Liabilities			
Borrowings	11,364.12	62.59	58.81
Provisions	131.60	68.14	43.60
Deferred tax liabilities net	1,301.80	882.58	626.43
Total Non-current liabilities	**12,797.52**	**1,013.31**	**728.84**
Current liabilities			
Financial Liabilities			
Borrowings.	10,300.54	297.44	25.60
Trade Payables			
a) Total outstanding dues of micro enterprises and small enterprises	2,135.47	7,651.11	1,508.05
b) Total outstanding dues of other than micro enterprises and small enterprises	11,325.41	6,553.66	10,333.71
Other current liabilities	3,435.99	643.39	462.64
Provisions	1,319.60	1,139.01	602.05
Total Current liabilities	**28,517.01**	**16,284.61**	**12,932.05**
Total liabilities	**41,314.53**	**17,297.92**	**13,660.89**
Total Equity and Liabilities	**1,09,590.33**	**76,693.84**	**65,888.29**

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(in ₹ lakhs, unless stated otherwise)

Particulars	As at		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Income			
Revenue From Operations	71,747.45	61,673.45	52,013.50
Other Income	749.09	431.98	276.23
Total Income	**72,496.54**	**62,105.43**	**52,289.73**
Expenses : -			
Cost of materials consumed	44,017.16	34,585.12	28,233.30
Changes in inventories of finished goods, Stock in Trade and work in progress	(2,848.34)	(1,495.59)	(949.67)
Employee benefits expense	6,311.44	4,883.61	4,136.64
Finance costs	594.03	241.23	640.73
Depreciation and amortization expense	1,605.52	1,234.24	1,008.02
Other expenses	11,418.21	11,439.64	10,075.67
Total Expenses	**61,098.02**	**50,888.25**	**43,144.69**
Profit/(loss) before exceptional items and tax	**11,398.52**	**11,217.18**	**9,145.04**
Exceptional items	**(3,208.39)**	**-**	**-**
Profit/(loss) before tax	**8,190.13**	**11,217.18**	**9,145.04**
Tax expense			
Current tax	2,901.53	2,637.72	1,672.15
Deferred tax	417.80	250.49	278.28
Total Tax expense	3,319.33	2,888.21	1,950.43
Profit/(loss) after tax	**4,870.80**	**8,328.97**	**7,194.61**
Other Comprehensive Income (OCI)			
(a) Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined employee benefit plans, net	(4.99)	16.83	60.35
(b) Items that will be reclassified to profit or loss:			
Exchange differences on translation of financial statements of foreign exchange	(717.37)	290.36	128.79
Other Comprehensive Income	**(722.36)**	**307.19**	**189.14**
Total Comprehensive Income for the year	**4,148.44**	**8,636.16**	**7,383.75**
Profit / (Loss) attributable to			
Owners of the company	**4,277.30**	**-**	**-**
Non - controlling interest	**593.50**	**-**	**-**
Other comprehensive income attributable to			
Owners of the company	**(724.27)**	**-**	**-**
Non - controlling interest	**1.91**	**-**	**-**
Earnings per equity share (Face value of Rs.10 each)			
Basic (₹)	11.67	22.86	21.03
Diluted (₹)	11.66	22.86	21.03

SUMMARY OF CONSOLIDATED STATEMENT OF CASH FLOWS

(in ₹ lakhs, unless stated otherwise)

Particulars	As at		
	March 31, 2024	March 31, 2023	March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit Before Tax	8,190.13	11,217.18	9,145.04
Adjustments for:			
Depreciation and amortisation	1,605.52	1,234.24	1,008.02
(Gain)/Loss on disposal of property, plant and equipment	(20.84)	74.66	
Finance Cost	594.03	241.23	544.91
Interest Income	(219.58)	(217.89)	(258.17)
Employee Compensation Expenses	230.62	-	
Dividend Income	-	(0.03)	
Exchange Fluctuation on change on equity instruments	-	290.36	128.79
Unrealised (gain) / loss	(418.91)	(213.23)	(59.24)
Sundry Balances Written off	32.99	-	-
Provision for impairment of investment	3,175.39	-	-
Operating profit before working capital changes	13,169.35	12,626.52	10,509.35
Adjustment for (increase) / decrease in operating assets			
(increase) / decrease in trade receivables	3,000.27	(6,442.66)	(4,145.50)
Unbilled revenue	-	-	-
(increase) / decrease in loans & advances	(246.69)	(90.24)	(31.95)
(increase) / decrease in other financial assets	345.65	461.62	(815.13)
Other financial assets1	-	-	-
(increase) / decrease in inventories	(3,508.19)	(700.21)	(5,180.78)
(increase) / decrease in other current assets	(2,841.71)	38.16	(1,655.48)
Other assets1	-	-	
Adjustment for (Increase) / decrease in operating liabilities			
Increase / (decrease) in trade payables	2,359.61	2,363.01	3,267.88
Employee benefit obligation	-	-	-
Other financial liabilities	-	-	-
Other financial liabilities 1	-	-	-
Increase / (decrease) in Other Liabilities	2,487.60	180.75	(1,053.33)
Increase / (decrease) in Provisions	185.70	561.49	192.84
			-
Cash generated from operations	14,951.59	8,998.44	1,087.91
Income tax paid (net)	(2,434.62)	(2,445.44)	(2,281.38)
Net cash (used)/generated by operating activities	**12,516.97**	**6,553.00**	**(1,193.47)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in fixed deposit not considered as cash or cash equivalents	1,302.53	6,111.73	(8,925.49)
Purchase of property, plant and equipment (Incl. Capital WIP & Intangible Assets)	(28,090.79)	(7,834.94)	(3,375.81)
Right of Use Asset	55.55	(1,805.35)	
Purchase of Investment	(6,603.21)	6.24	(28.45)
Change in other non current assets	(3,432.51)	-	
Dividend received	-	0.03	
Interest received	229.08	217.89	258.18
Net cash (used in) / generated by investing activities	**(36,539.35)**	**(3,304.40)**	**(12,071.57)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term borrowings	12,967.37	-	
Net Proceeds / (Repayment) from short term borrowings	8,840.38	275.64	(13,579.16)
Finance cost	(594.03)	(241.23)	(544.91)
Withdrawal of Partners Capital	(1,478.88)	-	
Dividend paid (including tax on dividend)	(1,093.11)	(1,093.57)	

(in ₹ lakhs, unless stated otherwise)

Particulars	As at		
	March 31, 2024	March 31, 2023	March 31, 2022
Issue of Equity Shares	5,185.41	-	29,999.99
Realisation on Final Settlement of IPO Expenses	115.22	-	
Share Issue Expense	(6.00)	(165.84)	(1,849.67)
Net cash (used)/generated in financing activities	**23,936.36**	**(1,225.00)**	**14,026.25**
Net increase / (decrease) in cash and cash equivalents	(86.02)	2,023.60	761.20
Cash and cash equivalents at the beginning of the year	3,053.26	1,029.66	268.46
Exchange gain loss on Cash and cash equivalents	3.20	-	
Cash and cash equivalents at the end of the year	**2,970.44**	**3,053.26**	**1,029.66**

RISK FACTORS

An investment in equity shares involves a high degree of risk. Potential investors should carefully consider all the information in this Preliminary Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 176, 124, 95 and 253, respectively, as well as the other financial and statistical information contained in this Preliminary Placement Document. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved.

Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2024, Fiscal 2023 and Fiscal 2022 included herein is derived from the Consolidated Financial Statements, included in this Preliminary Placement Document. For further information, see "Financial Information" on page 253.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Ami Organics Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Ami Organics Limited on a consolidated basis.

Some of the information in this Preliminary Placement Document, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 253 and 95, respectively, for a discussion of certain factors that may affect our business, results of operations or financial condition. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report "Market Overview of the Global Pharmaceutical API & Key Intermediates Industry" dated June 4, 2024 (the "**F&S Report**") prepared and released by 'Frost & Sullivan and commissioned and paid for by our Company in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Also see, "Industry and Market Data" on page 17.*

INTERNAL RISK FACTORS

1. ***We are subject to strict quality requirements, regular inspections and audits, and the success and wide acceptability of our products is largely dependent upon our quality controls and standards.***

   The Company and its customers operate in a highly regulated industry. We are required to comply with the Indian regulations in relation to our manufacturing facilities at Sachin, Jhagadia and Ankleshwar, our subsidiary's manufacturing facility at Noida ("**Manufacturing Facilities**") and our R&D centre at Sachin, along with various other regulations and quality standards. Since we supply our products to customers having global markets, our Manufacturing Facilities and products may be subjected to audit and inspection by Indian and overseas regulatory agencies (including US-FDA and PMDA) and failure to comply could result in warning letters, sanctions, or other actions from regulatory authorities, potentially leading to product approval withholding and facility shutdown.

Historically, we have received letters FDA-483 (Notice of Inspectional Observations) from the USFDA for inspection in 2016 and 2020, respectively and in both instances, our Company has made the requisite replies and has subsequently received the relevant establishment inspection reports (EIR) on October 11, 2018, and September 22, 2020, respectively. Our Sachin facility has also been inspected by PMDA on June 7, 2024 and the inspection was concluded without any critical/ major observations. Such developments, in case of any recurrence, could adversely affect the demand for our products, including the regulatory review of products, new scientific information or the recall or loss of approval of products that we supply, manufacture, market or sell. We face the risk of loss resulting from, and the adverse publicity associated with, manufacturing or quality control problems, including at the stage of manufacturing of final dosage form. Such adverse publicity harms the brand image of our products.

Further, our customers to whom we supply our intermediates must also comply with US-FDA regulations and standards, as may be applicable. Failure to comply or receipt of warning or deficiency letters from regulators could adversely affect the demand for our products. While there have been no instances of such lawsuits involving the customers, which may have led to loss for our Company, we cannot assure you that such instances will not occur in the future.

The company may also face claims resulting from manufacturing defects or negligence in storage and handling of its products. In certain foreign jurisdictions, the quantum of damages, especially punitive, awarded in cases of product liability can be high. While there have been no instances of having required us to pay any damages, which may have led to loss for our Company, we cannot assure you that such instances will not occur in the future. Product liability claims can be costly and damage the company's reputation and brand image. Any loss of reputation or brand image could lead to the loss of existing business contracts and affect future business results, financial condition, and cash flows.

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

Our Manufacturing Facilities are subject to numerous laws and regulations designed to protect the environment, including safety, health, labour, and environmental protection. These regulations impose controls on air and water release, noise levels, storage handling, the management of hazardous materials, and exposure to hazardous substances for employees. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. If any change in environmental or pollution regulations occurs, we may be required to invest in environmental monitoring, pollution control equipment, and emissions management.

Failure to comply with existing or future regulations may result in legal proceedings, third-party claims, or the levy of regulatory fines. Any violation of these regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our Manufacturing Facilities. While there have been no violations in the past, there can be no assurance that any violation may not occur in the future, which could adversely affect our business, results of operations, and financial condition.

In an endeavour to continue our business in a sustainable manner, we have incurred significant capital expenditure in installing the latest machinery and equipment to control the discharge of effluents. These include one (1) production block which includes 13 separate product lines, 37 reactors, a zero liquid discharge based effluent plant; a soil biological treatment system ("**SBT System**") based on bioconversion process wherein fundamental action of nature namely, respiration, mineral weathering and photosynthesis are brought about in a controlled media containing selected micro and macro-organisms; an RO plant with a pre-treatment section consisting of pressure sand filter, activated carbon filter and micron filters followed by chemical dosing system such as Antiscalent, SMBS and HCL; and forced circulation type multiple effect evaporator ("**MEE**") with steam stripper of 60 KLD capacity consisting of steam stripper for removal of low volatiles from the concentrated waste water streams which is segregated at source which enables us to remain competitive in terms of the quality of our products.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations, or financial condition.

3. ***We derive a significant portion of our revenue from the sale of products in certain therapeutic areas and any reduction in demand for these products, or if such products become obsolete due to a breakthrough in the development of alternate drugs, could have an adverse effect on our business.***

We derive a significant portion of our revenue from the sale of pharmaceutical intermediates used in active pharmaceutical ingredients ("**API**"), which primarily comprises the sale of products in the select high-growth high margin chronic segment therapeutic areas of anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder.

The details of the revenue break-up for the product categories in Fiscal 2024, Fiscal 2023 and Fiscal 2022 are as set forth below:

Product Category	**Revenue (₹ in lakhs) and % of from total revenue from operations**					
	Fiscal 2024	**%**	**Fiscal 2023**	**%**	**Fiscal 2022**	**%**
Advance Pharma Intermediates	56,779.76	79.14	51,806.00	84.00	42,426.65	81.57
Specialty Chemicals	14,967.69	20.86	9,867.45	16.00	9,586.85	18.43
Total	**71,747.45**	**100%**	**61,673.45**	**100%**	**52,013.50**	**100%**

The API market is characterised by rapid innovative changes. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of products in these therapeutic areas on account of breakthrough in the development or invention of alternate drugs or formulations, may expose us to the risk of our products being obsolete or being substituted to greater extent, by these alternatives, and any failure on our part to effectively address such situations or to successfully introduce new products in these therapeutic areas could adversely affect our business, results of operations, financial condition and cash flows. In addition, a slowdown in demand for our existing products ahead of a new product introduction could result in a write down in the value of inventory on hand related to existing products.

We have in the past experienced a slowdown in the demand for our products and delays in new product development and such slowdowns and delays may occur in the future. Resultantly, if our customers, defer or cancel orders for our existing products due to introduction of alternative drugs, which are much more suitable and preferred as a treatment option, our operating results would be adversely affected.

4. ***Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and cash flows.***

We have incurred significant indebtedness of ₹ 26,600.38 lakhs as of May 31, 2024. The secured borrowings of our Company as at March 31, 2024, March 31, 2023 and March 31, 2022 were ₹ 21,664.66 lakhs, ₹ 360.03 lakhs and ₹ 84.41 lakhs, respectively.

Further, the details of borrowings undertaken by our Company along with the percentage of such borrowings in terms of the net worth of our Company for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 are as set forth below:

(₹ in lakhs, except % values)

Particulars	**As at March 31,**		
	2024	**2023**	**2022**
Long term borrowings	11,364.12	62.59	58.81
Short term borrowings	7,258.71	277.06	25.60
Current maturities of long-term debts	3,041.83	20.38	-
Total borrowings	**21,664.66**	**360.03**	**84.41**
Net Worth	68,275.80	59,395.92	52,227.40
Borrowing as % of net worth	31.73%	0.61%	0.16%

Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders inter alia to:

- create or permit to subsist any encumbrance, mortgage or charge over all or any of its secured assets;
- effect any change in the nature of business or for expansion of business;
- effect any changes in its capital structure including but not limited to merger, amalgamation, reconstruction or consolidation;
- formulate any scheme of amalgamation with any other borrower or reconstruction or acquire any other borrower; and
- effect any material change in the management/ ownership of the borrower.

In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Our failure to meet our obligations under the debt financing agreements, including our repayment obligations under the financing arrangements could have an adverse effect on our business, results of operations, cash flows and financial condition. For details in connection with our indebtedness and details pertaining to secured and unsecured borrowings, please see "*Financial Information*" on page 253.

5. ***Our operations are dependent on continuous R&D to develop and commercialise new products and our inability to identify and understand evolving industry trends, technological advancements, customer preferences and develop new products to meet our customers' demands may adversely affect our business.***

Our success depends significantly on our ability to commercialize our new products. In order to remain competitive, we must develop, test and manufacture new products, which must meet regulatory standards and receive requisite regulatory approvals. To accomplish this, we commit substantial effort, funds and other resources towards our R&D activities and we have set-up dedicated R&D laboratory in Sachin, Gujarat, which is also supported by our Analytical Development Laboratory ("**ADL**") in relation to developmental activities, freezing specifications and developing the method of analysis for finished products, in process intermediates, Key Starting Materials ("**KSMs**") and raw materials. We incurred R&D expenditure of ₹ 1,414.03 lakhs, ₹ 772.35 lakhs and ₹ 704.18 lakhs, respectively, which accounted for 2.31%, 1.52% and 1.63% of the total expenditure in the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively.

The development of new or improved products can be a lengthy process, and delays, inability to obtain necessary regulatory approvals, or product failures can negatively impact the business, results of operations, cash flows, and financial condition. Additionally, competitors may commercialize similar products before the company, which could affect the success of R&D activities and negatively impact business growth, results of operations, cash flows, and financial condition.

New products or enhancements to existing products cannot guarantee market acceptance. Technological advances and scientific discoveries can increase R&D expenses due to frequent product introductions and significant price competition. Some product development decisions may not meet expectations, leading to unprofitable investments. Additionally, ongoing investments in new product launches and R&D for future products could result in higher costs without proportionate increases in revenues.

The company is indirectly affected if a particular final end product is discontinued. The industry is constantly changing due to technological advances and scientific discoveries, and if current technologies become obsolete, the company's business and results of operations could be adversely affected. The cost of implementing new technologies and upgrading manufacturing facilities could be significant and could adversely affect the business. Changes in market demand may also cause discontinuation of existing or planned development for new products. If the company fails to make the right investments or make them at the right time, its business, reputation, and financial conditions could be materially and adversely affected.

6. ***Our business is working capital intensive. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations.***

Our business requires significant amount of working capital primarily as a considerable amount of time passes between purchase raw materials and sale of our finished products and the subsequent collection process viz. our customers. As a result, we are required to maintain sufficient stock at all times in order to meet manufacturing requirements, thus increasing our storage and working capital requirements. For example, the total working capital as on March 31, 2024, was ₹ 21,064.32 lakhs as on March 31, 2023, was ₹ 29,428.28 lakhs and as on March 31, 2022, was ₹ 30,025.09 lakhs. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments, and hence we may need to incur additional indebtedness in the future or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner.

As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. If we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations, financial condition, and cash flows could be materially and adversely affected. There can be no assurance that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business, and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations, financial condition, and cash flows.

7. ***We depend on the success of our relationships with our customers and suppliers. Any adverse developments or inability to enter into or maintain such relationships could have an adverse effect on our business, results of operations and financial condition.***

We are dependent on a limited number of customers for a significant portion of our revenues. For Fiscal 2024, Fiscal 2023 and Fiscal 2022, our top ten customers contributed ₹ 40,760.32 lakhs, ₹ 23,491.13 lakhs and ₹ 21,764.95 lakhs, or 56.81%, 54.10% and 53.81%, of our revenue from operations, respectively. We currently do not have long term contractual arrangements with most of our significant customers and conduct business with them on the basis of purchase orders that are placed from time to time.

Similarly, we are dependent on a limited number of suppliers. Our top 10 suppliers contributed 36.49%, 36.01% and 38.07% of total cost of raw materials for Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively.

Our reliance on a select group of customers and suppliers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance. The deterioration of the financial condition or business prospects of these customers could reduce their requirement of our products and result in a significant decrease in the revenues we derive from these customers. Further, some of our customers currently manufacture or may start manufacturing their own pharmaceutical intermediates and may discontinue purchasing pharmaceutical intermediates used in APIs from us. The loss of one or more of our significant customers or suppliers, or a reduction in the amount of business or raw materials we obtain from them could have an adverse effect on our business, ability to meet debt and working capital requirements, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business from our significant customers or suppliers, or that we will be able to significantly reduce customer and supplier concentration in the future.

8. ***If our products or other products containing our intermediates cause, or are perceived to cause, severe side effects, the sale of such products may decrease or may be banned, which may have an adverse effect on our revenues and profitability.***

The API or pharmaceutical end product containing our intermediates may cause severe side effects as a result of number of factors, many of which may be outside our control. These factors may become evident only when such products are introduced into the marketplace and may include potential side effects which may not be revealed during clinical testing for instance unusual severe side effects in isolated cases, defective products not detected by quality management or misuse of our products by pharmaceutical companies or the end-users. Considering that our Company's business is on a B2B model, once our Company completes a sale of its intermediates to the pharmaceutical companies, it has no control/ surveillance/ supervision on the manner in which any of such pharmaceutical companies utilizes our intermediates. Our products may also be perceived to cause severe side effects when a conclusive determination as to the cause of the severe side effect is not obtained or is unobtainable.

In addition, the pharmaceutical intermediates manufactured by our Company may be perceived to cause severe side effects in case other pharmaceutical companies' products containing same or similar intermediates as manufactured by our Company cause or are perceived to have caused such side effects, or if one or more regulators, such as the US-FDA or an international institution, such as the WHO, determines that such products or intermediates could cause or lead to severe side effects. If the products containing our intermediates cause, or are perceived to cause, severe side effects, we may face a number of consequences, including:

- a decrease in the demand for, and sales of, the relevant products;
- the recall or withdrawal of the relevant products;
- withdrawal of regulatory approvals for the relevant products or the relevant production facilities;
- removal of relevant products from the national medical insurance catalogues; and
- exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or penalties.

While till date our Company has not received any report or a complaint from any of its customers for its products causing side effects nor has any regulator, including US-FDA and WHO determined our products to have severe side effects, there can be no assurance that we will not receive any complaints from our customers or such determination by regulators for our products in future causing side effects. The occurrence of any such event may lead to a decline in the sales of our products, which in turn may have an adverse effect on our business, results of operations, financial condition and cash flows.

9. ***The specialty chemicals industry provides for significant entry barriers. We face competition from both domestic as well as multinational corporations and our inability to compete effectively could result in the loss of customers, hence, our market share, which could have an adverse effect on our business, results of operations, financial condition and future prospects.***

The custom synthesis and manufacturing industry presents significant entry barriers, including customer validation and approvals, expectation from customers for process innovation and cost reduction, high quality standards and stringent specifications. In particular, our typical end customers are required to register the manufacturer with the regulatory bodies as a supplier of intermediate products or active ingredients. As a result, any change in the manufacturer of the intermediate product or active ingredient may require customers to expend significant time and resources, resulting in the acquisition of customers becoming a long process. From the product testing stage to the batch procurement phase, to the eventual customer approval stage acquiring a new end customer typically takes up to 6 months, depending on product complexity.

We face competition from both domestic and multinational corporations. The Indian specialty chemicals industry is fragmented in nature. Our failure to obtain new customers or to retain or increase our existing market share or effectively compete could adversely affect our business, financial condition and results of operations. Competition in our business is based on pricing, relationships with customers, product quality, customization and innovation. We face pricing pressures from multinational companies that are able to produce chemicals at competitive costs and consequently, supply their products at cheaper prices. We are unable to assure you that we shall be able to meet the pricing pressures imposed by such multinational competitors which would adversely affect our profitability. Also, see "*Our Business – Competition*" and "*Industry Overview*" on pages 194 and 124, respectively, for further details on competitive conditions that we face across our various business segments.

Additionally, some of our competitors in the specialty chemicals segment may have greater financial resources, technology, research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects. Further, we may incur significant expense in preparing to meet anticipated customer requirements that we may not be able to recover or pass on to our customers. Increased competition may force us to improve our process, technical, product and service capabilities and/or lower our prices or result in loss of customers, which may adversely affect our profitability and market share, in turn, affecting our business, financial condition, results of operations and future prospects. There is no assurance that we will remain competitive with respect to technology, design, quality or cost.

In addition, our competitors may develop competing technologies that gain market acceptance before or instead of our products. Our competitors' actions, including expanding manufacturing capacity, expansion of their operations to newer geographies or product segments in which we compete, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume.

10. Industry information included in this Preliminary Placement Document has been derived from an industry report commissioned and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.

This Preliminary Placement Document includes information that is derived from an industry report titled "*Market Overview of the Global Pharmaceutical API & Key Intermediates Industry*" dated June 4, 2024 ("**F&S Report**") prepared by Frost and Sullivan, pursuant to an engagement with our Company. We commissioned and paid for such report for the purpose of confirming our understanding of the pharmaceutical API and key intermediates industry in India. Such data may have been reclassified by us for the purposes of presentation. The F&S Report also highlights certain industry and market data, which may be subject to assumptions that may prove to be incorrect. Methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors.

While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or the BRLM or any of our or its affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Preliminary Placement Document.

11. Our inability to fulfil our export obligation under the DEEC scheme could subject us to payment of customs duties together with interest thereby adversely impacting our financial condition.

Our company has obtained advance licenses under the Duty Exemption Entitlement Certificate ("**DEEC**") scheme, which enables us for duty free import of inputs required for manufacturing of our export bound products. Such benefits are subject to fulfillment of time bound export obligations as may be specified. The value and quantity of each item permitted under DEEC imports are specified in the advance license, which are issued on pre-export or post-export basis and are subject to fulfilment of time bound export obligation. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business, results of operations and financial condition. Further, the benefits/ incentives under such industrial schemes are available to us for a fixed period subject to compliance with various terms and conditions and such incentive are not subject to renewal. However, there can be no assurance that we will continue to enjoy these benefits in the future or will be able to obtain timely disbursement of such benefits or that such schemes will continue to exist in the future at all.

As on May 31, 2024, we have a net export obligation of ₹ 17,929.26 lakhs. Any failure on our part to achieve required export obligation will subject us to an obligation to pay the customs duty.

12. Our business is dependent on our Manufacturing Facilities and we are subject to certain risks in our

manufacturing process. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations could materially and adversely affect our business, financial condition and results of operations.

Our business is dependent on our ability to manage our Manufacturing Facilities, including productivity of our workforce, compliance with regulatory requirements and those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters and pandemics which may cause disruptions in the future as well. For details of manufacturing facilities see "*Our Business – Manufacturing Facilities*" on page 185. As a result, any local social unrest, natural disaster or breakdown of services and utilities in that area could have material adverse effect on the business, financial position and results of our operations. Further, we are heavily dependent on our vendors to supply in a timely and cost-effective manner, various equipment required by us for our operations.

Our Manufacturing Facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, efficiency, labour disputes, strikes, environmental issues, lock-outs, non-availability of services of our external contractors etc. Further, any significant malfunction or breakdown of our machinery or equipment at our Manufacturing Facilities may entail significant repair and maintenance costs and cause delays in our operations. Except an instance of fire incident as disclosed in risk factor titled "*Risk Factor - 18. We operate in a hazardous industry and are subject to certain business and operational risks consequent to our operations, such as, the manufacture, usage and storage of various hazardous substances which may adversely affect our business, results of operations and financial condition*." on page 55, there have been no instances of such operational disruptions in the past three years. However, in the event that we are forced to shut down our manufacturing facility for a significant period of time in the future due to such operational disruptions, it would have a material adverse effect on our earnings, our results of operations and our financial condition as a whole. Our inability to effectively respond to any slowdown or shutdown and to rectify any disruption, in a timely manner and at an acceptable cost, could also lead to an inability to comply with our customers' requirements and would result in us breaching our contractual obligations.

13. ***Our Manufacturing facilities are concentrated in a single state and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.***

All our Manufacturing Facilities, except manufacturing facility of our subsidiary, as well as our warehouses and R&D center are located in the state of Gujarat in India and any significant social, political or economic disruption, or natural calamities or civil disruptions in this region, or changes in the policies of the state or local governments of this region or the Government of India, could require us to incur significant capital expenditure and change our business strategy. While there have been no instances of such operational disruptions in the past three years, we cannot assure you that there will not be any significant disruptions in our operations in the future. The occurrence of, or our inability to effectively respond to any such event, could have an adverse effect on our business, results of operations, financial condition and cash flows.

14. ***We have experienced negative cash flows in the past. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

The following table sets forth certain information relating to our consolidated statements of cash flows for the years/ periods indicated:

(₹ in lakhs)

Particulars	**Fiscal**		
	2024	**2023**	**2022**
Net cash (used in) / generated from operating activities	12,516.97	6,553.00	(1,193.47)
Net cash (used in) / generated from investing activities	(36,539.35)	(3,304.40)	(12,071.57)
Net cash (used in) / generated from financing activities	23,936.36	(1,225.00)	14,026.25

We may experience negative cash flow from operating activities owing to factors such as higher working capital requirement for the newly started speciality business such as electrolyte additive, lower credit days from MSME supplier and to build upon inventory and packing inventory. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be adversely affected. For further information, see

"*Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash Flows*" on page 118.

15. ***We export products to more than 55 countries and are subject to risks associated with doing business internationally, including international market conditions and regulatory risks.***

We export our products to more than 55 countries globally. In Fiscal 2024, Fiscal 2023 and Fiscal 2022 our revenue from operations from exports accounted for 55.71%, 59.08% and 57.88%, respectively, of our total revenue from operations.

The following table provides break-up of sales and percentage of revenue from operations from export to top five (5) countries to which we export our products:

(₹ in lakhs, except % values)

Fiscal 2024			Fiscal 2023			Fiscal 2022		
Country	**Sales**	**% of Revenue from Operation**	**Country**	**Sales**	**% of Revenue from Operation**	**Country**	**Sales**	**% of Revenue from Operation**
Finland	13,357.14	18.62%	Italy	12,355.78	20.03%	Italy	10,334.48	19.87%
Italy	10,194.71	14.21%	Finland	6,786.66	10.97%	Finland	5,275.01	10.14%
USA	2,937.72	4.09%	Spain	6,359.01	10.31%	China	2,898.32	5.57%
China	2,794.69	3.90%	Israel	2,146.01	3.48%	Israel	2,535.25	4.87%
Germany	2,429.17	3.39%	China	1,426.10	2.31%	Spain	2,384.89	4.59%
Total	**31,713.43**	**44.21%**		**29,073.56**	**47.10%**		**23,427.95**	**45.04%**

There are a number of risks in doing business abroad, where we have limited experience. These risks and challenges include risks with respect to interest rate and foreign currency fluctuations, different tax and regulatory environments (particularly with respect to the nature of our products), changes in social, political and economic conditions, the need to recruit personnel combining product skills and local market knowledge, obtaining the necessary clearances and approvals to set up business and competing with established players in these regions and cost structures in international markets, including those in which we operate, that are significantly different from those that we have experienced in India. For instance, we require various approvals, licenses, registrations and permissions for supplying to our overseas customers. Authorities in different jurisdictions may impose their own requirements or delay or refuse to grant approval, even when our product has already been approved in another country. In case we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the submission or grant of approval for marketing new products. In the United States, as well as many of the international markets into which we sell our products, the approval process for a new product is complex, lengthy and expensive. The time taken to obtain approval varies from country to country, but generally takes anywhere from six months to several years from the date of application.

Further, there may be certain developments in the industries in which our customers operate which in turn may have an impact on our sales from exports. There may be imposition of certain tariffs, quotas and other tariff and non-tariff trade barriers on our products in jurisdictions in which we operate or seek to sell our products and we may face trade restrictions in the jurisdictions we operate including the United States and the European countries, among others. Additionally, there may be a prohibition on our exports to certain countries that may be included in the sanctions list maintained by the Government of India.

These risks may impact our ability to expand our exports in different regions and otherwise achieve our objectives relating to our export operations. Expansion into a market outside of our current operation could require significant capital expenditures and have a material effect on our capital structure. If we pursue an international expansion opportunity, we could face internal or external risks, including, without limitation compliance with multiple and potentially conflicting foreign laws and regulations, import and export limitations and limits on the repatriation of funds.

We may be unsuccessful in developing and implementing policies and strategies that will be effective in managing these risks in each country where we have business operations. Our failure to manage these risks successfully could adversely affect our business, operating results and financial condition. Furthermore, we may face competition in other countries from companies that have more experience with operations in such countries or with international operations generally. If we are unable to successfully develop or manage our international operations, it may limit our ability to grow our international business.

16. ***We do not have long-term agreements with suppliers for our raw materials. Any shortfall in the supply of our raw materials or an increase in our raw material cost, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.***

Raw materials are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions. We purchase our raw materials from third party suppliers.

Our Company spent ₹ 44,977.95 lakhs, ₹ 33,501.38 lakhs and ₹ 32,206.23 lakhs towards purchase of raw materials during the Fiscals 2024, 2023 and 2022, comprising of 62.69%, 54.32% and 61.92% of our revenue from operations, respectively. Further out of total raw materials purchased by our Company, the amount spent towards import of raw material in Fiscals 2024, 2023 and 2022 was ₹ 12,704.52 lakhs, ₹ 12,311.42 lakhs and ₹ 11,737.95 lakhs, respectively, comprising 28.25%, 36.75% and 36.45% of total raw material purchase, respectively.

We do not have any long-term contracts with our suppliers, however, we enter into contract manufacturing agreements with vendors to supply raw materials. This allows us to minimise supply failure risk and generate greater negotiating power over our suppliers.

Further, a significant portion of our raw materials are imported from China (amounting to 20.89%, 26.93% and 27.94%, of our total raw material purchases during Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Existing geopolitical tensions between India and China may adversely affect our abilities to effectively source raw materials for our business and operations.

Prices are negotiated for each purchase order and we generally have more than one supplier for each raw material. We seek to source our materials from reputed suppliers and typically seek quotations from multiple suppliers. However, our suppliers may be unable to provide us with a sufficient quantity of raw materials, at prices acceptable to us, for us to meet the demand for our products. While there have been no instances of disruption in supply of raw material in the past three years, we are subject to the risk that one or more of our existing suppliers may discontinue their operations, which may adversely affect our ability to source raw materials at a competitive price. Also, any increase in raw material prices may result in corresponding increase in our product costs. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to customers in an efficient, reliable and timely manner, and adversely affect our business, results of operations and financial condition.

17. ***Newly developed products may replace our existing products and our research and development efforts may not yield new products, processes and solutions consistently to enable us to remain competitive.***

New specialty additives for the life science related specialty chemicals and other specialty chemicals may be developed by our competitors, which may replace our existing products and/or render our existing products obsolete. Further, many of the innovators and API/ pharma manufacturers may develop alternative drugs and may also abandon or discard an existing product for which we have developed products. While we conduct research and development to develop innovative and cost effective products, and to broaden our product range, we may not be able to develop new products consistently or to cater to the frequently changing environment in the pharma space. For further information in relation to our R&D efforts, see "*Our Business – Research and Development*" on page 188. The manufacturing of speciality chemicals entails multiple risks to workers and employees, inter alia, material management, spills, fumes, fire hazards, long-term exposure, that could result in health impairment, serious injuries, or even fatalities. Health and safety risks are also present in the supply chain during the manufacture of raw materials and the transport of raw materials and finished products.

Any reduction in the utility of our products in general or to such industries including due to the emergence of cost effective and more efficient alternatives and the shift of the practice in these industries towards developing our products in-house, may have an adverse impact on the demand for our products and consequently, may have a material adverse impact on our business, results of operations, cash flows and financial condition. Further, there can be no assurance that the lack of demand from any one of these industries can be offset by sales to other industries in which our products find application.

18. ***We operate in a hazardous industry and are subject to certain business and operational risks consequent to our operations, such as, the manufacture, usage and storage of various hazardous substances which may adversely affect our business, results of operations and financial condition.***

Our manufacturing processes involve manufacturing, storage and transportation of various hazardous and flammable substances. Our operations require handling flammable materials as some portion of our business involves handling of highly flammable chemicals. These chemicals are extremely inflammable and any accident while handling such chemicals poses the threat of causing hazards such as explosion, fire, mechanical failure, discharge or leakage of dangerous chemicals or gases, other environmental risks and may seriously hurt or even kill our employees and cause damage to our properties and properties of others.

Accordingly, while we believe we have invested in engineering and safety infrastructure, provided adequate training to our employees and engaged external and internal experts, we may still be subject to operating risks associated with handling of such hazardous materials such as possibility for leakages and ruptures from containers, explosions, and the discharge or release of toxic or hazardous substances, which in turn may cause industrial accidents, fire, personal injury, loss of human life, damage to our and third-party property damage and environmental contamination. In the event of occurrence of any such accidents, our business operations may be interrupted. Any of these occurrences may result in the shutdown of one or more of our Manufacturing Facilities and expose us to civil or criminal liability, including significant penalties, which could have an adverse effect on our results of operations and financial condition. Moreover, certain environmental laws imposes strict liability for accident/damages resulting from hazardous substances and any failure to comply with such laws may lead to penalties, fines and imprisonment. Further, our operations (including our storage and warehouse functions) involve working with some highly inflammable raw materials. Any accident while handling such raw materials could cause serious injury to people or property and this may adversely affect our business, results of operations and financial condition.

Although we attempt at all times to conduct our business with necessary safety and security precautions and maintain what we believe to be adequate insurance, there is a risk that any hazard including an accident may result in personal injury to our employees or other persons, destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/ or imposition of civil or criminal liabilities. In particular, if operations at our facilities were to be disrupted as a result of any significant workplace accident, fire, explosion or other connected reasons, our financial performance would be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. For instance, we had an incident of fire at our Sachin Unit during February 2021. Interruptions in production may also increase our costs and reduce our sales and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, reputation, financial condition, results of operations, cash flows and prospects.

In order to prepare our employees to deal with such emergencies, our Company has adopted an emergency, preparedness and response plan ("**ERP Plan**") for documenting the measures and coordination required to be undertaken for prevention of escalation of emergency situations at our Manufacturing Facilities and specifically to (i) define and assess the emergencies, including risk and environment impact assessment; (ii) contain incidents and bring them under control by mobilizing the internal resources and with the help of mutual aid schemes; (iii) safeguard lives; (iv) minimize the damage to property and/or neighbouring environment; (v) inform employees, the general public and the authority about the hazards/risks assessed, safeguards provided and the role to be played by them in the event of emergency; (vi) initiate and organize evacuation of affected persons; (vii) ensure medical preparedness for the probable causalities; (viii) secure the safe rehabilitation of affected areas; and (ix) work out a plan with all provisions to handle emergencies and providing for emergency preparedness and periodical rehearsal of the ERP Plan comprising of risk analysis and environmental impact assessment, storage and process hazards, effluents treatment methods and other controls, fire protection, control methods of other major hazards, plant–wise on-site actions in case of various emergencies, mutual aid arrangements, medical and safety services, and other relevant information to combat the emergencies.

19. ***The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions and have not been appraised by any bank or financial institution or other independent agency. While we have issued purchase orders to one of our vendors and entered into an engineering, procurement, construction and commissioning contract with the other vendor, we are yet to place orders for some of the required plant and machinery or enter into any definitive agreements to utilise a substantial portion of the net proceeds of the Issue. For further details, see "*Use of Proceeds*" on page 83. It is subject to amendment due to changes in external circumstances, costs, other financial condition or business strategies. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, financial condition, results of operations and cash flows.

Further, the application of the Net Proceeds in our business may not lead to an increase in the value of your investment. Additionally, various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth.

20. We have acquired 55% stake in Baba Fine Chemicals, manufacturer of high-value custom speciality chemical products essential for semiconductor applications and our efforts at integrating acquired businesses may not yield timely or effective results, which may affect our financial condition and results of operations.

We have acquired 55% stake in Baba Fine Chemicals, manufacturer of high-value custom speciality chemical products essential for semiconductor applications as part of our strategic expansion into the semiconductor industry by way of a purchase agreement dated April 22, 2023 and the said acquisition came into effect from April 1, 2023. With the semiconductor industry's high barriers to entry, the acquisition provides us with a strong foothold in this market. This acquisition is in line with our strategy of expanding our speciality chemicals division to focus on niche products manufactured using advanced technology with low competition and high entry barriers.

We may experience difficulties in integrating Baba Fine Chemicals into our existing business and operations. Our failure to derive anticipated synergies could affect our business, financial condition and results of operations. There can be no assurance that we will be able to achieve the strategic purpose of such acquisition or operational integration or our targeted return on investment. Future acquisitions may also expose us to potential risks, including risks associated with the integration of new operations, services and personnel, unforeseen or hidden liabilities, the diversion of resources from our existing businesses and technologies, our inability to generate sufficient revenue to offset the costs of acquisitions, and potential loss of, or harm to, relationships with employees, suppliers or customers, any of which could significantly disrupt our ability to manage our business and adversely affect our financial condition and results of operations.

21. Any sales return of our products could adversely affect our business, prospects, results of operations, financial condition and reputation.

A variety of reasons could lead to our customers undertaking sales returns of our products. There have been instances of sales returns of certain products on account of certain quality mismatches. To the extent such sales returns continue to occur in the future, our financial condition and the demand for our products could be adversely affected. For the last three financial years, the following is the summary of sales and sales return of our Company as per the Financial Statements:

(₹ in lakhs, except percentage data)

Sr. No.	Financial Year	Revenue from Operations	Sales Return	Percentage (%)
1.	2024	71,747.45	1,851.48	2.58%
2.	2023	61,673.45	524.21	0.85%
3.	2022	52,013.50	506.33	0.97%

There can be no assurance that sales returns of similar nature or otherwise shall not occur in the future during the course of the business operations of our Company and any such sales returns, whether due to factors within or outside our control, could have an adverse effect on our business, prospects, results of operations, financial condition and reputation.

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

A significant portion of our total revenue and expenditure is denominated in currencies other than Indian Rupees.

Although, we closely follow our exposure to foreign currencies in an attempt to reduce the risks of currency fluctuations and our results of operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate significantly. For instance, the details of gains and losses to our total revenue on account of foreign exchange fluctuation during Fiscal 2024, Fiscal 2023 and Fiscal 2022 is set forth below:

(₹ in lakhs, except % values)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Gain on account of foreign exchange fluctuation	418.91	213.23	13.17
Losses on account of foreign exchange fluctuation	0.00	0.00	0.00
Total Revenue	71,747.45	61,673.45	52,013.50
Total gains/losses as a percentage of Total Revenue (%)	0.58%	0.35%	0.03%

In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations and cash flows. Certain markets in which we sell our products may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even non-realization of revenue.

23. ***Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

The success of any capacity expansion and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs and develop new expertise. The product requirements of, and procurement practice followed by, our customers also affect our capacity utilization. Our Company has also acquired on October 11, 2022 an industrial plot admeasuring 8,000 sq. mtrs at Plot No. 5538, in GIDC Sachin Industrial Area, Sachin, Surat which has been developed as a 800 MT warehouse facility ("**Warehouse II**") and catering to the incremental warehousing requirement for its Sachin Unit.

Further, we have invested an amount of ₹ 28,197.18 lakhs towards the expansion of our manufacturing capacities (especially in relation to the Ankleshwar Unit) as of March 31, 2024 and are continuing to undertake additional investments to increase our existing capacity. In case of oversupply in the industry or lack of demand we may not be able to utilise our expanded capacity efficiently. Our capacity utilization in Fiscal 2024, Fiscal 2023 and Fiscal 2022, is as follows.

Particulars	Capacity (KL) as of March 31, 2024	Capacity Utilisation#		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Sachin Facility (Unit 1)	144	72.50%	63.30%	55.70%
Ankleshwar Facility (Unit 2)**	442	-	-*	-*
Jhagadia Facility (Unit 3)	512	50.90%	46.80%	42.80%

** Our Company in Fiscal 2024 approved the capex of ₹ 31,000.00 lakhs in order to build a brownfield plant in Ankleshwar Unit after the existing speciality chemicals manufacturing facility was moved to Jhagadia Facility.*
*** Ankleshwar Facility has three blocks with total reactor capacity of 442 KL.*
#Capacity utilization (%) has been calculated on the basis of actual reactor utilisation in the relevant period divided total available time 24 hours (3 shift) for 335 days available days.

For further information, see "*Our Business - Capacity and Capacity Utilization*" on page 187. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our recently implemented capacity expansion, could materially and adversely impact our business, growth prospects and future financial performance.

We also face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies, which may result in reduced quantities being manufactured by us resulting in under-utilization of our existing manufacturing capacity. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization. Any such mismatch leading to over or under utilization of our Manufacturing Facilities could adversely affect our business, results of operations, financial condition and cash flows.

24. ***Our facilities are subject to client inspections and quality audits and any failure on our part to meet their expectations or to comply with the quality standards set out in our contractual arrangements, could result in rejection of our product lot(s) and/or the termination of our contracts which may adversely affect our business, results of operations, financial condition and cash flows.***

Pursuant to our contractual arrangements, certain of our clients have the right to regularly examine our manufacturing processes, quality control and procedures and records of our Manufacturing Facilities after reasonable notice and at a reasonable time to ensure that our services are meeting their internal standards and regulatory requirements. Most of our clients routinely inspect and audit our facilities and have a right to complain against the defective product(s). Any failure on our part to meet the expectations of our clients and to comply with the quality standards set out in our contractual arrangements, could result in the rejection of our product lot(s) and/ or termination of our customer contracts and our clients may choose to source their requirements from our competitors. We may also incur significant costs to upgrade our facilities and manufacturing processes. The occurrence of any such event could have an adverse effect on our business, results of operations, financial condition and cash flows in addition to reputational damage.

25. ***Delay or failure in the implementation of our sales orders, on the part of our contract manufacturer may adversely affect our business, financial condition and results of operations.***

We outsource part of the work to contract manufacturers to produce the final intermediate. For such orders, the performance of the product for our client depends partly on our performance and partly on that of our contract manufacturers. While there have been no material delays on part of our contract manufacturers, any such delay or failure on the part of a contract manufacturer to complete its work in the future, for any reason, could also result in: (i) delayed payment to us for our products; (ii) liquidated damages may become payable by us; (iii) claims may be brought against us for losses suffered as a result of our non-performance; (iv) our clients may terminate our contracts; (v) disruption in manufacturing schedule; (vi) increase in cost; and (vii) damage to our reputation. Additionally, our contract manufacturers may not have adequate financial resources to meet their indemnity obligations to us. The occurrence of any of these possibilities may adversely affect our business, financial condition and results of operations.

26. ***Information relating to the installed manufacturing capacity of our Manufacturing Facilities included in this Preliminary Placement Document are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the installed manufacturing capacity of our facilities included in this Preliminary Placement Document are based on various assumptions and estimates of our management that have been taken into account by an independent chartered engineer, Darshit A. Panchal, Chartered Engineer in the calculation of the installed manufacturing capacity of our Manufacturing Facilities. These assumptions and estimates includes the standard capacity calculation practice of the industry in which we operate after examining the reactor capacities and other ancillary equipment installed at the facilities, the period during which the Manufacturing Facilities operated in a year/ period, assumption in relation to utilisation levels, expected operations, cleaning time, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. For further information, see "*Our Business*" on page 176. Further, the requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. We often increase capacity to meet the anticipated demand of our customers or significantly reduce production of certain products depending on potential orders. Further, the installed capacity, capacity utilisation and other related information may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to capacity information that may be computed and presented by other competitors in the same industry. Undue reliance should therefore not be placed on our historical installed capacity information for our existing facilities included in this Preliminary Placement Document.

27. ***Our technical agreements with various customers have various quality assurance compliances to be met by us. There can be no assurance that our Company shall be in compliance with the covenants under the technical agreements to the satisfaction of our customers or at all.***

The technical agreements entered into by our Company require our Company to be in compliance with numerous covenants, terms and conditions, including those which subject our Company to audits from time to time. For an instance, some of our technical agreements requires us *inter-alia* to: (i) make commercially reasonable efforts to exclude, during packaging, storage and shipping of the substance(s), the possibility of deterioration, contamination, or mix-up with any other material; (ii) perform manufacturing operations for the Key Starting Raw Materials ("**KSM**") and ensuring that the premises and equipment being used to supply KSM being in compliance with the GMPs, applicable current regulatory requirements and in accordance with any specific requirement approved by our customer. Although our Company follows internationally acceptable Good Manufacturing Practices ("**GMPs**") including with respect to manufacturing, packaging, storage and shipping of our products, there can be no assurance that our customers at any time during the pendency of the agreement or thereafter shall not raise an objection/ claim including before a regulatory or judicial authority that our Company did not undertake commercially reasonable efforts to comply with the requirements of our technical agreements.

While there have been no instances of such claims being raised by our customers in the past three years, in the event our customers successfully raise a claim on our Company with respect to such alleged non-performance of the contractually agreed terms before a regulatory or judicial authority or otherwise in the future, the same may adversely affect the business, results of operation, financial condition and cash flows of our Company.

28. ***There is a risk that our data could be lost or misused by the job workers appointed by our Company.***

During the ordinary course of its business operations, our Company has entered into job work arrangements for engaging third party contractors for job work of raw materials to produce products which gets converted into intermediates at our facility. Our Company possesses valuable formulations, scientific, technical and business information of a confidential and proprietary nature including but not limited to scientific and technical information, manufacturing know-how, engineering techniques, registration data and developments relating to the manufacturing of its products ("**Confidential Information**"), which our Company, either in part or in entirety entrusts certain Confidential Information with such job workers who being bound by confidentiality agreements executed with our Company, are contractually restricted to not publish in whole or in part any of the Confidential Information without prior written consent of our Company. Although the job workers are contractually obligated to protect such Confidential Information received from the Company, and there have been no instances of confidentiality of such Confidential Information being breached in the last three years, there can be no assurance that such Confidential Information or any part thereof shall be so protected by the job workers in compliance with the confidentiality agreements executed by them with our Company and any such loss, disclosure and misuse of such Confidential Information may have an adverse effect on our reputation, business, results of operations, cash flows and financial condition.

29. ***We require a number of approvals, licences, registrations and permits to operate our business and the failure to obtain or renew these licences in a timely manner, or at all, may have an adverse effect on our business, results of operations and financial condition.***

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state and local government rules in India, generally for carrying out our business and for our Manufacturing Facilities. While we have obtained registrations for all material approvals required for carrying out our business, a majority of these approvals are granted for a limited duration. For further details, please refer "*Our Business - Quality certifications received by our company*" on page 189. The introduction of additional government control or newly implemented laws and regulations, depending on the nature and extent thereof and our ability to make corresponding adjustments, may adversely affect our business, results of operations and financial conditions. These laws and regulations and the way in which they are implemented and enforced may change from time to time and there can be no assurance that future legislative or regulatory changes will not have an adverse effect on our business, financial condition, cash flows and results of operations.

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 noncompliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In case we fail to comply with these requirements, or a regulator alleges we have not complied with these requirements, we may be subject to penalties and compounding proceedings.

While we are required to obtain a number of approvals for legally conducting our business operations and we shall submit the applications for renewal of such approvals, as and when required, during the course of our business operations, we cannot assure you that we will be able to obtain approvals in respect of such applications, or any application made by us in the future. While we have not had any instances of failure or delay in renewal of our existing licences resulting in loss to our Company in the past three years, in the event we fail to obtain such registrations and licenses or renewals, in a timely manner in the future, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations.

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

Our business depends on our estimate of the long-term demand for our advance pharmaceutical intermediates and speciality chemicals from our customers. If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we forecast the demand for our products and accordingly plan our production volumes, any error in our forecast could result in surplus or shortage of stock, which may not be sold in a timely manner. At times when we have overestimated demand, we may have incurred costs to build capacity or purchased more raw materials and manufactured more products than required. Further, the number of purchase orders that our customers place with us differ from quarter to quarter, which has caused our revenues, results of operations and cash flows to fluctuate in the past and we expect this trend to occasionally continue in the future. Also, each of our products has a shelf life of a specified number of years and if not sold prior to expiry, may lead to losses or if consumed after expiry, may lead to health hazards. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations, cash flows and financial condition.

31. ***A significant disruption to our distribution network or any disruption of civil infrastructure, transport or logistic services, may create delays in deliveries of products distributed by us.***

We rely on various forms of transportation, such as marine, roadways and railways to receive raw materials required for our products and to deliver our finished products to our customers. Unexpected delays in those deliveries, including due to delays in obtaining customs clearances for raw materials imported by us, transportation strikes or increases in transportation and fuel costs, could significantly decrease our ability to make sales and earn profits. We may suffer losses due to damage or loss of raw materials and finished products in transit which may occur due to accidents or natural disasters. Manufacturing delays or unexpected demand for our products may also require us to use faster, but more expensive, transportation methods, which could adversely affect our gross margins.

In addition, labour shortages or labour disagreements in the transportation or logistics industries or long-term disruptions to the national and international transportation infrastructure that lead to delays or interruptions of deliveries could materially adversely affect our business. Further, we cannot assure you that we will be able to secure sufficient transport capacity for these purposes. While there have been no instances of unexpected delays due to accidents, natural disasters, labour shortages, labour disagreements etc., in the past three years, any significant disruption to our distribution network or any disruption of civil infrastructure could lead to a failure by us to provide products distributed by us in a timely manner, which would adversely affect our business and results of operations.

32. ***We are yet to receive certain registrations in connection with the protection of our intellectual property rights, especially with regards to patents relating to our products. Such failure to protect our intellectual property rights could adversely affect our competitive position, business, financial condition and profitability.***

We are dependent on our intellectual property. We have currently applied for certain registrations in connection with the protection of our intellectual property relating to the process patents of our products. Our inability to obtain these registrations may adversely affect our competitive business position. If any of our unregistered patents are registered in favour of a third party, we may not be able to claim registered ownership of those patents and consequently, we may be unable to seek remedies for infringement of those patents by third parties other than relief against "passing off" by other entities. In addition, in certain jurisdictions, marketing authorizations in relation to our products may be held by certain third parties with whom we have not directly entered into agreements to protect our rights in relation to such marketing authorizations.

As on the date of this Preliminary Placement Document, our Company holds certain intellectual property, details of which are disclosed in "*Our Business – Intellectual Property*" on page 191, of which certain patent are pending. The registration of any patent is a time-consuming process, and there can be no assurance that any such registration will be granted. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. Unless our patent is registered, our ability to use our intellectual property rights may be restricted, which could materially and adversely affect our brand image, goodwill and business. Until such time that we receive registered patents, we can only seek relief against *"passing off"* by other entities. Accordingly, we may be required to invest significant resources in developing a new brand. Furthermore, the intellectual property protection obtained by us may be inadequate, we may be unable to detect any unauthorized use and we may need to undertake expensive and time-consuming litigation to protect our intellectual property rights and this may have an adverse effect on our business, prospects, results of operations and financial condition.

While we intend to defend against any threats to our intellectual property, we cannot assure you that our patents, trade secrets or other agreements will adequately protect our intellectual property. Our patent rights may not prevent our competitors from developing, using or commercializing products that are functionally equivalent or similar to our products by using processes that may be superior to the processes used by our Company. Further, our patent applications may fail to result in patents being issued, and our existing and future patents may be insufficient to provide us with meaningful protection or a commercial advantage. We cannot assure you that patents issued to or licensed by us in the past or in the future will not be challenged or circumvented by competitors or that such patents will be found to be valid or sufficiently broad to protect our processes or to provide us with any competitive advantage. We may be required to negotiate licenses for patents from third parties to conduct our business, which may not be available on reasonable terms or at all. We also rely on confidentiality agreements entered into with our contract manufacturers to protect trade secrets and other proprietary rights that belong to us. We cannot assure you that these agreements will not be breached, that we will have adequate remedies for any breach or that third parties will not otherwise gain access to our trade secrets or proprietary knowledge. Any inability to patent new processes and protect our proprietary information or other intellectual property, could adversely affect our business.

33. ***Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

We could be held liable for accidents that occur at our Manufacturing Facilities or otherwise arising out of our operations. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. Our principal types of coverage include insurance for (i) workmen compensation; (ii) consequential loss (fire) of profit; (iii) Directors' and officers' insurance; (iv) money in safe and in transit; (v) public liability (including industrial risk); (vi) marine cargo; and (vii) asset and inventory coverage. As of March 31, 2024, our gross block of total fixed tangible assets and inventory was ₹ 44,169.05 lakhs and ₹ 15,673.41 lakhs, respectively and the insurance coverage on such assets and inventory was ₹ 46,387.00 lakhs and ₹ 29,000.00 lakhs, respectively, or 105.02% and 185.03% of the total value of fixed assets and inventory, respectively.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected. For Fiscal 2023, we have recognised ₹ 274.00 lakhs in other expense towards the shortfall in the amount of insuranse claim of ₹ 1,045.48 lakhs, the shortfall is being contested by the company against insurance company.

34. ***If we inadvertently infringe on the patents of others, we may be subjected to legal action and our business and reputation may be adversely affected.***

We operate in an industry characterized by extensive patent litigation, including both litigation by innovator companies relating to purported infringement of innovative products and processes by generic pharmaceuticals and litigation by competitors or innovator companies to delay the entry of a product into the market. Patent litigation can result in significant damages being awarded and injunctions that could prevent the manufacture and sale of certain products or require us to pay significant royalties in order to manufacture or sell such products. While there have been no instances of patents infringements of our Company in the past three years, and it is not possible to predict the outcome of such patent litigation, we believe any adverse result of such litigation could include an injunction preventing us from selling our products or payment of significant damages or royalty, which would affect our ability to sell current or future products or prohibit us from enforcing our patent and proprietary rights against others. The occurrence of any of these events could subject us to legal action and adversely affect our business, reputation, cash flows and results of operations.

35. ***Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.***

The majority of our sales are to customers on an open credit basis, with standard payment terms of generally between 30 to 90 days. While we generally monitor the ability of our customers to pay these open credit arrangements and limit the credit we extend to what we believe is reasonable based on an evaluation of each customer's financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, while we maintain what we believe to be a reasonable allowance for doubtful receivables for potential credit losses based upon our historical trends and other available information, there is a risk that our estimates may not be accurate.

Our average trade receivable days for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 were 111 days, 117 days and 100 days of our revenue from operations, respectively. However, any increase in our trade receivable days will negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition and results of operations.

36. ***A shortage or non-availability of essential utilities such as electricity and water could affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our business operations are heavily dependent on continuous and supply of electricity, water, gas and steam which are critical to our manufacturing operations. While our power requirements are met through local state power grid through interstate open access, we cannot assure you that these will be sufficient and, or, that we will not face a shortage of electricity despite these arrangements. Further, while water is procured from Gujarat Industrial Development Corporation and certain other third party sources, any shortage or non-availability of water or electricity could result in temporary shut-down of a part, or all, of our operations at the location experiencing such shortage. Such shut-downs could, particularly if they are for prolonged periods, have an adverse effect our business, results of operations and financial condition. Moreover, if we are required to operate for extended periods of time on diesel-generator sets or if we are required to source water from third parties, our cost of operations would be higher during such period which could have an adverse impact on our profitability.

37. ***We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

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. For further information relating to our related party transactions, see the note no. 43 of the Consolidated Financial Statements in the section "*Financial Information*" on page 253. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

Details of related party transactions entered into by us during Fiscal 2024, Fiscal 2023 and Fiscal 2022, are as follows:

(₹ in lakhs)

Nature of transaction	Fiscal 2024	Fiscal 2023	Fiscal 2022
Remuneration & Allowance to KMP	**1,302.89**	**1,243.79**	**956.60**
- Nareshkumar R. Patel	480.30	468.60	405.50
- Chetankumar C. Vaghasia	473.58	462.00	400.00
- Virendra Nath Mishra	135.30	132.00	85.50
- Ram Mohan Lokhande	130.18	121.28	16.50
- Abhishek H Patel	-	6.00	35.10
- Bhavin N Shah	69.09	41.67	-
- Ekta Kumari Srivastava	14.44	12.24	14.00
Dividend Paid	**440.68**	**467.68**	**-**
- Nareshkumar R. Patel	120.11	120.11	-
- Chetankumar C. Vaghasia	92.93	92.93	-
- Virendra Nath Mishra	9.90	18.90	-
- Shitalben Patel	109.13	118.13	-
- Parulben C. Vaghasia	88.13	97.13	-
- Chhagan R Vaghasia	10.22	10.22	-
- Bhanuben R Vaghasia	10.26	10.26	-
- Urvashi Bhavin Shah	0.00*	-	-
Sitting Fee	**20.10**	**20.70**	**18.30**
- Girikrishna S. Maniar	5.70	5.70	6.30
- Hetal M. Gandhi	4.80	5.10	5.70
- Richa M. Goyal	6.00	6.60	5.70
- Anita Bandyopadhyay	3.60	3.30	0.60
Commission	**39.90**	**39.30**	**12.30**
- Girikrishna S. Maniar	14.30	14.30	5.70
- Hetal M. Gandhi	15.20	14.90	6.30
- Richa M. Goyal	4.00	3.40	0.30
-Anita Bandyopadhyay	6.40	6.70	-
Advance against Sale of Immovable Property	**-**	**0.50**	**-**
- Ekta Kumari Srivastava (CS)	-	0.50	-
Sale of Immovable Property	**28.50**	**-**	**-**
- Ekta Kumari Srivastava (CS)	28.50	-	-
Investment Made	**6,752.57**	**-**	**-**
- Baba Advance Materials Limited	1.00	-	-
- Baba Fine Chemicals	6751.57	-	-
Share Subscription Money	**-**	**1.00**	**-**
- Ami Organics Electrolytes Private Limited	-	1.00	-
Loan Given	**221.75**	**21.00**	**-**
- Ami Organics Electrolytes Private Limited	221.75	21.00	-
Interest Charged on Loan Given	**7.16**	**0.73**	**-**
- Ami Organics Electrolytes Private Limited	7.16	0.73	-
Rent Received	**1.20**	**-**	**-**
-Ami Organics Electrolytes Private Limited	0.60	-	-
-Baba Advance Materials Limited	0.60	-	-
Reimbursement of Expenses Receivable	**17.08**	**8.94**	**-**
- Ami Organics Electrolytes Private Limited	16.80	8.94	-
- Baba Advance Materials Limited	0.28	-	-
-Girikrishna S. Maniar			-
Advances for Land received back	**-**	**-**	**1,080.00**
- Shitalben Patel	-	-	540.00
- Chetankumar C. Vaghasia	-	-	540.00
Interest Received	**-**	**-**	**3.75**

(₹ in lakhs)

Nature of transaction	Fiscal 2024	Fiscal 2023	Fiscal 2022
- Shitalben Patel	-	-	1.68
- Chetankumar C. Vaghasia	-	-	2.07
Remuneration & Allowance to Relative of KMP	**7.48**	**1.90**	**-**
- Avinash Kumar	7.48	1.90	-
Profit Share from Baba Fine Chemicals	**593.50**	**-**	**-**
- Rakesh Gupta	593.50	-	-
Profit Share from Investment in Partnership Firm	**725.39**	**-**	**-**
- Baba Fine Chemical	725.39	-	-
Purchase of Bath Accessories	**-**	**0.99**	**0.51**
- Hare Krishna Bath Fittings LLP	-	0.99	0.51
Sale of item & services	**653.25**	-	-
- Ami Organics Electrolytes Private Limited	620.00	-	-
- Baba Fine Chemicals	33.25	-	-
Purchase of raw Material	**62.24**	**83.41**	**57.55**
- Alkoxide Fine Chem Private Limited	62.24	83.41	57.55
Parking Rent	**23.10**	**23.61**	**-**
- Globe BioCare	23.10	23.61	-
Transfer of Key Man Insurance Policy to Company at Surrender Value	**-**	**51.87**	**-**
- Nareshkumar R. Patel (CMD)	-	28.53	-
- Chetankumar C. Vaghasia (WTD)	-	23.34	-
ODI Disinvestment Receipt	**166.12**	**-**	**-**
- Prodigy Inc.	166.12	-	-
Service Fees Reimbursement	**49.74**	**-**	**-**
- Photolitec LLC	49.74	-	-
Total	**11,112.65**	**1,965.42**	**2,129.01**

**less than ₹ 1,000*

38. All of our plants are situated on the industrial land allotted to us by Gujarat Industrial Development Corporation ("GIDC") and Uttar Pradesh State Industrial Development Corporation ("UPSIDC") on a leasehold basis. Failure to comply with the conditions of use of such land could result in an adverse impact on our business and financial condition.

We carry out our business, research and operations on industrial land allotted to us by GIDC and UPSIDC on a leasehold basis, in terms of which we are required to comply with certain ongoing conditions. If we fail to meet any such conditions, we may be required to incur liability. Further, according to the various statutory rules governing the functioning of GIDC and UPSIDC, they also retain power to cancel allotment of land in the event of breach of any rules of allotment. Cancellation of the land allotted to us due to, among other things, non-compliance of the conditions of the offer-allotment letter could have an impact on our financial condition, which could adversely impact our results of operations and financial condition.

39. The Company has fully impaired certain investments made by it which may adversely impact our financial condition.

Our Company had made certain investments, including overseas investments. Our Company has fully impaired the existing investment in the joint venture - Ami Oncotheranostics LLC in Fiscal 2024, as it was presumed that revenue generation from Ami Oncotheranostics LLC will take significant time considering the inherent nature of its research activity, longer gestation period and uncertain success rate. Our profit before tax for Fiscal 2024 have been accordingly reduced to the extent of such impairment. For more details, please see *"Financial Information"* on page 253.

40. We may face liability if we inappropriately disclose confidential customer information which could adversely affect our financial condition and results of operations.

Our Company is frequently provided with access to our customers' proprietary intellectual property and confidential information. Although there have been no instances of security breaches in the past, we cannot assure you that our customers' intellectual property and confidential information is adequately safeguarded. Further, there may be inappropriate disclosure of customer confidential information for reasons other than misappropriation, such as a breach of our computer systems, system failures or otherwise, for which we may have substantial liabilities to our customers. While we have not been subject to any security breaches in the past, particularly in relation to confidential information, there can be no assurance that such security breaches shall not occur in the future and our customers may assert claims against us for damages they might suffer due to breach of confidentiality or loss of data on the occurrence of unanticipated events. Such risks, whether actual or perceived, may adversely affect our growth strategy.

In addition, we may not always be aware of intellectual property registrations or applications belonging to our customers. We cannot assure you that we will adequately address the risks created by any contractual or legal obligations that we are bound by. In the event of any breach or alleged breach of our confidentiality agreements with our customers, these customers may terminate their engagements with us or sue us for breach of contract, resulting in the associated loss of revenue and increased costs. As a result, if our customers' proprietary rights are misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us in addition to seeking termination of the contract. Assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial legal fees. We may also be subject to civil or criminal liability if we are deemed to have violated applicable regulations. Any such acts could also cause us to lose existing and future business and damage our reputation in the pharmaceutical industry in India.

41. ***We are involved in certain outstanding tax proceedings, any adverse developments related to which could materially and adversely affect our business, reputation and cash flows.***

There are outstanding tax proceedings involving our Company and Subsidiaries which are pending adjudication. For further details of material legal proceedings involving our Company and our Subsidiaries, see "*Legal Proceedings – Tax Proceedings*" on page 250. Further, our Company endeavours to pay its tax liabilities on time. The table below sets forth details of certain outstanding tax proceedings against our Company and our Subsidiaries.

- ***Tax proceedings involving the Company***

(₹ in lakhs)

Nature of proceeding	Number of proceedings outstanding	Amount involved
Direct tax	3	207.46*
Indirect tax	1	Nil#
Total	**4**	**207.46**

** To the extent quantifiable.*

 # For one indirect tax matter pertaining to FY 2021-2022 order confirming reduction in refund by ₹ 236.00 lakhs against eligible input tax credit relating to public offer expenditure by making it ineligible under section 17(5) of CGST Act.

- ***Tax proceedings involving the Subsidiaries***

(₹ in lakhs)

Nature of proceeding	Number of proceedings outstanding	Amount involved
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

The amounts claimed in these legal proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in the applicable laws or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. We cannot assure you that these legal proceedings will be decided in favour of our Company or our Subsidiaries, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources.

In the past there has been non-compliance of Company's code of conduct under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company in the past has been given notice under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, the Employee State Insurance Act, 1948 and professional tax. We cannot assure you that we will not receive such notices in future.

In the event of adverse rulings in these proceedings or consequent actions by regulatory and other statutory authorities, our Company or our Subsidiaries, Directors or Promoters may need to make payments, which may adversely affect our profitability, reputation, business, results of operations and financial condition. Additionally, we have on certain occasions in the past, delayed in the payment of statutory dues, income tax demands and repayment of dues to financial institution(s), including in relation to TDS, GST, income tax demand and ESIC. We cannot assure you that we will pay all our statutory dues, income tax demands and repayment of dues to financial institution(s) on time in the future, the failure of which will lead to imposition of interests, penalties and may lead to potential defaults on our part, which may have an adverse impact on our results of operations in such future fiscal periods.

42. ***If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.***

We manage regulatory compliance by monitoring and evaluating our internal controls and ensuring that we are in compliance with all relevant statutory and regulatory requirements. However, there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. As we continue to grow, there can be no assurance that there will be no other instances of inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

43. ***The industry we operate in is intensely competitive and our inability to compete effectively may adversely affect our business, results of operations and financial condition and cash flows.***

Our industry is highly competitive market with several major players present, and therefore it is challenging to improve market share and profitability. Many of our competitors may have greater financial, manufacturing, R&D, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges or a stronger sales force. Our competitors may succeed in developing products that are more effective, popular or cheaper than ours, which may render our products uncompetitive and adversely affect our business, results of operations, cash flows and financial condition.

Further, some of our competitors may be consolidating and integrating, and the strength of combined companies could affect our competitive position in our business areas. Consolidated corporations may have greater financial, manufacturing, R&D, marketing and other resources, broader product ranges and larger, stronger sales forces, which may make them more competitive than us. Pricing pressure could also arise due to the consolidation in trade channels and the formation of large buying groups, like we have witnessed in the United States. Additionally, if one of our competitors or their customers acquire any of our customers or suppliers, we may lose business from the customer or lose a supplier of a critical raw material or component, which may adversely affect our business, results of operations, cash flows and financial condition.

Being a REACH registered supplier of pharmaceutical products to vendors in the EU countries, our Company enjoys a significant advantage over non-REACH registered suppliers since as per a recent regulation, drugs exported by manufacturers from non-EU countries which are not REACH registered have been barred from being imported in the EU countries. If such bar were to be removed, our clients in EU countries would be able to procure their raw materials from our competitors thereby affecting our revenues and market capitalisation.

44. ***Our operations are labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Our operations are labour intensive and we are dependent on a large labour force for our manufacturing operations. As of March 31, 2024, we had 676 full time and 469 contractual labourers. The success of our operations depends on availability of labour and maintaining good relationship with our workforce. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. While we have not experienced any major prolonged disruption in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience any such disruption in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

Further, we engage independent contractors through whom we engage contract labour for performance of certain functions at our manufacturing units as well as at our offices. Although we do not engage these labourers directly, we are responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and our financial condition. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits.

45. ***The industry in which we operate is capital intensive, and we may need to seek additional financing in the future to support our growth strategies. Any failure to raise additional financing and in a timely manner could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our cash on hand and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing and in a timely manner could adversely affect our ability to complete expansion plans. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, financial condition and cash flows could be adversely affected.

46. ***We are dependent on a number of key personnel, including our senior management, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations, financial condition and cash flows.***

Our performance depends largely on the efforts and abilities of our senior management and other key personnel. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, our results of operations and our cash flows.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel, including our scientists, who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations, cash flows and financial condition.

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

We depend upon information technology systems, including internet-based systems, for our business operations. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Although we have not experienced any disruptions to our information technology systems, we cannot assure you that we will not encounter disruptions in the future. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, results of operations and cash flows.

In addition, our systems are potentially vulnerable to data security or privacy breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Any such security breaches could have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

48. ***Certain of our Directors and Senior Management hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their normal remuneration or benefits which may adversely impact the operations of our Company.***

Certain of our Directors, as reproduced below, are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or the shareholding of their relatives in our Company. Further, few of our senior management hold Equity Shares in our Company as of the date of this Preliminary Placement Document as disclosed in "*–Shareholding of our Key Managerial Personnel and Senior Management*". We cannot assure you that our Directors and our Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company:

Sr. No.	Name	No. of Equity Shares	Percentage of the pre- Issue capital (%)
1.	Nareshkumar Ramjibhai Patel	42,78,624	11.36
2.	Chetankumar Chhaganlal Vaghasia	31,83,500	8.45
3.	Virendra Nath Mishra	3,30,000	0.88

49. ***We have certain contingent liabilities that have not been provided for in our financial statements, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.***

As on the date of this Preliminary Placement Memorandum, we have certain contingent liabilities and commitments. If at any time we are compelled to realize all or a material proportion of these contingent liabilities or if certain contingent liabilities which we have not provided for eventually materialise, it may have an adverse effect on our business, financial condition and results of operations.

Sr. No	Particulars	Amount *(₹ in lakhs) as on March 31, 2024*
1.	Claims against the Company not acknowledged as debt-Income tax demands	207.46
2.	Capital Commitments	9,491.97
	Total	**9,699.43**

Notes:

1. *For AY 2012-13 order demanding ₹ 204.68 lakhs has been raised for which auditee has filled appeal with CIT (Appeal), of which ₹ 40.94 lakhs paid by challan and entire demand amount has been settled by adjusting refund of other years.*
2. *For AY 2013-14 order demanding ₹ 186.51 lakhs has been raised for which auditee has filed appeal with CIT (Appeal).*
3. *For AY 2015-16 order demanding ₹ 77.38 lakhs has been raised for which auditee has filed appeal with CIT (Appeal), of which ₹ 15.48 lakhs paid by challan.*

50. ***Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future.

51. ***We may not be able to implement our business strategies or sustain and manage our growth, which may adversely affect our business, results of operations and financial condition.***

In recent years, we have experienced significant growth. Our revenue from operations, on a consolidated basis, grew at a CAGR of 17.45% between Fiscals 2022 and 2024. Our growth strategy includes expanding our existing business and product portfolio in specific therapeutic areas. We cannot assure you that our growth strategies will be successful or that we will be able to continue to expand further or diversify our product portfolio.

We cannot guarantee that we will be able to on a sustainable basis, manage the growth, integration, profitability, scale and operations of the Sachin, Ankleshwar and Jhagadia units. Further, if we our unable to manage any future capital expenditure at our Sachin, Ankleshwar and Jhagadia units, it may lead to time and cost over-runs.

Accordingly, our ability to sustain and manage our growth, including by way of such inorganic growth, depends significantly upon our ability to manage key issues such as selecting, recruiting, training and retaining scientists, marketing representatives, maintaining effective risk management policies, continuing to offer products which are relevant to our customers, developing and maintaining our Manufacturing Facilities and ensuring a high standard of product quality. Our failure to do any of the preceding could adversely affect our business, results of operations and financial condition and cash flows.

52. ***This Preliminary Placement Document includes certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the broking industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other broking companies.***

Certain non-GAAP financial measures such as earnings before depreciation, amortization, impairment and taxes, adjusted profit after tax, total net income and interest service coverage ratio (together the "**Non-GAAP Measures**") and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Preliminary Placement Document. Such Non-GAAP Measures are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures and other statistical information relating to our operations and financial performance are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of broking businesses, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results.

53. ***Our Promoters and Promoter Group will continue to retain control over our Company after completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

Our Promoters and Promoter Group currently own 1,47,19,629 Equity Shares, aggregating to 39.07% of our Equity Shares. Following the completion of the Issue, our Promoters and Promoter Group will continue to hold a significant percentage of our Equity Share capital. This concentration of ownership could limit your ability to influence corporate matters requiring shareholder approval. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association and any assignment or transfer of our interest in any of our licenses. In addition, if our Promoters and Promoter Group do not act together, such matters requiring shareholder approval may be delayed or not occur at all, which could adversely affect our business. Moreover, our Promoters are not obligated to provide any business opportunities to us. If our Promoters and Promoter Group invest in another company in competition with us, we may lose the support provided to us by them, which could adversely affect our business, financial condition, cash flows and results of operations. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

54. ***Restrictions on import of raw materials and an increase in shipment cost may adversely impact our business and results of operations***

In Fiscal 2024, we imported raw materials amounting to ₹ 12,704.52 lakhs, which amounted to 28.25% of our total expenses incurred on raw materials of which the shipment cost amounted to ₹ 966.41 lakhs. Some of our raw material imports are regulated by the Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 that, *inter alia*, allows the concerned authority to take any action if it deems that the chemicals proposed to be imported may cause major accidents or stop an import of chemicals based on safety and environmental considerations. We are unable to assure you that such regulations (including stringent anti-dumping measures) would not be made more stringent which would consequently restrict our ability to import raw materials from other jurisdictions. We also cannot assure you that, under these circumstances, we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, business and results of operations. Further, any increase in export tariff will increase expenses which in turn may impact our business and results of operations.

55. If we are unable to establish and maintain an effective system of internal controls and financial risk management, our business and reputation may be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate and financial risk management with the size and complexity of our operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis. Our Board is actively involved in designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of financial statements. While we periodically test and update our internal processes and systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances. If our efforts to manage these risks are ineffective, we could suffer losses that may adversely affect our results of operations. Any future expansion and diversification in business will require us to continue to enhance our efforts to manage risks.

Our management information systems and internal procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal system or processes weaknesses are identified, our actions may not be sufficient to correct such weaknesses. Failures or material errors in our internal systems may lead to failure of critical systems and infrastructure.

EXTERNAL RISK FACTORS

Risks Relating to India

56. Changing laws, rules and regulations in India could lead to new compliance requirements that are uncertain.

Our business, results of operations, financial condition and cash flows could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations, financial condition, cash flows and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The regulatory and policy environment in which we operate are evolving and are subject to change. The Government of India may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

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

57. ***Political instability or changes in policies effected by the Government of India could adversely affect economic conditions in India. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, financial condition and cash flows.***

The Government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, results of operations, financial condition and cash flows and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, changes in interest rates, changes in government policies, changes in taxation laws and other political and economic developments affecting India. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and thereby adversely affect our business, results of operations, financial condition and cash flows.

58. ***If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, financial condition and cash flows. In particular, we might not be able to reduce our costs or increase the price of our services to pass the increase in costs on to our consumers. In such case, our business, results of operations, financial condition and cash flows may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates but it is unclear whether these measures will remain in effect. We cannot assure that Indian inflation levels will not worsen in the future.

59. ***The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of our Equity Shares.***

Any change in Indian tax laws could have an effect on our operations. The Government of India has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax ("**GST**"), and provisions relating to general anti-avoidance rules ("**GAAR**"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 1, 2017. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of certain tax benefits claimed by us. In the absence of any precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Further, the Government of India has announced the interim union budget for the financial year 2024-2025 and has enacted the Finance Act, 2024. While the Finance Act, 2024 does not propose any significant changes to the Income Tax Act, 1961, the entire union budget which is likely to be announced later this year may introduce amendments to the Income Tax Act, 1961. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. 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.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

60. ***Any downgrade of India's debt rating by international rating agencies could adversely affect our business.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business, results of operations, financial condition, cash flows and the price of the Equity Shares.

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

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

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets? and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

62. ***If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our clients thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business.

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

Further, the Government of India 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.

63. ***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 more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

64. Our ability to borrow in foreign currencies is restricted by Indian law.

Indian companies are subject to foreign exchange regulations that regulate borrowing in foreign currencies, including those specified under the Foreign Exchange Management Act, 1999. Such regulatory restrictions limit our ability to borrow in foreign currencies and, therefore, could negatively affect our ability to obtain financing on competitive terms. In addition, we cannot assure you that any required approvals for borrowing in foreign currency will be granted to us without onerous conditions, if at all. Such, and other, limitations on raising foreign capital may adversely affect our business, results of operations, financial condition and cash flows.

65. A third party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian law.

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

66. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.

Our Company is a company incorporated under the laws of India. All of our fixed assets, Directors, Key Managerial Personnel and Senior Management are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**"). Section 13 of CPC provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Section 44A of CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of such section, in any country or territory outside India, which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards.

India is not a party to any international multilateral treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as 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 established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges of a like nature, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, 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 directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, we cannot assure you that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such an amount may also be subject to income tax in accordance with applicable law. For details in relation to enforceability of judgments obtained outside India, see "*Enforcement of Civil Liabilities*" on page 21.

RISKS RELATING TO THE ISSUE AND THE EQUITY SHARES

67. We cannot guarantee that the Equity Shares issued pursuant to the Issue will be listed on the Stock Exchanges in a timely manner, or at all.

In accordance with Indian law and practice, after our Board or a duly constituted committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the QIBs, we are required to apply to the Stock Exchanges for listing and trading approvals. After receiving the listing and trading approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the Depository Participant accounts of the respective QIBs and apply for the final listing and trading approvals from the Stock Exchanges. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted. There could be a failure or delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining these approvals would restrict an investor's ability to dispose of their Equity Shares.

Bidders can start trading the Equity Shares allotted to them in the Issue only after they have been credited to an investor's demat account, are listed and are permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same.

Further, we cannot assure you that the Equity Shares allocated to an investor will be credited to the investor's demat account, that listing and trading approvals will be issued by the Stock Exchanges in a timely manner, or at all, or that trading in the Equity Shares will commence in a timely manner, or at all. In accordance with applicable Indian laws and regulations and the requirements of the Stock Exchanges, in principle and final approvals for the listing and trading of the Equity Shares to be issued pursuant to the Issue will not be applied for by us or granted by the Stock Exchanges until after such Equity Shares have been issued and allotted by us on the Closing Date. If there is a failure or a delay in obtaining such approvals, we may not be able to credit the Equity Shares allotted to you to your Depository Participant account or assure ownership of such Equity Shares by you in any manner promptly after the Closing Date or at all. In any such event, your ownership over the Equity Shares allotted to you and your ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, see "*Issue Procedure*" on page 212.

68. Your ability to acquire and sell Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Preliminary Placement Document; you will be prohibited from selling any of the Equity Shares subscribed in this Issue other than on Stock Exchanges for a period of one year from the date of the allotment of the Equity Shares.

No actions have been taken to permit an offering of the Equity Shares offered in the Issue in any jurisdiction, except for India. As such, your ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation restrictions set forth in "*Selling Restrictions*" on page 228. Further, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. Pursuant to the SEBI ICDR Regulations, QIBs will be prohibited from selling any of the Equity Shares subscribed in this Issue other than on a recognised Indian stock exchange for a period of one year from the date of the allotment of the Equity Shares. For further information, see "*Purchaser Representations and Transfer Restrictions*" on page 234. You are required to inform yourself on, and observe, these restrictions. Our Company and its representatives and agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

69. Any future issuance of Equity Shares could dilute the holdings of investors and could adversely affect the market price of the Equity Shares.

Our Company may be required to finance our future growth through additional equity offerings. Any future issuance of Equity Shares by our Company could dilute investors' holdings and could adversely affect the market price of the Equity Shares. In addition, any future issuances of Equity Shares, sales by any significant shareholder or a perception in the market that such issuance or sale may occur, could adversely affect the trading price of the Equity Shares. Such securities may also be issued at a price below the then current trading price of the Equity Shares. These sales could also impair our Company's ability to raise additional capital from the sale of Equity Shares. Our Company cannot assure you that it will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

70. We cannot assure payment of dividends on the Equity Shares in the future.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and subsequent approval of Shareholders and will depend on factors that our Board of Directors and Shareholders deem relevant, including among others, our future earnings, financial condition, cash flows, capital requirements, capital expenditures, business prospects and restrictive covenants under our financing arrangements, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Board may also, from time to time, declare interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared. Additionally, under some of our loan agreements, we are not permitted to declare any dividends without prior consent from the lenders if there is a default under such loan agreements or unless we have paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or the dividend amounts, if any, in the future. There is no guarantee that any dividends will be paid or that the amount thereof will not be decreased in the future. Accordingly, realisation of a gain on investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on the Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future.

Additionally, under the Finance Act, 2023, dividend distribution tax is not payable in respect of dividends declared, distributed or paid by an Indian company after March 31, 2020, and accordingly, any dividend payments to our resident and non-resident shareholders would not be tax exempt in their hands. For further information, see "*Dividends*" on page 94.

71. After this Issue, the price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in this Issue.

The Issue Price will be determined by our Company in consultation with the Book Running Lead Managers, based on the Bids received in compliance with Chapter VI of the SEBI Regulations, and may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. The price of the Equity Shares on NSE and BSE may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and the global securities market or prospects for our business and the sectors in which we compete;

- the valuation of publicly traded companies that are engaged in business activities similar to us;
- volatility in the Rupee's value relative to the U.S. dollar, the Euro and other foreign currencies;
- our Company's profitability and performance;
- perceptions about our Company's future performance or the performance of Indian banks in general;
- the performance of our Company's competitors and the perception in the market about investments in the banking sector;
- adverse media reports about our Company or the Indian banking sector;
- a comparatively less active or illiquid market for the Equity Shares;
- changes in the estimates of our Company's performance or recommendations by financial analysts;
- significant developments in India's economic liberalization and deregulation policies;
- inclusion or exclusion of our Company in indices;
- significant developments in India's fiscal regulations; and
- any other political or economic factors.

We cannot assure you that you will be able to resell your Equity Shares at or above the Equity Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

72. ***Foreign investors are subject to certain investment restrictions under Indian law in relation to transfer of shareholding that may limit our ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the requirements specified by RBI from time to time. If the transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions, then prior approval of RBI is 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 require a no-objection or a tax clearance certificate from the Indian income-tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and is subject to either the security having been sold in compliance with the pricing guidelines or the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. Our Company cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions, or at all.

73. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a Shareholder's ability to sell, or the price at which a Shareholder can sell, the Equity Shares at a particular point in time.***

The Equity Shares are subject to a daily circuit breaker imposed on listed companies by the Stock Exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker applicable to the Equity Shares is set by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may change the percentage limit of the circuit breaker from time to time without our Company's knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot assure you regarding the ability of Shareholders to sell the Equity Shares or the price at which Shareholders may be able to sell their Equity Shares which may be adversely affected at a particular point in time. For further details, see "*The Securities Market of India*" on page 235.

74. ***Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our operating results.***

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividends to investors. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased Rupees may affect the value of the investment in the Equity Shares. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- the foreign currency equivalent of the Rupee trading price of the Equity Shares in India;
- the foreign currency equivalent of the proceeds that you would receive upon the sale in India of any of the Equity Shares; and
- the foreign currency equivalent of cash dividends, if any, on the Equity Shares, which will be paid only in Rupees.

In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rates between the Rupee and other currencies (including the U.S. dollar, the Euro, the Pound sterling, the Hong Kong dollar and the Singapore dollar) have changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our operating results. You may be unable to convert Rupee proceeds into a foreign currency of your choice, or the rate at which any such conversion could occur could fluctuate. In addition, our Company's market valuation could be seriously harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyse its value based on the relevant foreign currency equivalent of our Company's results of operations, financial condition and cash flows.

75. Investors may be subject to Indian taxes arising out of capital gains and stamp duty on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on equity shares sold on an Indian stock exchange. Any capital gain exceeding ₹100,000, realized on the sale of listed equity shares on a recognised stock exchange, held for more than 12 months may be subject to long-term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess). This beneficial provision is, inter alia, subject to payment of STT on both acquisition and sale of the equity shares. Further any capital gain realised on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess), without indexation benefits.

Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less immediately preceding the date of transfer, will be subject to short-term capital gains tax in India at the rate of 15% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

76. Bidders are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date.

In terms of the SEBI ICDR Regulations, Bidders are not allowed to withdraw their Bids or revise their Bids downwards in terms of quantity of Equity Shares or the Bid Amount after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to an Allottee's demat account with the depository participant could take approximately seven to ten Working Days from the Issue Closing

Date. However, we cannot assure that adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, adverse changes in our business, results of operations, financial condition and cash flows, or other events affecting the Bidder's decision to invest in the Equity Shares would not arise between the Issue Closing Date and the date of the Allotment of Equity Shares in the Issue. The occurrence of any such events after the Issue Closing Date could also adversely impact the market price of the Equity Shares. Bidders shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the Allottees' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

77. ***Holders of Equity Shares may 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, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new Equity Shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such a resolution. If our Company offers to the Shareholders rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in making the rights available to our Shareholders or in disposing of the rights for the benefit of our Company's Shareholders and making the net proceeds available to the Shareholders. Our Company may choose not to offer the rights to Shareholders having an address outside India. Consequently, our Company cannot assure Shareholders that they will be able to maintain their proportional interests in the Equity Shares. Shareholders will be unable to exercise their pre-emptive rights if the law of the jurisdiction in which they are located prohibits the sale of the Equity Shares without first filing an offering document or registration statement, unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available to Shareholders by Indian law. To the extent that Shareholders are unable to exercise the pre-emptive rights granted to them in respect to the Equity Shares, they may suffer future dilution of their ownership position and their proportional interests in our Company would be reduced.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, our Company's issued, subscribed and paid-up share capital comprises 37,679,755 Equity Shares. The Equity Shares have been listed on BSE and NSE since September 14, 2021. The Equity Shares are listed and traded on NSE under the symbol AMIORG and on BSE under the scrip code 543349.

On Tuesday, June 18, 2024, the closing price of the Equity Shares on BSE and NSE was ₹ 1,310.30 and ₹ 1,310.95 respectively per Equity Share. Since the Equity Shares are available for trading on the Stock Exchanges, the market price and other information for each of BSE and NSE has been given separately.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for Fiscals 2024, 2023, and 2022:

BSE									
Fiscal	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹)**	**Average price for the year (₹)**
2024	1,370.65	August 23, 2023	35,084	47,854,598	918.70	April 3, 2023	3,178	2,872,022.00	1,163.06
2023	1,154.95	May 2, 2022	44,107	50,126,706	852.40	May 26, 2022	9,559	8,172,099.00	955.92
2022^	1,393.95	October 18, 2021	123,330	170,958,287	806.15	February 24, 2022	18,247	14,908,990.00	1,031.30

(Source: www.bseindia.com)
Notes:
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.
^ Our Company was listed on the Stock Exchanges on September 14, 2021, and accordingly, the details for market price information are available from September 14, 2021, till March 31, 2022.

NSE									
Fiscal	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹)**	**Average price for the year (₹)**
2024	1,369.85	August 23, 2023	635,599	868,086,278.70	919.75	April 3, 2023	82,630	74,959,109.90	1,163.39
2023	1,154.20	May 2, 2022	283,250	322,243,664.05	852.00	May 26, 2022	133,023	113,695,010.55	955.76
2022^	1,394.30	October 18, 2021	916,207	1,271,316,663.10	806.65	February 24, 2022	311,996	253,618,156.85	1,031.61

(Source: www.nseindia.com)
Notes:
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.
^ Our Company was listed on the Stock Exchanges on September 14, 2021, and accordingly, the details for market price information are available from September 14, 2021, till March 31, 2022.

The following table sets forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during Fiscals 2024, 2023 and 2022:

Fiscal	**Number of Equity Shares Traded**		**Turnover (₹)**	
	BSE	**NSE**	**BSE**	**NSE**
2024	4,044,355	40,038,629	4,761,393,236.00	46,204,294,383.00
2023	6,260,510	27,164,206	6,229,882,381.00	27,040,142,813.55
2022^	8,077,560	65,682,271	8,869,407,074.00	73,367,580,153.90

(Source: www.bseindia.com and www.nseindia.com)
^ Our Company was listed on the Stock Exchanges on September 14, 2021, and accordingly, the details for market price information are available from September 14, 2021, till March 31, 2022.

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

BSE									
Month	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total turnover of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total turnover of Equity Shares traded on date of low (₹)**	**Average price for the month (₹)**
May 2024	1,256.95	May 29, 2024	13,000	16,220,891.00	1,159.65	May 7, 2024	22,085	25,892,132.00	1,216.08
April 2024	1,275.65	April 10, 2024	38,246	48,508,335.00	1,114.50	April 1, 2024	9,341	10,475,382.00	1,196.10
March 2024	1,175.00	March 4, 2024	64,165	75,511,412.00	1,018.45	March 13, 2024	42,618	43,933,729.00	1,104.90
February 2024	1,141.65	February 5, 2024	22,442	25,516,005.00	1,047.30	February 12, 2024	13,719	14,760,278.00	1,107.14
January 2024	1,167.90	January 4, 2024	8,206	9,566,469.00	1,085.90	January 25, 2024	24,738	26,871,738.00	1,139.15
December 2023	1,198.85	December 22, 2023	87,651	104,948,026.00	1,075.15	December 20, 2023	12,202	13,456,770.00	1,126.99

(Source: www.bseindia.com)
Notes:
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

NSE									
Month	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total turnover of Equity Shares traded on date of high (₹)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total turnover of Equity Shares traded on date of low (₹)**	**Average price for the month (₹)**
May 2024	1,255.75	May 29, 2024	397,702	496,311,836.85	1,160.20	May 7, 2024	191,588	224,028,857.05	1,215.65
April 2024	1,274.95	April 10, 2024	1,059,950	1,347,526,212.40	1,113.95	April 1, 2024	69,213	77,621,412.55	1,196.32
March 2024	1,176.10	March 4, 2024	706,852	828,473,383.25	1,019.95	March 13, 2024	210,526	217,348,054.20	1,106.03
February 2024	1,142.25	February 5, 2024	125,685	143,089,176.45	1,048.65	February 12, 2024	199,757	214,429,278.10	1,107,25
January 2024	1,167.65	January 4, 2024	173,702	202,487,861.20	1,086.55	January 25, 2024	77,386	84,175,522.30	1,138.73
December 2023	1,200.40	December 22, 2023	11,17,486	1,337,891,693.55	1,081.65	December 11, 2023	189,522	206,290,501.45	1,129.52

(Source: www.nseindia.com)
Notes:
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

(iii) The following table sets forth the market price on the Stock Exchanges on April 15, 2024 being the first working day following the approval of our Board for the Issue:

BSE					
Open (₹)	**High (₹)**	**Low (₹)**	**Close (₹)**	**Number of Equity Shares traded**	**Volume (₹)**
1,201.05	1,262.65	1,201.05	1,218.25	38,862	47,888,040.00

(Source: www.bseindia.com)

NSE					
Open (₹)	**High (₹)**	**Low (₹)**	**Close (₹)**	**Number of Equity Shares traded**	**Volume (₹)**
1,219.90	1,264.00	1,203.00	1,218.90	2,84,050	351,160,527.50

(Source: www.nseindia.com)

USE OF PROCEEDS

The Gross Proceeds from the Issue aggregate to ₹ [•] lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹ [•] lakhs, shall be approximately ₹ [•] lakhs (the "**Net Proceeds**").

Objects of the Issue

Subject to compliance with applicable laws, our Company intends to use the Net Proceeds towards funding the following objects:

1. Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company;

2. Funding various capital expenditure of our Company including towards establishment of captive solar power projects; and

3. General corporate purposes (collectively, "**Objects**")

The objects clause and matters in furtherance of the objects, as set out in the memorandum of association of our Company enable us to undertake (i) existing business activities and (ii) the activities proposed to be funded from the Net Proceeds.

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in the manner set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company	25,000.00
2.	Funding various capital expenditure of our Company including towards establishment of captive solar power projects	5,000.00
3.	General corporate purposes(1) (2)	[•]
	Total Net Proceeds(2)	**[•]**

(1) *The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
(2) *To be determined upon finalisation of the Issue Price and updated in the Placement Document.*

In the event of a change in the final Issue size, the amounts shown in the table above against each of the use of proceeds specified therein shall be modified in proportion to the change in the final Issue size in the Placement Document.

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds in Fiscal 2025
1.	Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company	25,000.00	25,000.00
2.	Funding various capital expenditure of the Company including towards captive solar power projects of the Company	5,000	5,000
3.	General corporate purposes(1) (2)	[•]	[•]
	Total Net Proceeds(2)	**[•]**	**[•]**

(1) *The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
(2) *To be determined upon finalisation of the Issue Price and updated in the Placement Document.*

The above-stated funding requirements, deployment of funds and the intended use of Net Proceeds indicated above is based on management estimates, current circumstances of our business, our existing business plans, the prevailing market conditions and other commercial and technical factors. Given the nature of our business, we may have to revise our funding requirements and intended deployment schedule on account of a variety of factors such as our financial condition, business and growth strategy, and external factors such as market conditions, competitive environment, price fluctuations and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. Depending upon such factors, we may have to reduce or extend the deployment period for the stated objects. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to applicable law. Subject to applicable law, if the actual utilisation towards the objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See "*Risk Factors – The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.*" on page 56.

Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

Details of the Objects

1. Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company

Our Company has entered into various borrowing arrangements from time to time, with banks and financial institutions. The borrowing arrangements entered into by our Company include, *inter alia*, term loans and working capital facilities. As of May 31, 2024, our borrowings were ₹ 26,600.38 lakhs. Our Company proposes to utilise a portion of the Net Proceeds aggregating to ₹ 25,000.00 lakhs for repayment and / or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company. Our Company may avail further loans and / or draw down further funds under existing or new borrowing arrangements, from time to time.

The selection of borrowings proposed to be repaid/pre-paid amongst our borrowing arrangements availed is based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iii) other commercial considerations including, among others, the amount of the loans outstanding and the remaining tenor of the loan. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or prepayment of borrowings in part or full, would not exceed ₹ 25,000.00 lakhs.

To the extent required, our Company has obtained the necessary consents from the lenders of these borrowings as per the requirements under the borrowing arrangements.

We believe that such repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

Pursuant to the terms of the borrowing arrangements, pre-payment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of the Net Proceeds. We have and will also take such provisions into consideration while deciding repayment and/ or pre-payment of our outstanding borrowings from the Net Proceeds.

Details of utilisation

The details of certain borrowings availed by our Company, proposed for repayment and pre-payment, in full or in part, from the Net Proceeds are set forth below:

(₹ in lakhs, except percentages)

Sr. No.	Name of the lender	Nature of borrowing	Date of sanction letter	Purpose of loan or facility availed	Sanctioned amount	Amount outstanding as at May 31, 2024[(1)]	Interest rate (p.a.) as on May 31, 2024 (%)	Prepayment Penalty
1.	Axis Bank Limited	Cash credit	March 12, 2024	Towards working capital requirement of the Company	10,000.00	8,368.26	8.25%	within 12 months - 4% + applicable taxes >12 – 24 months - 3% + applicable taxes > 24 months - Nil
		Term loan		Towards settling-up on multipurpose process plant for API and intermediate products at Ankleshwar Gujarat	10,000.00	10,000.00	8.25%	
		Term loan		For additional Infrastructure facility they will be built at Ankleshwar unit include settling up of warehouse facility and admin block)	2,020.00	1,607.63	8.25%	
		Term loan		To fund cost escalation in capital expenditure at Ankleshwar unit	2,000.00	2,000.00	8.25%	
2.	HDFC Bank Limited	Cash credit	September 26, 2023	Towards working capital requirement of the Company	1,500.00	1,406.53	8.50%	2%
		Term loan		Capital expenditure – modernisation and capacity improvement at existing plant	3,500.00	2,819.44	7.90%	
Total					**29,200.00**	**26,201.86**		

[(1)]As certified by Maheshwari & Co., pursuant to their certificate dated June 18, 2024

Note: The borrowings, as mentioned above, were utilized for the purpose for which they were obtained, as certified by Maheshwari & Co., by way of their certificate dated June 18, 2024.

2. Funding various capital expenditure of our Company including towards establishment of captive solar power projects

In accordance with our business strategies and growth plans as adopted and approved by our Board of Directors in their resolution dated November 8, 2023, we plan to establish a total of 15.80 MW DC of solar power capacity. This includes two 5.401 MW DC captive solar plants at Pratapnagar, Nandod, Narmada District – 393 140, Gujarat, India ("**Solar Power Project I**") for supply of power to Ankleshwar Unit and Jhagadia Unit, and development of solar photovoltaic power plant of the capacity of 5 MW DC at Vahelam, Jambusar, Bharuch District – 392 150, Gujarat, India ("**Solar Power Project II**") for supply of power to Sachin Unit. Details of cost of the Solar Power Project I and Solar Power Project II are as follows:

(₹ in lakhs)

Sr. No.	Particulars	Total estimated cost[(1)]	Amount spent as on June 15, 2024[(1)]	Balance estimated cost[(1)]
1.	Solar Power Project I	3,735.50	199.90	3,535.60
2.	Solar Power Project II	1,841.50	82.47	1,759.03
	Total	**5,577.00**	**282.37**	**5,294.63**

[(1)]including GST

[(2)] As certified by Maheshwari & Co., pursuant to their certificate dated June 18, 2024, ₹ 282.37 lakhs spent by our Company on Solar Power Project I and Solar Power Project II have been incurred through the internal accruals of our Company.

Our Company proposes to utilise a portion of the Net Proceeds aggregating to ₹ 5,000.00 lakhs towards the establishment of Solar Power Project I and Solar Power Project II in the Fiscal 2025. The balance ₹ 294.64 lakhs will be paid by our Company out of its internal accruals.

Solar Power Project I

The total estimated cost to establish the Solar Power Project I is ₹ 3,735.50 lakhs, as certified by Darshit A Panchal, Chartered Engineer dated June 17, 2024. As part of the Solar Power Project I, we will incur expenditure towards erection, installation, and commissioning of solar power generation plant.

We have issued purchase orders on April 13, 2024 in favour of Teravon Solar Energies Private Limited

("**Teravon**") and the project is expected to be implemented by September 11, 2024 i.e. 150 days from the date of the Purchase orders. The estimated cost and related fund requirements have not been appraised by any bank or financial institution.

(₹ in lakhs)

Sr. No.	Particulars	Total estimated cost	Amount spent as on June 15, 2024[(2)]	Balance estimated cost
1.	Erection, installation, and commissioning of solar power generation plant (along with supply of solar power generation plants of 11 KVA and 22 KVA)[(1)]	3,735.50	199.90	3,535.60

[(1)] *Purchase orders U2CAP25 / 10022, U2CAP25 / 100021, U3CAP25 / 110020 and U3CAP25 / 110021 dated April 13, 2024*

[(2)] *As certified by Maheshwari & Co., pursuant to their certificate dated June 18, 2024 the expenditure has been incurred through the internal accruals of our Company.*

As on the date of this Preliminary Placement Document, we have obtained approvals from Gujarat Energy Development Agency dated April 16, 2024 for setting up of ground mounted solar project under Gujarat Energy Renewable Energy Policy at Pratapnagar, Nandod, Narmada District – 393 140, Gujarat, India. Our Company has entered into lease agreements with various land owners for lease of the land up to 22.67 acres for 30 years commencing from the date of commissioning of power supply from the solar power plant.

As of June 15, 2024, an expense of ₹ 199.90 lakhs have been incurred through the internal accruals of our Company towards the Solar Power Project I.

Solar Power Project II

The total estimated cost to establish the Solar Power Project II is ₹ 1,841.50 lakhs at Vahelam, Jambusar, Bharuch District – 392150, Gujarat, India, as certified by Darshit A Panchal, Chartered Engineer dated June 17, 2024. As part of the Solar Power Project II, we will incur expenditure towards solar panel and EPC cost.

Our Company has received quotation (proforma invoice) from Teravon dated February 29, 2024 for supply of solar modules. In relation to the establishment of Solar Power Project II, we have entered into an engineering, procurement, construction and commissioning agreement with Solark Infrasolutions Private Limited ("**Solark**") dated April 26, 2024 ("**EPCC Contract**") for the purpose of implementation of the project, which includes carrying out design, engineering, procurement, supply, construction, erection, installation, commissioning including all allied works for setting up of the solar plant and integration/ synchronization of the solar plant ("**EPCC Work**") at the plot located at Vahelam, Jambusar, Bharuch District – 392 150, Gujarat, India and integration/ synchronisation therof with concerned DISCOM's network. The plot is owned by Solark and will be leased to our Company in terms of the EPCC Contract. Subject to the terms of the EPCC Contract, the EPCC Work is scheduled to be completed by September 30, 2024. However, such estimated cost and related fund requirements have not been appraised by any bank or financial institution.

Break-down of the expenditure towards Solar Power Project II, based on (i) quotation (proforma invoice) from Teravon and (ii) EPCC Contract, is as follows:

(₹ in lakhs)

Sr. No.	Particulars	Total estimated cost	Amount spent as on June 15, 2024[(3)]	Balance estimated cost
1.	Solar modules (5 MW)[(1)]	868.00	-	868.00
2.	Erection, installation, and commissioning of solar power generation plant[(2)]	973.50	82.47	891.03
	Total	**1,841.50**	**82.47**	**1,759.03**

[(1)] *Proforma Invoice (20240100) dated February 29, 2024*

[(2)] *Engineering, procurement, construction, and commissioning contract with Solark Infrasolutions Private Limited dated April 26, 2024*

[(3)] *As certified by Maheshwari & Co., pursuant to their certificate dated June 18, 2024 the expenditure has been incurred through the internal accruals of our Company.*

As on the date of this Preliminary Placement Document, we have obtained approval from Gujarat Energy Development Agency dated February 2, 2024 for setting up of ground mounted solar project under Gujarat Energy Renewable Energy Policy at Vahelam, Jambusar, Bharuch District – 392 150, Gujarat, India.

As of June 15, 2024, an expense of ₹ 82.47 lakhs have been incurred through the internal accruals of our Company towards the Solar Power Project II.

3. General Corporate Purposes

Our Company intends to deploy ₹ [•] lakhs from the Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds.

Such general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary course of business, any capital expenditure, repayment or pre-payment of our borrowings, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investment in our Subsidiaries, meeting expenses incurred in the ordinary course of business, and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with applicable law, including the necessary provisions of the Companies Act, 2013.

The selection of borrowings proposed to be repaid/pre-paid amongst our borrowing arrangements availed is based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iii) other commercial considerations including, among others, the amount of the loans outstanding and the remaining tenor of the loan. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or prepayment of borrowings in part or full, would not exceed ₹ 25,000.00 lakhs.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds towards the purposes described in this section, our Company shall deposit the Net Proceeds in a separate bank account with a scheduled commercial bank included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market/ mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC, and the final listing and trading approvals are received from each of the Stock Exchanges, whichever is later.

Monitoring of utilisation of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**"). The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the proceeds of the Issue have been utilised. The board of directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

The report of the Monitoring Agency shall be placed before our Audit Committee on a quarterly basis, promptly upon its receipt. On an annual basis, our Company shall (i) prepare a statement of funds utilised for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised; and (ii) disclose every year, the utilization of the Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Proceeds have been utilised in full.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects, as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects, as stated above. This information will also be published on our website simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Other confirmations

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

Neither of our Promoters or Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. None of our Promoters or our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management are not eligible to subscribe in the Issue.

Further, since the Net Proceeds of the Issue are proposed to be utilised towards the purposes set forth above, and not for implementing any specific project, the following disclosure requirements under Schedule VII of the SEBI ICDR Regulations are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered or to be entered into by our Company with our Promoters, Directors, Key Managerial Personnel and/or Senior Management.

CAPITALISATION STATEMENT

The following table sets forth our capitalization and total debt, on a consolidated basis, as of March 31, 2024 which is derived from the Audited Consolidated Financial Statements and adjusted to give effect to the receipt of the gross proceeds of the Issue.

This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information*" on pages 95 and 253, respectively.

(₹ in lakhs, unless otherwise stated)

Particulars	Pre-Issue (as at March 31, 2024)	Amount after considering the Issue (i.e. Post Issue) #**
Current borrowing:		
Secured	10,300.54	[●]
Unsecured	-	[●]
Non-current borrowing (including current maturities of long-term debt):		
Secured	11,364.12	[●]
Unsecured	-	[●]
Total borrowing (A)	**21,664.66**	**[●]**
		[●]
Shareholders' funds:		
Equity share capital	3,688.06^	**[●]**
Other equity (excluding non-controlling interest)	63,711.68	**[●]**
Non-controlling interest	876.06	**[●]**
Total equity (B)	**68,275.80**	**[●]**
Total capitalization (A+B)	**89,940.46**	**[●]**
Non-Current Borrowing / Total Equity	**16.64%**	**[●]**
Total debt/ Total equity (A/B)	**31.73%**	**[●]**

Notes:

 # As adjusted to reflect the number of Equity Shares issued pursuant to the Issue and proceeds from the Issue and no other adjustment for allotments made post March 31, 2024. Further, adjustments do not include Issue related expenses.

*** To be incorporated after determination of the Issue Price.*

^The Company on May 31, 2024, has allotted 7,99,193 Equity Shares of the face value of ₹ 10/- each on preferential basis. The impact of such allotment has not been taken into account for the above disclosure of information

For reconciliation of Non-GAAP measures, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*" on page 113.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

(in ₹, except share data)

	Particulars	Aggregate nominal value at face value#
A	**AUTHORISED SHARE CAPITAL**	
	50,000,000 Equity Shares of face value of ₹ 10 each	50,00,00,000
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**	
	37,679,755 Equity Shares of face value of ₹ 10 each	37,67,97,550
C	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**	
	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs(1)	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares(1) of face value of ₹ 10 each	[●]
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue (as on the date of this Preliminary Placement Document)	4,23,98,80,103
	After the Issue(2)	[●]

(1) *This Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on April 12, 2024. The Shareholders of our Company have authorised and approved the Issue by way of a special resolution passed by way of postal ballot on May 14, 2024.*

(2) *To be determined upon finalisation of the Issue Price. The amount has been calculated on the basis of Gross Proceeds from the Issue.*

Except for securities premium account

Equity Share capital history of our Company

The history of the Equity Share capital of our Company as on the date of this Preliminary Placement Document is provided in the following table:

Date of Allotment	No. of Equity Share Allotted	Face value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of transaction	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
June 12, 2007	5,00,000	10	10	Initial subscription to the Memorandum of Association	Other than Cash; allotment against conversion of Ami Organics, a partnership firm into Ami Organics Private Limited	5,00,000	50,00,000
June 3, 2009	10,00,000	10	10	Further Issue	Cash	15,00,000	1,50,00,000
April 20, 2018	90,00,000	10	-	Bonus issue of equity shares in the ratio of six (6) Equity Shares for each Equity Share held by a shareholder	Bonus Issue	1,05,00,000	10,50,00,000
March 31, 2021	2,10,00,000	10	-	Bonus issue of equity shares in the ratio of two (2) Equity Shares for each Equity Share held by a shareholder	Bonus Issue	3,15,00,000	31,50,00,000
August 10, 2021	16,58,374	10	603	Preferential allotment	Cash	3,31,58,374	33,15,83,740
September 8, 2021	32,78,688	10	610	Allotment pursuant to initial public offer	Cash	3,64,37,062	36,43,70,620

Date of Allotment	No. of Equity Shares Allotted	Face value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of transaction	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
September 25, 2023	4,43,500	10	1,169	Preferential Allotment	Cash	3,68,80,562	36,88,05,620
May 31, 2024	7,99,193	10	1,240	Preferential Allotment	Cash	3,76,79,755	37,67,97,550

Except as stated in "– *Equity Share capital history of our Company*" above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash.

Preference shares

As on the date of this Preliminary Placement Document, our Company has not issued any preference shares.

Proposed Allottees in the Issue

In compliance with the requirements prescribed under the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLM to Eligible QIBs. For details of the names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, please see the section titled "*Details of Proposed Allottees*" on page 399.

Pre-Issue and post-Issue shareholding pattern

The following table provides the pre-Issue shareholding pattern as of June 14, 2024 and the post-Issue shareholding pattern:

Sr. No.	Category	Pre-Issue^		Post-Issue*	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held	% of shareholding
A.	**Promoters' holding****				
1.	Indian				
	Individual	1,47,19,629	39.07	[●]	[●]
	Bodies corporate	-	-	[●]	[●]
	Sub-total	**1,47,19,629**	**39.07**	[●]	[●]
2.	Foreign promoters	-	-	-	-
	Sub-total (A)	**1,47,19,629**	**39.07**	[●]	[●]
B	**Non-Promoter holding**				
1.	Institutional investors	**76,48,846**	**20.30**	[●]	[●]
2.	Non-Institutional investors			[●]	[●]
	Body Corporate	31,70,862	8.42	[●]	[●]
	Directors and relatives	3,30,000	0.88	[●]	[●]
	Indian public	1,06,86,273	28.36	[●]	[●]
	Others including Non- resident Indians (NRIs)	11,24,145	2.98	[●]	[●]
	Sub-total (B)	**2,29,60,126**	**60.93**	[●]	[●]
	Grand Total (A+B)	**3,76,79,755**	**100.00**	[●]	[●]

^*Based on beneficiary position data of our Company as on June 14, 2024.*
**The post-Issue shareholding pattern has been intentionally left blank and will be filled in the Placement Document.*
***Includes shareholding of our Promoter Group as well.*

Other confirmations

(i) Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the postal ballot notice to our Shareholders, i.e., April 12, 2024, for approving the Issue.

(ii) Except for the 30,000 options granted pursuant to ESOS 2023, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Preliminary Placement Document.

(iii) Except for the preferential allotment of 443,500 Equity Shares on September 25, 2023 and preferential allotment of 799,193 Equity Shares on May 31, 2024, as stated in "– *Equity Share capital history of our Company*" above, our Company has not allotted any securities on preferential basis in the last one year preceding the date of this Preliminary Placement Document.

(iv) Ami Organics Employees' Stock Option Scheme 2023 ("**ESOS 2023**")

Pursuant to the resolutions passed by our Board on April 22, 2023 and the Shareholders' resolution dated June 4, 2023, our Company has instituted the Ami Organics Employee Stock Option Scheme 2023 ("**ESOS 2023**") to issue, offer and provide share-based incentives to eligible employees. The ESOS 2023 envisaged granting options not exceeding 3,64,370 Equity Shares exercisable into equivalent number of Equity Shares in two categories, namely, Category I Grant consisting of 30,000 options and Category II Grant consisting of 3,34,370 options. On June 28, 2023, the Nomination and Remuneration Committee approved the grant of 30,000 options to eligible employees under Category I Grant of ESOS 2023 at an exercise price of ₹ 100 per option convertible into Equity Shares and shall vest within a period of one year. No options have been granted under Category II Grant and the vesting period for options under Category II Grant is four years from the date of grant. They shall be exercisable within two years of vesting of the options. The details of ESOS 2023, as on the date of this Preliminary Placement Document, are as under:

Scheme	Total number of options granted	Options exercised	Options lapsed or forfeited	Options vested and outstanding	Total number of options outstanding
ESOS 2023	30,000	-	1,100	-	28,900

(v) There would be no change in control in our Company consequent to the Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscal 2024; (ii) Fiscal 2023 and (iii) Fiscal 2022, as per the requirements under Ind AS 24 'Related party disclosures' notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, please see "*Financial Information*" on page 253.

DIVIDENDS

The declaration and payment of final dividends by our Company, if any, will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act. See *"Description of the Equity Shares"* on page 239.

Our Board may also, from time to time, declare interim dividends. Our Board has approved and adopted a formal dividend distribution policy on March 22, 2022, in terms of Regulation 43A of the SEBI Listing Regulations ("**Dividend Distribution Policy**").

In accordance with the Dividend Distribution Policy, the dividend pay-out shall be determined by our Board after taking into account a number of factors, including but not limited to profits earned during the financial year, Cash flow position of the Company and liquidity position, accumulated reserves, earning stability, future cash requirements for organic and inorganic growth/expansion and other factors that the Board may considered relevant from time to time.

The following table details the dividend declared and paid or payable by our Company on the Equity Shares in respect of the period between April 1, 2024 till the date of filing of this Preliminary Placement Document, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Period	Face Value of Equity Share (₹)	Dividend per Equity Share (₹)	Total amount of dividend (₹ in lakhs)	Dividend rate (%)
From April 1, 2024 till the date of filing of this PPD#	10	3.00	To be ascertained*	30
Fiscal 2024	10	3.00	1,093.11	30
Fiscal 2023	10	3.00	1.093.11	30
Fiscal 2022	-	-	-	-

* *The amount of Dividend will depend on the number of equity shares issued and paid up as on the record date fixed for the dividend disbursement.*

\# *For Fiscal 2024, the Board has recommended a dividend of 30% of face value (₹ 10) of equity shares and the same is subject to approval of the shareholders in the annual general meeting.*

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. The amounts paid as dividends in the past are not necessarily indicative of the Dividend Distribution Policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future or that the amount thereof will not be decreased. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, the factors set out in the Dividend Distribution Policy and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders.

The Equity Shares to be issued in connection with this Issue shall qualify for dividend including interim dividend, if any, that is declared and record date thereof occurs after the Allotment. See "*Description of the Equity Shares*" on page 239. For a summary of some of the restrictions that may inhibit our ability to declare or pay dividends, see "*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future.*" on page 76.

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

The following discussion and analysis of our financial condition is based on the Audited Consolidated Financial Statements. This discussion should be read in conjunction with the section titled "Selected Financial Information", and the Financial Information included elsewhere in this Preliminary Placement Document. This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current views with respect to future events and financial performance. We caution investors that our business and financial performance is subject to substantive risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth under the sections titled "Forward-Looking Statements" and "Risk Factors" on pages 19 and 46, respectively, and elsewhere in this Preliminary Placement Document.

*We prepared our Financial Information in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("**Ind AS**"). Ind AS differs in some material respects from US GAAP and IFRS and other accounting principles with which prospective investors may be familiar. Unless otherwise indicated or the context otherwise requires, the financial information included in this Preliminary Placement Document for Fiscal 2024, Fiscal 2023 and Fiscal 2022 have been derived from our Audited Consolidated Financial Statements included in this Preliminary Placement Document on page 253.*

*Unless otherwise indicated, the industry and market data used in this section is derived from a report titled "Market Overview of the Global Pharmaceutical API & Key Intermediates Industry" dated June 4, 2024 prepared by F&S and commissioned by us in connection with the Issue ("**F&S Report**"). The data included herein includes excerpts from the F&S Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue) of the F& Report that have been left out or changed in any manner. Unless otherwise indicated, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Our financial year ends on March 31 of every year, so all references to a particular Fiscal are to the twelve-month period ended March 31 of that year. Unless otherwise stated, references in this section to "we", "our" or "us" are to our Company, on a consolidated basis.

Overview

We are a research and development ("**R&D**") driven manufacturer of speciality chemicals focused towards the development and manufacturing of advanced pharmaceutical intermediates ("**Pharma Intermediates**") for regulated and generic active pharmaceutical ingredients ("**APIs**") and chemicals for New Chemical Entities ("**NCE**"), and other specialty chemicals including parabens and paraben formulations, methyl salicylate , semiconductor chemicals, electrolyte additives and niche key starting materials (**"KSM"**) for cosmetics, fine chemicals and agrochemical industries. The Pharma Intermediates which we manufacture, find application in certain high-growth therapeutic areas including anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder. We are the market leader for various key intermediates across the globe and the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale.

We have developed and commercialised over 550 Pharma Intermediates for generic and regulated APIs across more than 17 key therapeutic areas since inception and chemicals for NCE, with a strong focus on R&D across select high-growth high margin chronic segment therapeutic areas such as anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder, for use across the global pharmaceutical market. Our Pharma Intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs portfolio has expanded from over 450 products as of March 31, 2022, to over 550 products as of March 31, 2024. We believe that our focus on R&D and continuous process improvement has positioned us as a preferred supplier to our customers.

As on the date of this Preliminary Placement Document, we have been granted 10 process patents, two of our process patents are under publication and we have filed applications for three process patents, in respect of intermediates used in the manufacture of generic APIs across therapeutic segments.

Along with the domestic market, we supply various speciality chemicals and Pharma Intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs to various multi-national pharmaceutical companies which cater to the large and fast-growing markets of Europe, China, Japan, Israel, UK, Italy, Finland, Latin America, Africa and the USA. In the Fiscals 2024, 2023 and 2022, our revenue from exports contributed ₹ 39,969.02 lakhs, ₹ 36, 436.58 lakhs and ₹ 30,103.83 lakhs i.e. 55.71%, 59.08% and 57.88%, respectively, of our total revenue from operations. Our revenues from exports have grown at a CAGR of 15.23% between Fiscals 2022 and 2024.

We supply our products to more than 500 customers (including international customers) directly in India and in more than 55 countries overseas since inception, using distributorship network in certain cases. We have established long standing relationships with some of our key customers. Over 30 of our customers have been customers since the past 10 years.

We also manufacture specialty chemicals including parabens and paraben formulation, methyl salicylate, semiconductor chemicals, electrolyte additives and niche KSM for cosmetics, fine chemicals and agrochemical industries. In 2022, we forayed into battery chemicals - electrolytes additives segment by incorporating wholly owned subsidiaries, namely Ami Organics Electrolytes Private Limited ("**Ami Organics Electrolytes**") and Enchem Ami Organics Private Limited (100% subsidiary of Ami Organics Electrolytes). We have created a fundamental electrolyte additive which are used in manufacturing lithium battery cells utilized in energy storage devices, through Ami Organics Electrolytes. Notably, we are the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale (*Source: F&S Report*). Furthermore, we have signed a Memorandum of Understanding (MOU) with the Government of Gujarat on December 27, 2023, signalling our commitment to investment amounting up to ₹ 53,000 lakhs for the establishment of manufacturing facilities for our pharma intermediates and specialty chemicals business within the state of Gujarat, India.

In addition, as part of our strategic expansion into the semiconductor industry, we have acquired a 55% stake in Baba Fine Chemicals ("**BFC**"), manufacturer of high-value custom speciality chemical products essential for semiconductor applications by way of a purchase agreement dated April 22, 2023 and the said acquisition came into effect on April 1, 2023 ("**BFC Acquisition**"). With the semiconductor industry's high barriers to entry, the acquisition provides us with a strong foothold in this market. This acquisition is in line with our strategy of expanding our speciality chemicals division to focus on niche products manufactured using advanced technology with low competition and high entry barriers.

We have three manufacturing units located at (i) GIDC, Sachin, Gujarat, India, spread over an aggregate land area of 8,250 sq. mtrs. with an installed reactor capacity of 144 KL ("**Sachin Facility**"), (ii) GIDC, Ankleshwar Industrial Estate, Gujarat, India, spread over an aggregate land area of 10,375 sq. mtrs. with an installed reactor capacity of 442 KL ("**Ankleshwar Facility**"), and (iii) GIDC Industrial Estate, Jhagadia, Gujarat, India, spread over an aggregate land area of 56,698 sq. mtrs. with an installed reactor capacity of 512 KL ("**Jhagadia Facility**" and together with Sachin Facility and Ankleshwar Facility, the "**Manufacturing Facilities**"). Our Sachin Facility is inspected and approved (EIR issued) by US FDA for manufacture and supply of advanced pharmaceutical intermediates for manufacturing of generic and regulated APIs and chemicals for NCEs since 2016. The management systems of our Sachin Facility has been certified by the Bureau Veritas Certification Holding SAS – UK Branch to be compliant with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 27001:2022 for designing, manufacturing and dispatching of pharmaceutical intermediates for bulk drugs & warehouse management and SA 8000:2014 for manufacture, supply of pharmaceutical intermediates, pharmaceutical excipients and speciality chemicals. Similarly, our Jhagadia Facility is compliant with ISO 9001:2015, ISO 14001:2015 and SA8000:2014 standards and has been issued Kosher certification and Halal registration in respect of certain of our products manufactured at Jhagadia Unit. Further, our subsidiary Baba Fine Chemicals has a manufacturing unit spread over an aggregate land area of 999 sq. mtrs. with an installed reactor capacity of 1.80 KL located at Export Promotion Industrial Park, Site V, Industrial Area, Kasna, Greater Noida, Gautam Budh Nagar 201306, Uttar Pradesh ("**Noida Facility**").

We also have two warehouses (i) a 1,500 MT warehouse facility ("**Warehouse I**") for storage of raw materials and packing materials which is spread over 2,812 sq. mtrs in the vicinity of our Sachin facility and (ii) an industrial plot admeasuring 8,000 sq. mtrs at Plot No. 5538, in GIDC Sachin Industrial Area, Sachin, Surat which has been developed as a 800 MT warehouse facility ("**Warehouse II**") and catering to the incremental warehousing requirement for its Sachin Unit.

We continually invest in R&D activities to stay ahead and create a differentiating factor vis-à-vis our competitors.

In addition to the Manufacturing Facilities, we have a dedicated in-house R&D facility located in GIDC, Sachin ("**R&D Facility**") spread over an aggregate built-up area of 2,200 sq. mtrs and is also supported by our analytical development laboratory ("**ADL**") in relation to research and developmental activities, freezing specifications and developing the method of analysis for finished products, in process intermediates, KSMs and raw materials. We have applied for renewal of certification from the Department of Scientific and Industrial Research, Ministry of Science and Technology of India ("**DSIR**") with respect to our R&D Facility.

Our Promoter, Executive Chairman and Managing Director, Nareshkumar Ramjibhai Patel holds a bachelor's degree in engineering (in chemical branch) from the Gujarat University and has been associated with the Company since incorporation and responsible for research and development, marketing, secretarial and legal, finance and product implementation divisions of our Company and our Promoter, Whole-time Director, Chetankumar Chhaganlal Vaghasia has been associated with the Company since its incorporation and has extensive experience in the specialty chemicals manufacturing sector. Presently, he is responsible for handling the human resource, logistics and dispatch, IT, procurement and administration divisions of our Company.

Key Financial Information

(₹ in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (₹ in lakhs)	71,747.45	61,673.45	52,013.50
EBITDA (₹ in lakhs)	12,848.98	12,260.67	10,517.56
EBITDA/revenue from operations (in %)	17.91	19.88	20.22
Profit after tax ("**PAT**") (₹ in lakhs)	4,870.80	8,328.97	7,194.61
PAT Margin (in %)	6.79	13.50	13.83
Earnings per share (basic)	11.67	22.86	21.03
Earnings per share (diluted)	11.66	22.86	21.03
Return on capital employed (in %)*	10.10	20.21	19.08
Return on equity (in %)**	7.13	14.02	13.78

* *Return on capital employed is calculated as Earnings before interest and taxation ("**EBIT**")/ Capital employed (Net of cash and bank balances) at the end of the year. EBIT is calculated as EBITDA net of depreciation and amortisation, Capital employed is calculated as Net Worth + Net Borrowings (Net Borrowings is calculated as total borrowing (including current and non-current borrowing) less cash and cash equivalents at the end of the year).*

** *Return on equity is calculated as Net Profit after taxes / Net worth at the end of the year.*

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations and financial condition are affected by a number of important factors including:

Regulatory restrictions

The development, testing, manufacturing, marketing and sale of specialty chemical products are subject to extensive regulation in India and other countries. We are required to comply with the Indian regulations Our Manufacturing Facilities and our R&D center at Sachin, along with various other regulations and quality standards. These regulatory requirements impact many aspects of our operations, including manufacture, development, storage, distribution, import and export and record keeping related to our products. Regulatory agencies may delay, limit or deny approval for our products for various reasons, including: (i) changes to the regulatory approval process, including new data requirements for product candidates in those jurisdictions, including India and United States; (ii) concerns regarding the efficacy and safety of the products manufactured, leading to regulators requiring recall of products; (iii) resource constraints at the agency resulting in delayed review of submitted information; and (iv) the manufacturing processes, facilities, systems or personnel not meeting the applicable GMP requirements. For details, see "*Risk Factors*" on page 46.

For instance, U.S. FDA issued FDA-483 letters (Notice of Inspectional Observations) in August 2016 and March 2020. Subsequently, our Company has made the requisite replies and has subsequently received the relevant establishment inspection reports (EIR) on October 11, 2018, and September 22, 2020, respectively. Further, our customers to whom we supply our intermediates must also comply with US-FDA regulations and standards, as may be applicable. Failure to comply or receipt of warning or deficiency letters from regulators could adversely affect the demand for our products. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. These regulations and policies and the tax regimes to which we are subject could change at any time, with little or no warning or time for us to prepare. Any changes in government policies relating to the chemicals sector or adverse changes in commodity prices could adversely affect our business and the results of operations.

Availability and Cost of Raw Materials

Our cost of raw materials consumed constitutes the largest component of our expenses structure. For Fiscals 2024, 2023 and 2022, our cost of raw materials consumed was ₹ 44,017.16 lakhs, ₹ 34,585.12 lakhs and ₹28,233.30 lakhs, comprising 61.35%, 56.08% and 54.28% of our total revenue from operations, respectively. The key raw materials that we use for our manufacturing operations include including Para Hydroxy Benzoic Acid, Semicarbazide Hcl, Meta Chloro Aniline,1-Bromo 3-Chloro Propane and Bis-(2-Chloethyl) Amine Hcl. We identify and approve multiple vendors to source our key raw materials and we place purchase orders with them from time to time. We currently source our key raw materials domestically and from vendors in China, Japan and Europe. Our domestic purchase was 70.75% of our total raw material purchase during Fiscal 2024 and 21.67% of our total raw material purchases during Fiscals 2024 were imported from China.

As we continue to grow our product portfolio and increase our production capacities, we would need to procure additional volumes of raw materials. We typically do not enter into long term supply contracts with any of our vendors and instead place purchase orders with them from time to time. We are thus exposed to fluctuations in availability and prices of our raw materials and we may not be able to effectively pass on any increase in cost of raw materials to our customers, which may affect our margins, sales, results of operations and cash flows. Any inability on our part to procure sufficient quantities of raw materials and on commercially acceptable terms, could lead to a change in our manufacturing and sales volumes.

As we continue to expand our product portfolio and increase our production capacities, we would need to procure additional volumes of raw materials. Any increase in raw material prices may result in corresponding increases in our product costs. We are thus exposed to fluctuations in availability and prices of our raw materials. Any inability on our part to procure sufficient quantities of raw materials and on commercially acceptable terms, could lead to a change in our manufacturing and sales volumes. If we are unable to purchase the raw materials from such suppliers for any reason and on commercially acceptable terms, or if we are unable to pass on the increased cost of production to our customers, our revenue levels and results of operations may be adversely impacted.

Capacity utilisation of our Manufacturing Facilities and expansion of our installed capacities

One of the key drivers in the growth of our revenue from operations has been our ability to develop differentiated products and also leverage our economies of scale. Our Company has three manufacturing facilities and our total annual reactor volume is 1,098 KL as of March 31, 2024. For further information, see "*Our Business - Capacity and Capacity Utilization*" on page 187. Our actual production levels and utilization rates may differ from the estimated manufacturing capacities of our facilities. See "*Risk Factors— Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance."* on page 58.

In order to maximize our profits, we must maintain adequate capacity utilization at our manufacturing facilities and an appropriate standard of quality in our manufacturing facilities' equipment and machinery. Capacity utilization is affected by the demand and supply balance, which in turn affects our profit margin. High-capacity utilization allows us to optimize costs, resulting in a high profit margin whereas lower capacity utilization rates may reflect higher and often disproportionate operational and fixed costs impacting our profitability. In the past, we have optimized the capacity utilization increasing batch sizes and by utilizing the existing facilities with campaign batches, i.e., manufacturing batches of the same product consecutively, both of which improve efficiency and increase the capacity utilization by improving resource allocation and rationalizing overall manufacturing and operating costs.

R&D and innovation efforts and growth of our new products

Our business depends to a significant degree on the outcome of our R&D and innovation efforts as well as the growth of our new products. We need to continually invest in R&D activities to stay ahead and create a differentiating factor and sustainability vis-à-vis our competitors. We have a dedicated R&D Center that is recognized by the Department of Scientific and Industrial Research ("**DSIR**"), Government of India, at GIDC, Sachin in Surat.

We are focused on undertaking dedicated R&D in our existing product lines and in areas where we believe there is significant growth potential. Our Company has strong market research-based model wherein it focuses on development of advanced pharmaceutical intermediates either for molecules which are under clinical trials; or for molecules which have been launched. Based on our existing business strategy of early identification of molecules for development and supply, we have developed and commercialised over 550 Pharma Intermediates for APIs across more than 17 key therapeutic areas since inception and NCE, with a strong focus on R&D across select high-growth high margin chronic segment therapeutic areas such as anti-retroviral, anti-cancer, anti-Parkinson, anti-depressant, anti-seizure, anti-diabetic and anti-coagulant, for use across the global pharmaceutical market.

Our Pharma Intermediates used for manufacturing of APIs and NCEs portfolio has expanded from over 450 products as of March 31, 2022, to over 550 products as of March 31, 2024, which enables us to cater to a wide range of customers in domestic and international markets.

In line with our focus on R&D activities, we have also made an investment in our Joint Venture, Ami Oncotheronostic LLC, a Delaware, USA in 2015 ("**AOL**"), which is engaged in the business of commercialisation, production, marketing and selling of certain licenced products which, *inter alia,* include patents and know-how of certain products and compounds in various geographic locations except China (including Macau, Hong Kong and Taiwan) and south east Asian countries.

To develop our product pipeline, we commit substantial time, funds and other resources in R&D. In terms of our R&D spent, we have incurred an expenditure of ₹ 1,414.03 lakhs, ₹ 772.35 lakhs and ₹ 704.18 lakhs towards R&D activities during the Fiscal 2024, Fiscal 2023 and Fiscal 2022 representing 1.97%, 1.25%, and 1.35%, our revenue from operations in such periods, respectively. As on March 31, 2024, the R&D Facility has specialised team of 118 people across various teams including R&D, regulatory affairs, quality control, quality assurance and analytical development laboratory.

In addition, we must adapt to rapid changes in our industry due to technological advances and scientific discoveries. We strive to keep our technology, facilities and machinery current with the latest international standards. The cost of implementing new technologies, upgrading our manufacturing facilities and retaining our research staff is significant and affects our results of operations and cash flows. For further information, see "*Our Business – Research and Development*" on page 188 and "*Risk Factors - Newly developed products may replace our existing products and our research and development efforts may not yield new products, processes and solutions consistently to enable us to remain competitive*" on page 55.

Dependency on our end customers

We are one of the leading R&D driven manufacturer of speciality chemicals focussed towards the development and manufacturing of advanced Pharma Intermediates for regulated and generic APIs and NCE, and other specialty chemicals including parabens and paraben formulations, methyl salicylate, semiconductor chemicals, electrolyte additives and niche KSM for cosmetics, fine chemicals and agrochemical industries. Our products have end uses in four segments namely pharmaceuticals, agrochemicals, home and personal care and performance chemicals. The specialty chemicals that we manufacture are used in the pharmaceuticals, home and personal care, agrochemicals and performance chemicals industries. Therefore, our sales are dependent on the success of our customers' products with end customers. Success of our customers' products are dependent on a number of factors, such as general customer preferences, the ability of our customers to successfully market their products, the competitive environment in which our customers operate, invention of more advanced and cost effective alternatives at the end product level, the shift of the practice in these industries towards developing substitutes of our products in-house and general economic conditions. Therefore, the success of our customers' business has a direct impact on our business and results of operations.

Our Relationship with Customers

We supply our products to more than 500 customers (including international customers) directly in India and in more than 55 countries overseas since inception, using distributorship network in certain cases. We have established long standing relationships with some of our key customers. We have established long standing relationships with some of our key customers. Over 30 of our customers have been customers since the past 10 years.

Our top five customers constituted 45.03%, 44.11% and 40.78% of our revenue from operations for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. The demand from our customers, in particular our top five customers, determines our revenue levels and results of operations, and our sales are directly affected by the production and inventory levels of our customers. Our customers in turn are dependent on demand from corporate and government buyers, as well as general trends in the global pharmaceutical industry. Our sales to our key customers are conducted on the basis of purchase orders that they place with us from time to time. Most of our customers provide us with forecasts of order volumes that help us estimate our production volumes and our revenue for that particular product. However, it is difficult for us to predict with certainty when our customers will decide to increase or reduce inventory levels or levels of production, which strategic direction they will pursue, when they might launch new products or open new facilities, or whether future inventory levels will be consistent with historical levels.

Maintaining and enhancing relationships with key CDMO customers

With an emphasis on continuous business optimization, we have been strategically expanding our CDMO business and we have started providing comprehensive CDMO services to certain customers. In order to deepen our relationships and engagement with our customers within our CDMO business, we will be required to gain a better understanding of the supply chain and manufacturing risks that such customers face, develop the differentiating capabilities that will fill such gaps such as dynamic pricing through use of predictive algorithms, enhance our development and manufacturing capabilities that will make us suitable for a variety of contract types and business models, provide our customers a dynamic view of batch characteristics and real-time transparency, in addition to maintaining our focus on enhancing our relationship or account management capabilities

We believe that such an approach will help us pivot towards enhanced relationships with certain customers that will allow us to capitalize on new opportunities for strategic collaboration, making us an even more integral part of our customers' supply chains, which will increase our competitiveness in the long term and allow us to fully leverage the market opportunity. Until such customer relationships reach the anticipated levels, our profit margins for each type of products manufactured by us pursuant to our CDMO services could vary and our production lines may be required to be readjusted according to customers' orders. In addition, our CDMO agreements impose several contractual obligations upon us and we are also subject to strict technical specifications, quality requirements, regular inspections and audits by our CDMO customers. If we are unable to meet these contractual obligations and/ or our customers perceive any deficiency in our services, technology or quality control procedures, we may lose business from such customers (and, in turn, market share), face legal liabilities and could negatively impact our reputation.

Competition

Our industry is highly competitive market with several major players present, and therefore it is challenging to improve market share and profitability. Many of our competitors may have greater financial, manufacturing, R&D, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges or a stronger sales force. Our competitors may succeed in developing products that are more effective, popular or cheaper than ours, which may render our products uncompetitive and adversely affect our business, results of operations, cash flows and financial condition.

Further, the industry in which we operate presents significant entry barriers, including customer validation and approvals, expectation from customers for process innovation and cost reduction, high quality standards and stringent specifications. From the product testing stage, to the batch procurement phase, to the eventual customer approval stage – acquiring a new end customer typically takes a significant amount of time and effort, depending on product complexity. Further, customers in general avoid sharing product related information with numerous manufacturers in order to restrict the spread of confidential information and as a result, customers typically select manufacturers after carefully reviewing them and tend to develop long-term relationships with them as well as limit the number of such manufacturers.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel, including our scientists, who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations, cash flows and financial condition.

Our ability to compete successfully will depend, in significant part, on our ability to differentiate and effectively supply our products, reduce costs by improving productivity, eliminating redundancies, adapting to new technologies and ability to attract and retain personnel with appropriate technical abilities.

SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

1.1. Basis of preparation of financial statements

The separate financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("**Act**"), except for:

- Financial instruments – measured at fair value
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value
- In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

1.2. Basis of consolidation

i) Subsidiary companies

Subsidiary companies are all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are consolidated from the date control commences until the date control ceases.

The Group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are one or more changes to elements of control described above.

ii) Associate companies

Associate companies are all entities over which the Group has significant influence, but not control or joint control. Investments in associate companies are accounted for using the equity method of accounting (see (iv) below).

iii) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest in a joint venture company and a joint operation.

Joint venture company:

Interest in joint venture company is accounted for using the equity method {see (iv) below}.

Joint operation:

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operation and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Consolidated Financial Statements under the appropriate headings.

iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit, loss and other comprehensive income of the entity.

Dividends received or receivable from the associate companies and joint venture company are recognised as a reduction in the carrying amount of the investment.

When the Group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

v) Changes in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies.

Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss.

This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate company, joint venture company or financial asset. In addition, any amount previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture company or an associate company is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the Consolidated Statement of Profit and Loss where appropriate.

1.3. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company’s normal operating cycle.

It is held primarily for the purpose of being traded;

- It is expected to be realised within 12 months after the reporting date;

- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

- All other assets are classified as non-current.

- A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;

- It is held primarily for the purpose of being traded

- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred tax assets and liabilities are classified as non-current only

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.4. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

The areas involving critical estimates or judgments are:

- Valuation of financial instruments

- Useful life of property, plant and equipment

- Defined benefit obligation

- Provisions

- Recoverability of trade receivables

- Recognition of revenue and allocation of transaction price

- Current tax expense and current tax payable

- Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

1.5. Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1.6. Revenue recognition

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from services, including those embedded in contract for sale of goods, namely, freight and insurance services mainly in case of export sales, is recognised upon completion of services.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an 'exception basis'. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

Other Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.7. Inventories:

i) Raw materials - is valued at the lower of cost or net realisable value. The cost is determined on FIFO /specific identification basis.

ii) Finished goods - valued at the lower of cost or net realisable value. The cost of material is determined on FIFO/specific identification basis.

iii) Work-in-progress is valued at material cost including appropriate production overhead.

iv) Stores and spares are valued at the lower of cost or net realisable value. Cost is determined on FIFO basis.

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

1.8. Foreign currency transactions and translation

i) Functional and presentation currency:

Items included in the Consolidated Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Consolidated Financial Statements of the Company are presented in Indian currency, which is also the functional currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Consolidated Statement of Profit and Loss are on a net basis within other income.

Non-monetary items that are measured at fair value and denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/ (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

1.9. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.10. (a) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment that are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as 'capital work-in-progress'.

Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

(b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss.

The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration. Computer software cost is amortised over a period of three years using the straight-line method.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product/patent.

Depreciation and amortization

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

The depreciation on tangible assets is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Estimated Useful Life
Plant and machinery	20 years
Office equipment	5 years
Computers/Servers	3/6 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years
Computer Softwares (Perpetual)	3 Years

The useful life has been determined based on technical evaluation done by the Management/experts, which are different from the useful life prescribed in Part C of Schedule II of the Act in order to reflect actual use of the assets. The residual values, useful life and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss when the asset is derecognised.

1.11. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in books of account, but its existence is disclosed in financial statements.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.12. Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by future events not wholly within the control of the entity.

Contingent assets require disclosure only. If the realisation of income is virtually certain, the related asset is not a contingent asset and recognition is require.

1.13. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset. unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

1.14. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

1.15. Financial instruments

Initial recognition

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

Subsequent measurement

(A) Non derivative financial instruments

(i) Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are nonderivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

(iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

(a) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period

(b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(B) Derivative financial instruments

The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

The company have derivative financial assets/financial liabilities which are not designated as hedges;

Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

1.16. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Other borrowing costs are expensed in the period in which they are incurred.

1.17. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

1.18. Employee Benefits

i) Defined contribution plans (Provident Fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

ii) Defined benefit plans (Gratuity)

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Consolidated Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it becomes due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Consolidated Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.19. Lease

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, lease liability is measured at the present value of the lease payments to be paid during the non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

1.20. Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

1.21. Research and Development expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible assets is recognised as an expense when it is incurred. Items of Property, Plant and Equipment and acquired Intangible assets are used for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible assets.

1.22. Recent pronouncements

Ministry of Corporate Affairs ("**MCA**") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates 'and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 – Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.The Company has evaluated the amendment and there is no impact on its financial statement.

PRINCIPAL COMPONENTS OF INCOME AND EXPENSES

Set forth below are the principal components of income and expenditure from our continuing operations:

Income

Total income consists of revenue from operations and other income. The following table presents a breakdown of our total revenue for the periods indicated.

(₹ in lakhs)

Particulars	Year ended March 31		
	2024	2023	2022
Revenue from operations	71,747.45	61,673.45	52,013.50
Other income	749.09	431.98	276.23
Total revenue	72,496.54	62,105.43	52,289.73

Revenue from operations. Our revenue from operations comprises revenues which we receive from sales of our products comprising of raw materials/ finished goods/ traded goods/ scrap sale and export incentives. Our revenue from operations is further bifurcated into international sales and domestic sales.

Other Income. Other income primarily comprises interest income, foreign exchange fluctuation gain, profit on sales and fixed assets and other non-operating income including interest income, miscellaneous income etc.

Expenses

Our expenses primarily consist of the cost of raw materials consumed, changes in inventories of finished goods / stock in trade and work in progress, employee benefit expense, finance costs, depreciation and amortisation expense and other expenses. The following table presents a breakdown of our total expenses for the periods indicated.

(₹ in lakhs)

Particulars	Year ended March 31		
	2024	2023	2022
Cost of raw materials consumed	44,017.16	34,585.12	28,233.30
Changes in inventories of finished goods, stock in trade and work-in-progress	(2,848.34)	(1,495.59)	(949.67)
Employee benefit expenses	6,311.44	4,883.61	4,136.64
Finance costs	594.03	241.23	640.73
Depreciation and amortisation expense	1,605.52	1,234.24	1,008.02
Other Expenses	11,418.21	11,439.64	10,075.67
Total Expenses	**61,098.02**	**50,888.25**	**43,144.69**

Cost of raw materials consumed

Cost of raw materials consumed are the expenses which are directly attributable to the purchase of our raw materials including Para Hydroxy Benzoic Acid, Semicarbazide, Tolune, Vanillin, Chloroacetaldehyde Dimethylacetal, Semicarbazide Hcl, etc.; expenses incurred in relation to opening stock and purchases excluding closing stock.

Changes in inventories of finished goods, stock in trade and work-in-progress

Changes in inventories of finished goods, stock in trade and work-in-progress comprises net increase or decrease in inventory levels of finished goods/ traded goods and changes in work in progress. It is calculated based on the opening inventory of finished goods and work-in-progress adjusted for closing inventory of finished goods and work-in-progress.

Employee benefit expenses

Employee benefit expense comprises salaries and wages, contribution to provident fund and other funds and staff welfare expenses.

Finance costs

Finance costs primarily includes interest expense comprising interest expense on term loan and cash credit, interest on vehicle loan, interest on statutory dues, interest on income tax, interest on MSME creditors and processing and other bank charges.

Depreciation and amortisation expense

Depreciation and amortisation expense comprises (i) depreciation on property, plant, and equipment; (ii) amortisation of other intangible asset over its useful life; and (iii) amortisation of right of use assets.

Other expenses

Other expenses primarily include commission, consumption of stores and spare parts, insurance, power and fuel, professional fees, provision for bad and doubtful debts, rent, rates and taxes, selling and distribution expenses, travelling expenses, auditor’s remuneration including audit fees and limited review fees, communication expenses, conversion and plant operation charges, director’s commission (other than the executive directors), directors sitting fees, expenditure on corporate social responsibility incentives, freight, clearing, and forwarding charges, job work charges, R&D testing, loss on assets sold, discarded or demolished, printing and stationery, repairs and maintenance, security expenses, miscellaneous expenses and royalty expenses.

NON-GAAP MEASURES

EBITDA and EBITDA Margin

The following table sets forth our earnings before interest, taxes, depreciation and amortisation expenses ("**EBITDA**") from our profit before tax, as restated, and the manner in which it is calculated for the Fiscal 2024, Fiscal 2023 and Fiscal 2022. We define our EBITDA Margin as EBITDA divided by revenue from operations.

(₹ in lakhs)

Particulars	Year ended March 31		
	2024	2023	2022
Profit Before Tax (after exceptional item)	8,190.13	11,217.18	9,145.04
Add: Finance costs	594.03	241.23	640.73
Add: Depreciation and amortization expense	1,605.52	1,234.24	1,008.02
Add: Exceptional Item	3208.39	0.00	0.00
Less: Other Income	749.09	431.98	276.23
EBITDA	12,848.98	12,260.67	10,517.56
EBITDA Margin (EBITDA as a percentage of revenue from operations)	17.91	19.88	20.22

SUMMARY RESULTS OF OPERATIONS

The following table presents our consolidated statement of profit and loss data for Fiscal 2024, Fiscal 2023 and Fiscal 2022 and as a percentage of total revenue for the corresponding periods.

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ in lakh	% of total income	₹ in lakh	% of total income	₹ in lakh	% of total income
Income						
Revenue from operations	71,747.45	98.97	61,673.45	99.30	52,013.50	99.47
Other income	749.09	1.03	431.98	0.70	276.23	0.53
Total revenue	**72,496.54**	**100.00**	**62,105.43**	**100.00**	**52,289.73**	**100.00**
Expenses						
Cost of raw materials consumed	44,017.16	60.72	34,585.12	55.69	28,233.30	53.99
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,848.34)	(3.93)	(1,495.59)	(2.41)	(949.67)	(1.82)
Employee benefits expense	6,311.44	8.71	4,883.61	7.86	4,136.64	7.91
Finance costs	594.03	0.82	241.23	0.39	640.73	1.23
Depreciation and amortisation expense	1,605.52	2.21	1,234.24	1.99	1,008.02	1.93
Other expenses	11,418.21	15.75	11,439.64	18.42	10,075.67	19.27
Total expenses	61,098.02	84.28	50,888.25	81.94	43,144.69	82.51
Profit/ (Loss) before exceptional items and tax	11,398.52	15.72	11,217.18	18.06	9,145.04	17.49
Exceptional Items	**(3,208.39)**	**(4.43)**	-	-	-	-
Profit/ (loss) before tax	**8,190.13**	**11.30**	**11,217.18**	**18.06**	**9,145.04**	**17.49**
Tax expense						
Current tax	2,901.53	4.00	2,637.72	4.25	1,672.15	3.20
Deferred tax	417.80	0.58	250.49	0.40	278.28	0.53
Total tax expense	**3,319.33**	**4.58**	**2,888.21**	**4.65**	**1,950.43**	**3.73**
Profit/ (loss) after tax for the year	**4,870.80**	**6.72**	**8,328.97**	**13.41**	**7,194.61**	**13.76**
Other Comprehensive Income (OCI)						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of the defined employee benefit, net	(4.99)	(0.01)	16,83	0.03	60.35	0.12
Items that will be reclassified subsequently to profit or loss						
Exchange differences on translation of financial statements of foreign operations, net	(717.37)	(0.99)	290.36	0.47	128.79	0.25
Other Comprehensive Income	**(722.36)**	**(1.00)**	**307.19**	**0.49**	**189.14**	**0.36**
Total comprehensive income for the year	**4,148.44**	**5.72**	**8,636.16**	**13.91**	**7,383.75**	**14.12**
Profit / (Loss) attributable to						
Owners of the company	4,277.30	5.90	-	-	-	-
Non - controlling interest	593.50	0.82	-	-	-	-
Other comprehensive income attributable to						
Owners of the company	(724.27)	(1.00)	-	-	-	-
Non - controlling interest	1.91	0.00	-	-	-	-

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ in lakh	% of total income	₹ in lakh	% of total income	₹ in lakh	% of total income
Earnings per equity share						
Basic (₹)	11.67		22.86		21.03	
Diluted (₹)	11.66		22.86		21.03	

RESULTS OF OPERATIONS

Comparison of Fiscal 2024 to Fiscal 2023

Income

Our total income in Fiscal 2024 was ₹ 72,496.54 lakhs, which represented an increase of 16.73% over our total income in Fiscal 2023 of ₹ 62,105.43 lakhs primarily due to an increase in revenue from operations towards the sale of products, domestically and internationally and additional revenue contributed by our Subsidiary, Baba Fine Chemicals in which our Company acquired partnership interest in Fiscal 2024.

Revenue from Operations

Our revenue from operations in Fiscal 2024 was ₹ 71,747.45 lakhs, which represented an increase of 16.33% over our revenue from operations in Fiscal 2023 of ₹ 61,673.45 lakhs. The increase was primarily due to increased sales of our products resulting from growth in volume of domestic sales and export of our products, and additional revenue contributed by our Subsidiary, Baba Fine Chemicals in which our Company acquired partnership interest in Fiscal 2024.

Other income

Our other income in Fiscal 2024 was ₹ 749.09 lakhs, which represented increase of 73.41% from our other income in Fiscal 2023 of ₹ 431.98 lakhs. The increase was primarily due to net gain on foreign exchange fluctuation gain and profit on sales of fixed assets and other non-operating income including interest income, miscellaneous income etc.

Expenses

Our total expenses in Fiscal 2024 were ₹ 61,098.02 lakhs, which represented an increase of 20.06 % over our total expenses in Fiscal 2023 of ₹ 50,888.25 lakhs. This was primarily attributable to:

Cost of raw materials consumed

The cost of raw materials consumed were ₹ 44,017.16 lakhs in Fiscal 2024, which represented an increase of 27.27% over our cost of raw materials consumed in Fiscal 2023 of ₹ 34,585.12 lakhs. This increase is primarily due to higher sales and increase in the cost of some the key raw materials. As a percentage of our total income, the cost of raw materials consumed increased to 60.72 % in Fiscal 2024 from 55.69% in Fiscal 2023, this increase is primarily due to (i) increase in cost of raw material worldwide, resulting in increase of cost of import of raw materials; and (ii) unfavourable product mix.

Changes in inventories of finished goods / traded goods and work in progress

Changes in inventories of work-in-progress and finished goods changed from ₹ (1,495.59) lakhs in Fiscal 2023 to ₹ (2,848.34) lakhs in Fiscal 2024. This was primarily due to inventory held at the end of the year for future customer demands and efficient production planning.

Employee benefit expense

Our employee benefit expense in Fiscal 2024 was ₹ 6,311.44 lakhs, which represented an increase of 29.24% over our employee benefit expense in Fiscal 2023 of ₹ 4,883.61 lakhs. The increase was due to new recruitments including new requirement at newly constructed facility at Ankleshwar Unit as well as increments in salary and wage increases. Further, as a percentage of our total income, the cost of employee benefit expenses increased to

8.71% in Fiscal 2024 from 7.86% in Fiscal 2023.

Finance costs

Our finance costs in Fiscal 2024 was ₹594.03 lakhs, which represented an increase of 146.25% from our finance costs in Fiscal 2023 of ₹ 241.23 lakhs. Our Finance costs increased due to higher utilisation of short term debt for working capital requirement and additional long term debt raised for capital expenditure incurred during the Fiscal year especially at Ankleshwar Unit.

Depreciation and amortisation expense

Our depreciation and amortisation expense in Fiscal 2024 was ₹1,605.52 lakhs, which represented an increase of 30.08% over our depreciation and amortisation expense in Fiscal 2023 of ₹ 1,234.24 lakhs. The increase was primarily due to substantial increase in property, plant and equipment, right to use and intangible assets

Other expenses

Our other expenses in Fiscal 2024 were ₹ 11,418.21 lakhs, which represented a marginal decrease of 0.19% over our other expenses in Fiscal 2023 of ₹11,439.64 lakhs primarily due to reduced jobwork charges after increase in in-house production of raw materials compared to toll manufacture site, savings in commission expense through direct sales, one time provision against short insurance claim received and decrease in freight cost. Further, as a percentage of our total income, the other expenses reduced to 15.75% in Fiscal 2024 from 18.42% in Fiscal 2023.

Exceptional Item

During the year, our Company had fully impaired the existing investment in the joint venture - Ami Oncotheranostics LLC of ₹ 3,175.39 lakhs, as it was presumed that revenue generation from Ami Oncotheranostics LLC will take significant time considering the inherent nature of its research activity, longer gestation period and uncertain success rate.

Profit before tax

For the reasons discussed above, our profit before tax in Fiscal 2024 was ₹8,190.13 lakhs, a decrease of 26.99% over our profit before tax in Fiscal 2023 of ₹11,217.18 lakhs, which constituted 11.30% and 18.06% of our total income in Fiscal 2024 and 2023, respectively.

Tax Expense

Our net tax expense including current tax and deferred tax provision in Fiscal 2024 was ₹ 3,319.33 lakhs, as compared to net tax expense in Fiscal 2023 of ₹ 2,888.21 lakhs, reflecting an increase of 14.93% from Fiscal 2023 to Fiscal 2024. Our effective tax rate in Fiscal 2024 and Fiscal 2023 was 40.53% and 25.75%, respectively. Our net tax expense increased primarily due to disallowance of Exceptional Amortisation Provision of investment and higher applicable tax rates of 34.94% in Partnership interest and consolidation of financials of partnership firm, Baba Fine Chemicals, which has higher tax rate compared to the Company.

Profit for the year

As a result of the foregoing, our profit for the year in Fiscal 2024 was ₹ 4,870.80 lakhs, a decrease of 41.52% over our profit for the year in Fiscal 2023 of ₹ 8,328.97 lakhs. As a percentage of our total revenue, there has been an decrease in the profit in Fiscal 2024 to 6.72% from 13.41% in Fiscal 2023.

Comparison of Fiscal 2023 to Fiscal 2022

Revenue

Our total revenue in Fiscal 2023 was ₹ 62,105.43 lakhs, which represented an increase of 18.77% over our total revenue in Fiscal 2022 of ₹ 52,289.73 lakhs.

Revenue from Operations

Our revenue from operations in Fiscal 2023 was ₹ 61,673.45 lakhs, which represented an increase of 18.57% over our total revenue in Fiscal 2022 of ₹ 52,013.50 lakhs primarily due to an increase in demand of our products resulting from a robust growth of domestic and export demand.

Other income

Our other income in Fiscal 2023 was ₹ 431.98 lakhs, as against our other income in Fiscal 2022 of ₹ 276.23 lakhs. The increase was primarily due to increase in net gain from foreign exchange fluctuation.

Expenses

Our total expenses in Fiscal 2023 were ₹ 50,888.25 lakhs, which represented an increase of 17.95% over our total expenses in Fiscal 2022 of ₹ 43,144.69 lakhs. This was primarily attributable to:

Cost of raw materials consumed

The cost of raw materials consumed were ₹ 34,585.12 lakhs in Fiscal 2023, which represented an increase of 22.50% over our cost of raw materials consumed in Fiscal 2022 of ₹ 28,233.30 lakhs, primarily due to increase in the sales and production volumes. As a percentage of total income, our cost of raw materials consumed increased to 55.69% in Fiscal 2023 from 53.99% in Fiscal 2022.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of finished goods, work-in-progress and stock-in-trade changed from ₹ (949.67) lakhs in Fiscal 2022 to ₹ (1,495.59) lakhs in Fiscal 2023. This was primarily due to inventory held at the end of the year for future customer demands.

Employee benefit expense

Our employee benefit expense in Fiscal 2023 was ₹ 4,883.61 lakhs, which represented an increase of 18.06% over our employee benefit expense in Fiscal 2022 of ₹ 4,136.64 lakhs. The increase was due to new recruitments as well as increments in salary and wage increases for existing employees.

Finance costs

Our finance costs in Fiscal 2023 was ₹ 241.23 lakhs, which represented a decrease of 62.35% from our finance costs in Fiscal 2022 of ₹ 640.73 lakhs. The decrease was primarily due to full year impact of repayment of short and long term borrowings from proceeds of the Initial Public offering of our Company in Fiscal 2022.

Depreciation and amortisation expense

Our depreciation and amortisation expense in Fiscal 2023 was ₹ 1,234.24 lakhs, which represented an increase of 22.44% over our depreciation and amortisation expense in Fiscal 2022 of ₹ 1,008.02 lakhs. The increase was primarily due to increase in property, plant and equipment, right to use and intangible assets.

Other expenses

Our other expenses in Fiscal 2023 was ₹ 11,439.64 lakhs, which represented an increase of 13.54% over our other expenses in Fiscal 2022 of ₹ 10,075.67 lakhs primarily due to increase in travel expenses and overall administration expenses.

Profit before tax

As a result of the foregoing, our profit before tax in Fiscal 2023 was ₹ 11,217.18 lakhs, an increase of 22.66% over our profit before tax in Fiscal 2022 of ₹ 9,145.04 lakhs.

Tax Expense

Our net tax expense including current tax and deferred tax in Fiscal 2023 was ₹ 2,888.21 lakhs, as compared to net tax expense in Fiscal 2022 of ₹ 1,950.43 lakhs, reflecting an increase of 48.08% from Fiscal 2023 to Fiscal

2022. Our net tax expense increased primarily due to expenses in relation the initial public offering which were available for deduction under income tax without affecting profits for the year in Fiscal 2022.

Profit for the year

As a result of the foregoing, our profit for the year in Fiscal 2023 was ₹ 8,328.97 lakhs, an increase of 15.77% over our profit for the year in Fiscal 2022 of ₹ 7,194.61 lakhs. As a percentage of our total income, there has been a decrease in the profit for the year in Fiscal 2023 to 13.41% in Fiscal 2022 from 13.76% in Fiscal 2022.

LIQUIDITY AND CAPITAL RESOURCES

We depend on both internal and external sources of liquidity to provide working capital and to fund capital requirements. We have historically funded our capital expenditures with cash flow from operations and debt financing. We generally enter into long-term borrowings in the form of working capital and term loans from banks and financial institutions. As at March 31, 2024, we had cash and cash equivalents of ₹ 2,970.44 lakhs.

CASH FLOWS

Our cash is generated by our business operations that is used to fund investments and service our loans and interest to our lending banks. The following table presents our consolidated net cash flows for the periods indicated.

(₹ in lakhs)

Particulars	Year ended March 31,		
	2024	2023	2022
Net cash generated / (used) from operating activities	12,516.97	6,553.00	(1,193.47)
Net cash generated / (used) in investing activities	(36,539.35)	(3,304.40)	(1,2071.57)
Net cash generated / (used) in financing activities	23,936.36	(1,225.00)	14,026.25
Net increase / (decrease) in cash and cash equivalents	(86.02)	2,023.60	761.20
Cash and cash equivalent at beginning of year	3053.26	1029.66	268.46
Cash and cash equivalent at end of year	2,970.44	3053.26	1,029.66

Net cash generated by operating activities

Net cash generated by operating activities includes funds generated from our operating activities and net cash inflows or outflows from changes in operating assets and liabilities.

Fiscal 2024

Cash generated from operations after tax was ₹ 12,516.97 lakhs in Fiscal 2024. Profit before tax was ₹ 8,190.13 lakhs in Fiscal 2024. Adjustments for non-cash and non-operating items primarily consisted of depreciation and amortization expenses of ₹ 1,605.52 lakhs, finance cost of ₹ 594.03 lakhs, employee compensation expenses of ₹ 230.62 lakhs, and provision for impairment of investment of ₹ 3,175.39 lakhs, which was partially offset by gain from sale of property plant and equipment of ₹ 20.84 lakhs, interest expense of ₹ 219.58 lakhs and unrealised gain of ₹ 418.91 lakhs. Our operating profit before working capital changes was ₹ 13,169.35 lakhs in Fiscal 2024. The changes in working capital in Fiscal 2024, included decrease in trade receivables of ₹ 30,00.27 lakhs, decrease in other financial assets of ₹ 345.65 lakhs, increase in trade payables of ₹ 2,359.61 lakhs, increase in other liabilities of ₹ 2,487.60 lakhs and increase in provisions of ₹ 185.70 lakhs, which was offset by increase in loans and advances of ₹ 246.69 lakhs, increase in inventories of ₹ 3,508.19 lakhs and increase in other current assets ₹ 2,841.71 lakhs. Cash generated from operations in Fiscal 2024 amounted to ₹ 14,951.59 lakhs. Taxes paid amounted to ₹ 2,434.62 lakhs.

Fiscal 2023

Cash generated from operations after tax was ₹ 6,553.00 lakhs in Fiscal 2023. Profit before tax was ₹ 11,217.18 lakhs in Fiscal 2023. Adjustments for non-cash and non-operating items primarily consisted of depreciation and amortization expenses of ₹ 1,234.24 lakhs, loss from sale of property plant and equipment of ₹74.66 lakhs, finance cost of ₹ 241.23 lakhs, and exchange fluctuation on change on equity instruments of ₹ 290.36 which was partially offset by employee compensation expense of ₹ 217.89 lakhs, and unrealised gain of ₹ 213.23 lakhs. Our operating profit before working capital changes was ₹ 12,626.52 lakhs in Fiscal 2023. The changes in working capital in Fiscal 2023, included increase in trade receivables of ₹ 6,442.66 lakhs, increase in loans and advances of ₹ 90.24 lakhs, increase in inventories of ₹ 700.21 lakhs, which was offset by decrease in other financial assets of ₹ 461.62 lakhs, decrease in other current assets of ₹ 38.16 lakhs, increase in trade payables of ₹ 2,363.01 lakhs, increase in other liabilities of ₹ 180.75 lakhs and increase in other provisions of ₹ 561.49 lakhs. Cash generated from operations in Fiscal 2023 amounted to ₹ 8,998.44 lakhs. Taxes paid amounted to ₹ 2,445.44 lakhs.

Fiscal 2022

Cash used for operations after tax was ₹ 1,193.47 lakhs in Fiscal 2022. Profit before tax was ₹ 9,145.04 lakhs in Fiscal 2022. Adjustments for non-cash and non-operating items primarily consisted of depreciation and amortization expenses of ₹ 1,008.02 lakhs, finance cost of ₹ 544.91 lakhs, and exchange fluctuation on change on equity instruments of ₹ 128.79 lakhs which was partially offset by employee compensation expense of ₹ 217.89 lakhs, and unrealised gain of ₹ 213.23 lakhs. Our operating profit before working capital changes was ₹ 10,509.35 lakhs in Fiscal 2022. The changes in working capital in Fiscal 2022, included increase in trade receivables of ₹ 4,145.50 lakhs, increase in loans and advances of ₹ 31.95 lakhs, increase in other financial interests of ₹815.13 lakhs, increase in inventories of ₹5,180.78 lakhs, increase in other liabilities of ₹ 1,053.33 lakhs, which was partially offset by decrease in trade payables of ₹3,267.88 lakhs, and decrease in other provisions of ₹ 192.84 lakhs. Cash generated from operations in Fiscal 2022 amounted to ₹1,087.91 lakhs. Taxes paid amounted to ₹ 2,281.38 lakhs.

Cash flow from/ (used) in investing activities

Cash used in investing activities includes payments for property, plant and equipment, interest received, proceeds from sale of property, plant and equipment, fixed deposit with banks, investments, right of use asset.

Fiscal 2024

Cash used in investing activities for Fiscal 2024 was ₹ 36,539.35 lakhs, primarily on account of purchase of property, plant and equipment for ₹ 28,090.79 lakhs, purchase of investments of ₹6,603.21 lakhs, change in other non-current assets ₹ 3,432.51 lakhs. Cash used in investing activities for Fiscal 2024 was primarily offset by interest income of ₹ 229.08 lakhs, cash generation though right of use asset of ₹ 55.55 lakhs and investment in fixed deposit not considered as cash or cash equivalents ₹ 1,302.53 lakhs.

Fiscal 2023

Cash used in investing activities for Fiscal 2023 was ₹ 3,304.40 lakhs, primarily on account of payment for property, plant and equipment of ₹ 7,834.94 lakhs and cash used in right of use asset of ₹ 1,805.35 lakhs. Cash used in investing activities for Fiscal 2023 was primarily offset by investment in fixed deposit not considered as cash or cash equivalents of ₹ 6,111.73 lakhs, purchase of Investment of ₹ 6.24 lakhs and interest income of ₹ 217.89 lakhs.

Fiscal 2022

Cash used in investing activities for Fiscal 2022 was ₹ 12,071.57 lakhs, primarily on account of purchase of property, plant and equipment of ₹ 3,375.81 lakhs and purchase of other investment of ₹28.45 lakhs. Cash used in investing activities for Fiscal 2022 was offset by interest income of ₹ 258.18 lakhs and maturity of bank deposits of ₹ 8,925.49 lakhs.

Cash generated/ (used) in financing activities

Cash generated/ (used) in financing activities includes proceeds from the long-term borrowing, net proceeds from short term borrowings, issue of Equity Shares, realisation on final settlement of expenses from initial public offering, finance cost, withdrawal of partners' capital, share issue expense and amount of dividend paid.

Fiscal 2024

Cash generated in financing activities for Fiscal 2024 was ₹ 23,936.36 lakhs. This reflected proceeds from the long-term borrowing of ₹ 12,967.37 lakhs, net proceeds from short term borrowings of ₹ 8,840.38 lakhs, issue of Equity Shares of ₹ 5,185.41 lakhs, realisation on final settlement of expenses from initial public offering. This was partially offset by finance cost of ₹ 594.03 lakhs, withdrawal of partners' capital of ₹1,478.88 lakhs, share issue expense of ₹ 6.00 lakhs and amount of dividend paid of ₹ 1,093.11 lakhs.

Fiscal 2023

Cash used in financing activities for Fiscal 2022 was ₹ 1,225.00 lakhs. This reflected finance cost of ₹ 241.23 lakhs, amount of dividend paid of ₹ 1,093.11 lakhs and share issue expense of ₹ 165.84 lakhs. This was partially offset by Net Proceeds generated from short term borrowings of ₹ 275.64 lakhs.

Fiscal 2022

Cash generated in financing activities for Fiscal 2022 was ₹ 14,026.25 lakhs. This reflected proceeds from the issue of Equity Shares of ₹ 29,999.99 lakhs, which was partially offset by the proceeds from long term borrowings of ₹ 13,579.16 lakhs, finance cost of ₹ 544.91 lakhs and share issue expense of ₹ 1,849.67 lakhs.

Borrowings

As of March 31, 2024, the total borrowing of our Company is as set out below.

(₹ in lakhs)

Particulars	As at March 31, 2024
Long term borrowings	11,364.12
Short term borrowings	7,258.71
Current maturities of long-term debts	3,041.83
Total borrowings	**21,664.66**

INTEREST COVERAGE RATIO

The following table presents our interest coverage ratio, which is finance cost divided by profit after tax plus depreciation plus finance cost plus provisions and contingencies as at the dates indicated:

Particulars	As at March 31,		
	2024	2023	2022
Interest coverage ratio	14.69	46.77	15.23

CONTINGENT LIABILITIES AND OTHER OFF-BALANCE SHEET ARRANGEMENTS

Contingent Liabilities

The following table sets forth certain information relating to our contingent liabilities not acknowledged as debts as at March 31, 2024, as per Ind AS 37, based on our Audited Consolidated Financial Statements:

(₹ in lakhs)

Particulars	As at March 31, 2024
Claims against the Company not acknowledged as debt	
- Income tax demands	207.46
-Capital commitment	9,491.97
Total	**9,699.43**

Notes:

1. *For AY 2012-13 order demanding ₹ 204.68 lakhs has been raised for which auditee has filled appeal with CIT (Appeal), of which ₹ 40.94 lakhs paid by challan and entire demand amount has been settled by adjusting refund of other years.*
2. *For AY 2013-14 order demanding ₹ 186.51 lakhs has been raised for which auditee has filed appeal with CIT (Appeal).*
3. *For AY 2015-16 order demanding ₹ 77.38 lakhs has been raised for which auditee has filed appeal with CIT (Appeal), of which ₹ 15.48 lakhs paid by challan.*

For further information on our contingent liabilities and commitments, see "*Financial Information*" and "*Risk Factors*" on page 253 and 46, respectively.

Off Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Estimated amount of contracts remaining to be executed and not provided for (net of advances) of ₹ 9,491.97 lakhs.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to commodity risk, foreign exchange risk, interest rate risk, credit risk and inflation risk in the normal course of our business.

Commodity Risk

We are exposed to the price risk associated with purchasing our raw materials, which form the highest component of our expenses. We typically do not enter into formal arrangements and long-term contract with our suppliers. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations. We do not currently engage in any hedging activities against commodity price risk.

Foreign Currency Risk

We operate internationally and the major portion of our business is transacted in USD & EURO. Our sales, purchase, borrowing (etc.) is in foreign currency. Consequently, we are exposed to foreign exchange risk.

Although our exposure to exchange rate fluctuations is partly hedged through the exports of products and the import of the necessary raw materials and production equipment, we are still affected by fluctuations in exchange rates for certain currencies, particularly the U.S. Dollar and the Euro. For further information, see "*Risk Factors – We face foreign exchange risks that could adversely affect our results of operations and cash flows*" on page 57.

Interest Rate Risk

We are exposed to interest rate risk primarily as a result of term loans from banks. As at March 31, 2024, we had all of our loans that are subject to floating rates of interest, which exposes us to market risk as a result of changes in interest rates. Upward fluctuations in interest rates would increase the cost of new debt and interest cost of outstanding variable rate borrowings. In addition, any increase in interest rates could adversely affect our ability to service long-term debt, which would in turn adversely affect our results of operations.

Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations and cash flows.

Inflation

India has experienced high inflation in the recent past, which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs.

Credit Risk

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

SIGNIFICANT ECONOMIC CHANGES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*Management's Discussion and Analysis of Financial Position and Results of Operations*" under the heading titled " *– Significant Factors Affecting Our Results of Operations*" on page 97. Further for details regarding uncertainties please see "*Risk Factors*" on page 46.

TOTAL TURNOVER IN EACH MAJOR INDUSTRY SEGMENT

Our Company operates in one business segment of manufacturing of intermediates for the pharmaceutical sector.

NEW PRODUCTS OR NEW BUSINESS SEGMENTS

Except as set out in this Preliminary Placement Document, we have not announced and do not expect to announce in the near future any new products or new business segments.

COMPETITIVE CONDITIONS

Our business operations are affected by competition from a number of international and domestic competitors. For details, see "*Risk Factors - The industry we operate in is intensely competitive and our inability to compete effectively may adversely affect our business, results of operations and financial condition and cash flows*" on page 67.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Preliminary Placement Document, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been affected and we expect will continue to be affected by the trends identified above in "*Significant Factors Affecting Our Results of Operations*" on page 97 and the uncertainties described in "*Risk Factors*" on page 46. To our knowledge, except as described in this Preliminary Placement Document, there are no known factors which we expect will have a material adverse effect on our revenues or income from continuing operations.

MATERIAL INCREASE IN REVENUE FROM CONTRACTS WITH CUSTOMERS OR OTHER REVENUE

Our business has been affected and we expect that it will continue to be affected by the trends identified above in " *- Significant Factors Affecting Our Results of Operations*" and the uncertainties described in the section "*Risk Factors*" on pages 97 and 46, respectively. To our knowledge, except as disclosed in this Preliminary Placement Document, there are no known factors which we expect to have a material adverse impact on revenue from operations or other income.

SIGNIFICANT DEPENDENCE ON FEW CUSTOMERS

Our business is affected by risks associated with our dependency on some of our customers. For further details see, *"Risk Factors - We depend on the success of our relationships with our customers and suppliers. Any adverse developments or inability to enter into or maintain such relationships could have an adverse effect on our business, results of operations and financial condition."* on page 50.

SEASONALITY OF BUSINESS

Our business is not seasonal in nature.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024

Except for the developments stated below, in the opinion of our Board, no circumstances have arisen since the date of the last financial statements as disclosed in this Preliminary Placement Document which materially and adversely affect or are likely to affect our trading and profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

1. preferential allotment of 799,193 Equity Shares on May 31, 2024 and
2. incorporation of a 100% step-down subsidiary Enchem Ami Organics Private Limited

For further details regarding preferential allotment, see *"Capital Structure"* on page 90.

RESERVATIONS, QUALIFICATIONS, OR ADVERSE REMARKS OF OUR AUDITORS IN THE LAST FIVE FISCALS IMMEDIATELY PRECEDING THE DATE OF THIS PRELIMINARY PLACEMENT DOCUMENT

There are no reservations, qualifications or adverse remarks of our Statutory Auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Preliminary Placement Document.

INDUSTRY OVERVIEW

*Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled "Market Overview of the Global Pharmaceutical API & Key Intermediates Industry" dated June 4, 2024 ("**F&S Report**"), which is a report commissioned and paid for by our Company and prepared by Frost & Sullivan (India) Private Limited, pursuant to an engagement letter dated April 30, 2024, in connection with the Issue. There are no parts, data or information (which may be relevant for the proposed Issue) of the F&S Report that has been left out or changed in any manner. Unless otherwise indicated, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Macroeconomic Review – Global

Gross Domestic Product (GDP) Growth & Outlook

Following the COVID-19 pandemic induced 2.8% contraction in global GDP in 2020 - which led to a sharp slowdown in industrial activity, private consumption, and exports - the world economy grew by a robust 6.3% in 2021. The adoption of an accommodative monetary policy by major world economies and the injection of fiscal stimulus measures drove a resurgence in consumer spending and business sentiment in 2021. During the year, emerging economies grew by 6.9%, while their developed counterparts grew by 5.6%. There were, however, also restraints emanating from the Omicron coronavirus variant, China's strict zero-Covid policy, and elevated budgetary deficits in 2021.

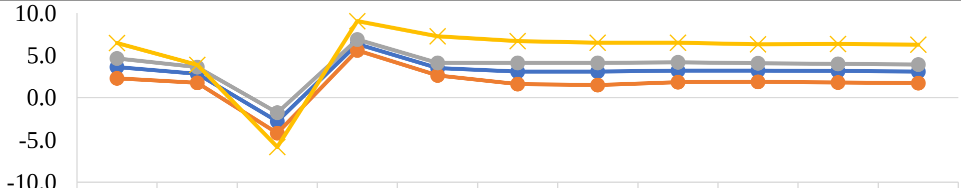
Global economic growth fell to 3.5% in 2022, with emerging economies such as India, Vietnam, Indonesia, and Brazil driving momentum. Emerging market and developing economies grew by 4.1%, while advanced economies posted 2.6% GDP growth during the year. The Russo-Ukrainian war led to a sharp growth pullback in 2022. High food and fuel prices, insecurity within the global energy markets, shortage of essential food products, and China's zero COVID-19 policy impacted global trade and economic growth in 2022.

Global growth remained subdued in 2023, as elevated inflationary pressures and the resultant synchronized rate hikes by major central banks weighed on economic activity. Emerging and advanced countries are estimated to have grown by 4.1% and 1.6%, respectively, in 2023. High costs of raw materials and restrained labor market conditions within advanced economies weighed on growth in manufacturing-oriented nations such as Germany, while services-reliant countries such as France and Spain grew at a slightly stronger pace during the year. A subdued global economic climate also dampened export potential, with weaker-than-expected Chinese economic recovery causing spillover effects within the country's trading partners. Moreover, the onset of the Israel-Hamas war in Q4 2023 led to increased energy market volatility as well as raised concerns of a regional conflict spillover.

The global economy is expected to grow by 3.1% in 2024, as weakness continues to prevail in advanced economies such as the UK, Japan, and the Eurozone. While gradually easing price pressures, coupled with a normalization of monetary policy during H2 2024 will provide some respite, mounting geopolitical tensions and sluggish trade flows are causing some short-term setbacks.

Over the long-term, a rapidly ageing population, falling birth rates, worker shortages, and frequent and extreme climate conditions will be major drags on global economic growth. However, structural reforms, fiscal and monetary policy prudence, and growing adoption of digital and green energy initiatives will act as tailwinds to the world economy.

Exhibit 1: Real GDP Growth (%) FY2018 - FY2028F



	'18	'19	'20	'21	'22	'23E	'24F	'25F	'26F	'27F	'28F
World	3.6	2.8	-2.8	6.3	3.5	3.1	3.1	3.2	3.2	3.1	3.1
Advanced Economies	2.3	1.7	-4.2	5.6	2.6	1.6	1.5	1.8	1.9	1.8	1.7
Emerging Markets	4.6	3.6	-1.8	6.9	4.1	4.1	4.1	4.2	4.1	4.0	3.9
India	6.5	3.9	-5.8	9.1	7.2	6.7	6.5	6.5	6.3	6.3	6.3

Note: e: Estimate, f: Forecast, India's data is represented in fiscal years. For e.g. 2022 stands for FY2023 i.e. 1 April 2022 to 31 March 2023; Source: International Monetary Fund (IMF) World Economic Outlook October 2023, IMF World Economic Outlook January 2024 Update, Moody's Outlook, Frost & Sullivan

Advanced economies are projected to grow slower than the global average over the forecast period. While the US economy defied expectations in 2023, lagged effects of the Federal Reserve's rate hikes will dampen consumption and investment to some extent through 2024. A major developed economy such as the UK entered a technical recession in 2023, with this subdued momentum likely to continue into 2024, on account of muted consumer demand and industrial activity. Within the European Union (EU), Germany will continue to face challenges as manufacturing weakness persists and exports to remain lower-than-expected, despite gradual easing of monetary conditions and falling inflation in 2024.

Emerging market and developing economies will witness divergent growth in 2024. China's economic recovery will continue to face setbacks as falling domestic demand, deflationary concerns, a property market crisis, and soft external demand will cause significant setbacks. The Association of Southeast Asian Nations (ASEAN) and India will be growth bright spots, as robust domestic economic fundamentals, strong labor market conditions, and fiscal stability will contribute towards economic growth. Middle Eastern economies such as Saudi Arabia, the United Arab Emirates, and Qatar to benefit from an expanding non-oil economy. However, regional upheavals to be a cause of concern during the year. Latin American and African economies, in 2024, will face structural obstacles such as elevated debt levels, lack of investment inflows, climate risks, food insecurity, and poor employment opportunities.

Chemicals – The Recovery Driver

The global chemicals industry is a diverse market with chemical types such as petrochemicals, polymers, and specialty chemicals being utilized across sectors such as pharmaceuticals, agrochemicals, healthcare, energy, manufacturing, and consumer goods. This varied usage application makes the chemicals industry a dynamic segment with emerging concepts such as green energy, digital technologies, and sustainability having a baring on its future growth potential.

Emerging economies such as India, China, ASEAN, and Brazil will especially play a critical role in the growth of the global chemicals industry. As these economies grow, the need for chemicals as raw materials in manufacturing and industrial processes, construction, and infrastructure will increase over the upcoming years. Advanced economies will also contribute towards the growth of the global chemicals industry, as demand for additives, electronic chemicals, specialty polymers, mining chemicals, and construction chemicals will remain on an upward trajectory.

Outlined below are some initiatives introduced by countries to propagate the growth of their respective chemicals industries. Chemicals industry growth will, in turn, foster raw material and supply chain development for other industries, contributing to overall industrial development and economic recovery and growth.

- The Netherlands has an ambitious target to achieve circularity by 2050, and its chemicals industry will be playing an important role in this vision. The Netherlands' – under its ChemistryNL initiative – will be partnering with the US to accelerate the growth of a more sustainable and circular Netherlands chemicals industry. The two countries will be working towards developing advanced supply chain processes that will help with refining and recycling various types of chemicals within Netherlands.

- Brazil's new USD 61 billion 10-year industrial policy plan will aim towards the revival and expansion of the country's manufacturing and industrial capabilities across critical industries such as agroindustry, healthcare, defense, housing, mobility, infrastructure, and biotechnology. This targeted approach will lead to positive spillovers within Brazil's chemicals industry, thus improving the competitiveness of its petrochemical chain.

- Australia has implemented the Industrial Chemicals Environmental Management Standard, or IChEMS that has provided a national approach to manage chemical import, use and disposal.

The future growth trajectory of the global chemicals industry will be driven by sustainability, circularity, digitalization, emerging technologies, and low carbon emissions. Chemical companies across the world will focus on the development, production, and maintenance of circular economy-based chemical products. Establishing circular business models that will expand reuse, repair, and re-manufacturing operations within the chemicals industry will gain traction over the medium to long-term, thus fostering the industry's growth momentum.

Digitalization will be another growth driver for the chemicals industry. Technologies such as automated chemical synthesis will be increasingly leveraged by chemical industry players to streamline production processes, improve worker productivity, enhance real-time product tracking, and lower operating costs. These emerging concepts will take center stage within the global chemicals industry over the long-term and government policies and business operations will increasingly cater to these changing dynamics to promote industry growth.

Macroeconomic Review – India

Gross Domestic Product (GDP) Growth & Outlook

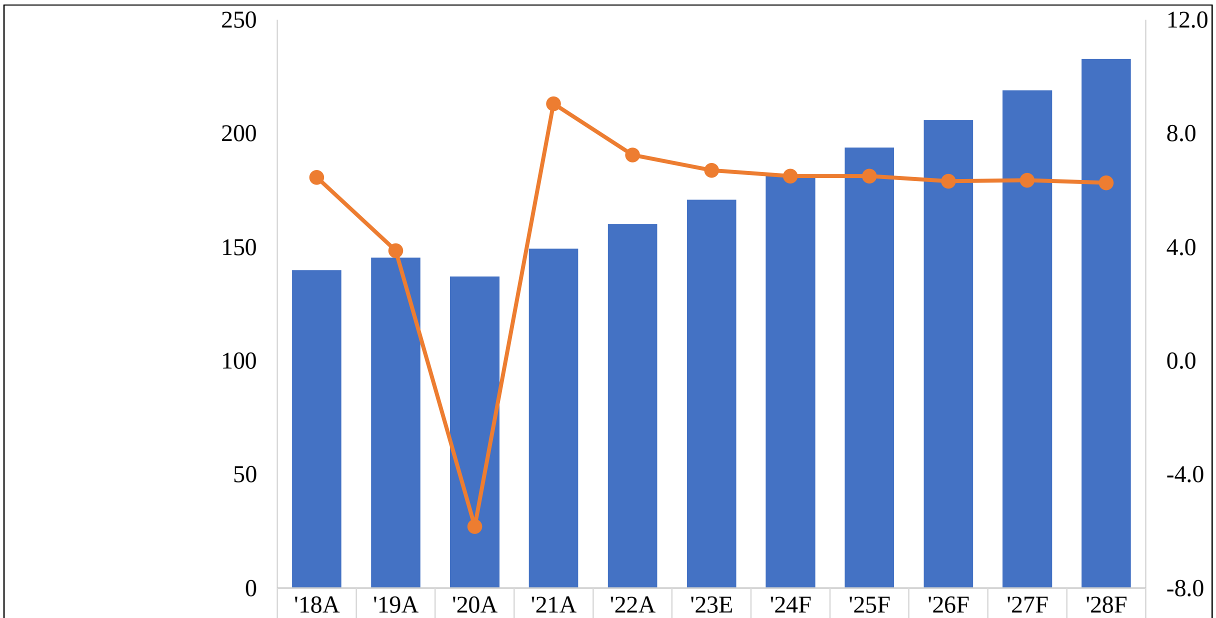
Following the Covid-19 induced 5.8% GDP contraction in FY2020, the Indian economy posted a robust economic rebound of 9.1% in FY2021. The Indian government as part of its proactive fiscal and monetary policies introduced several stimulus measures such as loan moratoriums, credit guarantees, and direct cash transfers to support businesses and households during the year. These measures helped sustain domestic consumption and mitigate the economic impact of the pandemic in FY2021. Recovery within manufacturing as well as the services industry – particularly within segments such as information technology, healthcare, and e-commerce – provided further impetus.

GDP growth fell to 7.2% in FY2022, mainly due to the Russo-Ukrainian war and the resultant supply disruptions which led to a sharp increase in food and fuel prices. To curtail these high price pressures, the Reserve Bank of India (RBI) adopted a restrictive monetary policy – with the repo rate hiked to 6.25% by the end of 2022. This dampened consumer spending and business confidence during the year. GDP growth is estimated to have fallen to 6.7% in FY2023, as elevated borrowing costs, challenging external conditions, and slower income growth weighed on momentum, particularly in H1 FY2023. GDP growth picked up pace in H2 FY2023, supported by modest easing in global commodity prices and recovery in consumer demand and business activity. Growth was also underpinned by the Indian government's Capex push, which bolstered industrial activity across sectors such as infrastructure, construction, renewables, transport, and mobility.

India is projected to grow by 6.5% in FY2024, a bright spot in an otherwise subdued global economic environment. The focus on infrastructural development, expanding manufacturing and services sectors, resilient credit growth, robust private consumption, and a growing export potential will propel economic momentum during the year.

Over the forecast period, the Indian economy is likely to grow by more than 6%. Consistent public expenditure on building and upgrading infrastructure and connectivity, boosting the scalability and uptake of the digital economy, strengthening domestic green energy generation capabilities, and undertaking economic policies that foster inclusive social development will be at the forefront of India's long-term economic vision.

Exhibit 2: Real GDP Value, at Constant Price (INR 000'Bn) and Growth %, India, FY2018 to FY2028F



	'18A	'19A	'20A	'21A	'22A	'23E	'24F	'25F	'26F	'27F	'28F
GDP	140	145	137	149	160	171	182	194	206	219	233
GDP Growth (%)	6.5	3.9	-5.8	9.1	7.2	6.7	6.5	6.5	6.3	6.3	6.3

Note: e: Estimate, f: Forecast, Source: Moody's Outlook, IMF Estimate, Dun and Bradstreet, IMF World Economic Outlook October 2023, IMF World Economic Outlook January 2024 Update, Frost & Sullivan

India's Strong Growth Path: Conducive Policy Support & Strong Fundamentals will Drive Long-term Investment Attractiveness

In the past decade, the Indian government has extensively focused on boosting domestic manufacturing capabilities. Initiatives like Make in India, Atmanirbhar Bharat, and Production Linked Incentive (PLI) schemes are playing an active role in establishing India as a manufacturing powerhouse, especially with the rising focus on China+1 strategies post-pandemic.

Continued policy support has started garnering positive results. For instance, since inception until November 2023, the PLI schemes brought in INR 1.03 lakh crore worth of investments, which further drove output of INR 8.06 lakh crore, and generated 6.87 lakh direct and indirect jobs.

Mobile Manufacturing and Specified Electronics Components is one of the 14 sectors which are covered in the ambit of the PLI. As per recently released data from the India Cellular and Electronics Association, mobile phone production is likely to post a mammoth 2000% rise between the FY2014-15 to FY2023-24 period, rising from INR 18,900 crore to INR 4.1 lakh crore, with FY2023-24 mobile phone exports pegged at INR 1.2 lakh crore.

The government has also set a vision for the chemicals and petrochemicals sector. By 2034, the aim is to bolster domestic production capabilities, reduce imports dependence, and attract foreign investments. The government plans to introduce production-linked incentives with 10-20% output incentives for the agrochemical sector and foster end-to-end manufacturing ecosystems through cluster development.

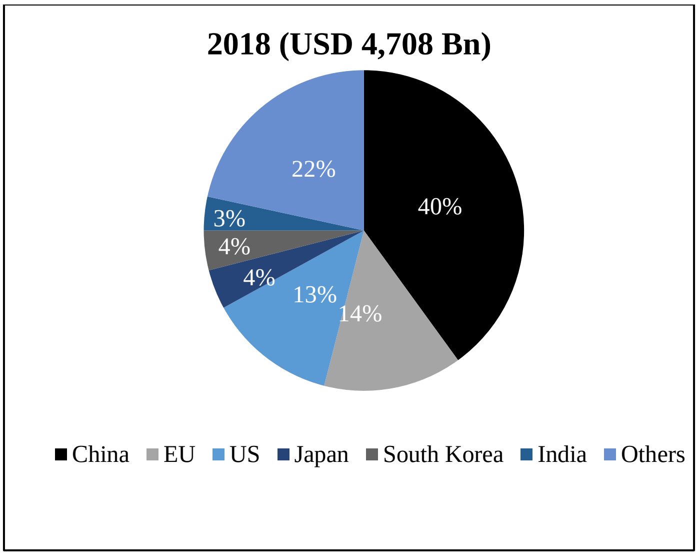
To conclude, with real GDP growth momentum forecast to remain above ~ 6.0% in long-term, India will remain a global growth frontrunner and enter the league of the top-3 largest economies by 2030. Moreover, the 2019-2027 manufacturing value add is forecast to grow at a CAGR of 10.8% compared to China's 6.9%, as the Chinese economy loses steam, and global firms prioritize diversification of sourcing and production lines to reduce overdependency on China. Hence, India's PLI scheme, solid GDP growth, as well as demographic dividend advantages will help attract more manufacturing investments.

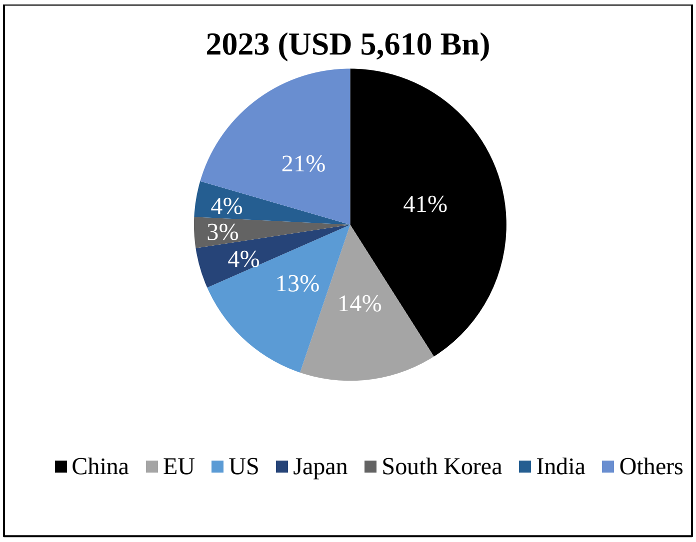
Chemical Industry Overview

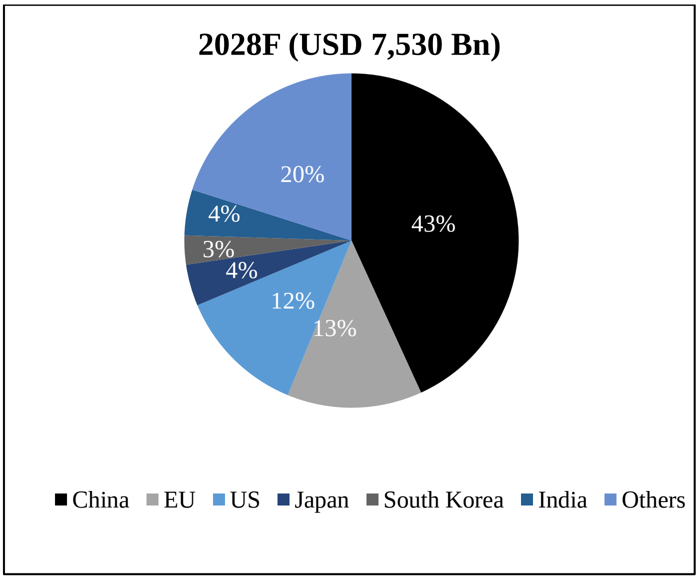
Global Chemicals Industry

The global chemicals market was valued at around USD 5,610 Bn in 2023 with China accounting for major market share (41%) in the segment followed by European Union (14%) and United States (13%). India accounts for ~4.5% market share in the global chemicals market. The global chemicals market is expected to grow at 6.1% CAGR, reaching USD 7,530 Bn by 2028. Going forward the APAC is anticipated to grow at the fastest rate during the forecast period (2023 - 28F). The chemicals markets in Europe & North America are relatively mature and hence would record compraratively slower growth.

Global Chemicals Market, CY2018, CY2023 and CY2028F, USD 4,708 Bn, USD 5,610 Bn and 7,530 Bn

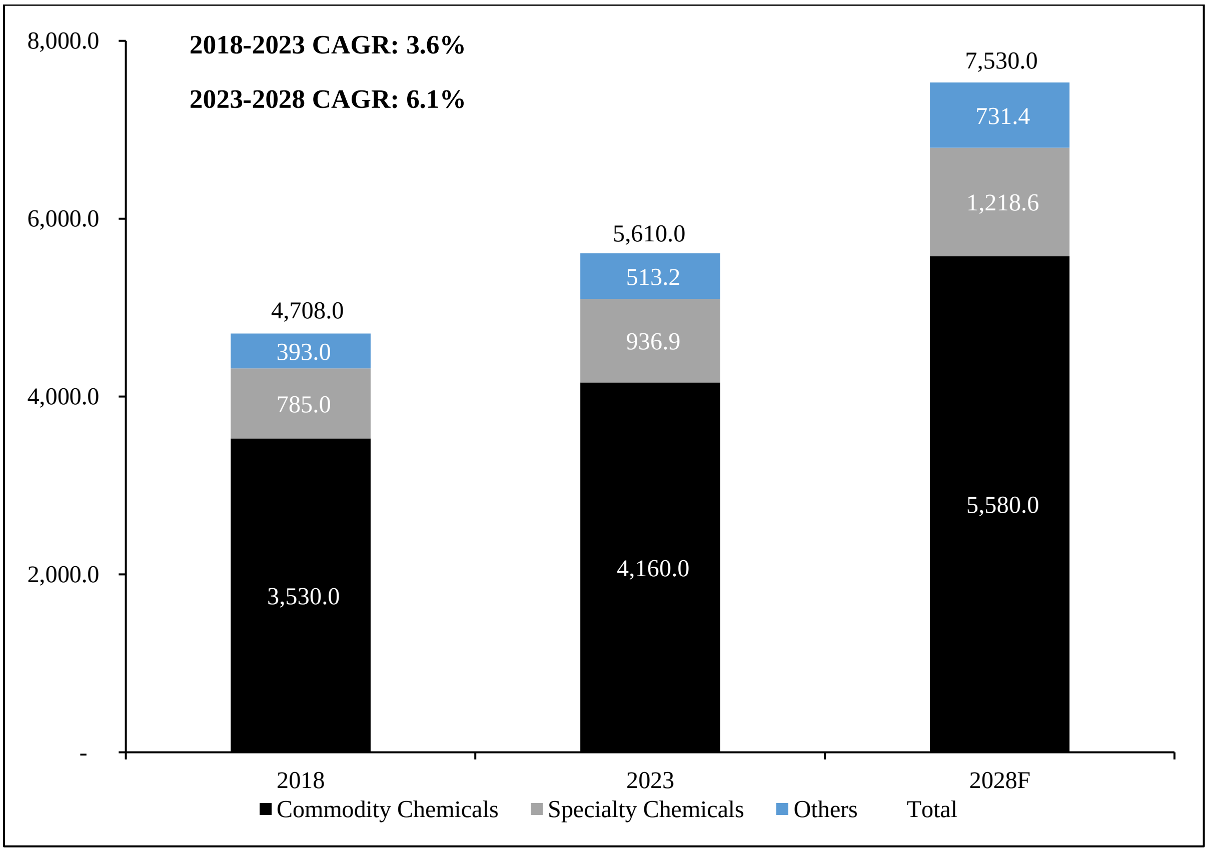






Source: Frost & Sullivan Research & Analysis

Global Chemicals Market, CY2018, CY2023 and CY2028F (US$ Bn)



Source: Frost & Sullivan Research & Analysis

Note: Others include Biotech chemicals, among others. Also note that the Indian chemical industry highlights Agrochemicals & Fertilizers and Pharma API outside of Specialty Chemicals and Petrochemicals outside of Bulk Chemicals. In the [illegible]raph the specialty chemicals section, however, is inclusive of the 2 categories (Agrochemical and Fertilizers and Pharmaceuticals API) and the Commodity Chemicals section is inclusive of Petrochemicals.

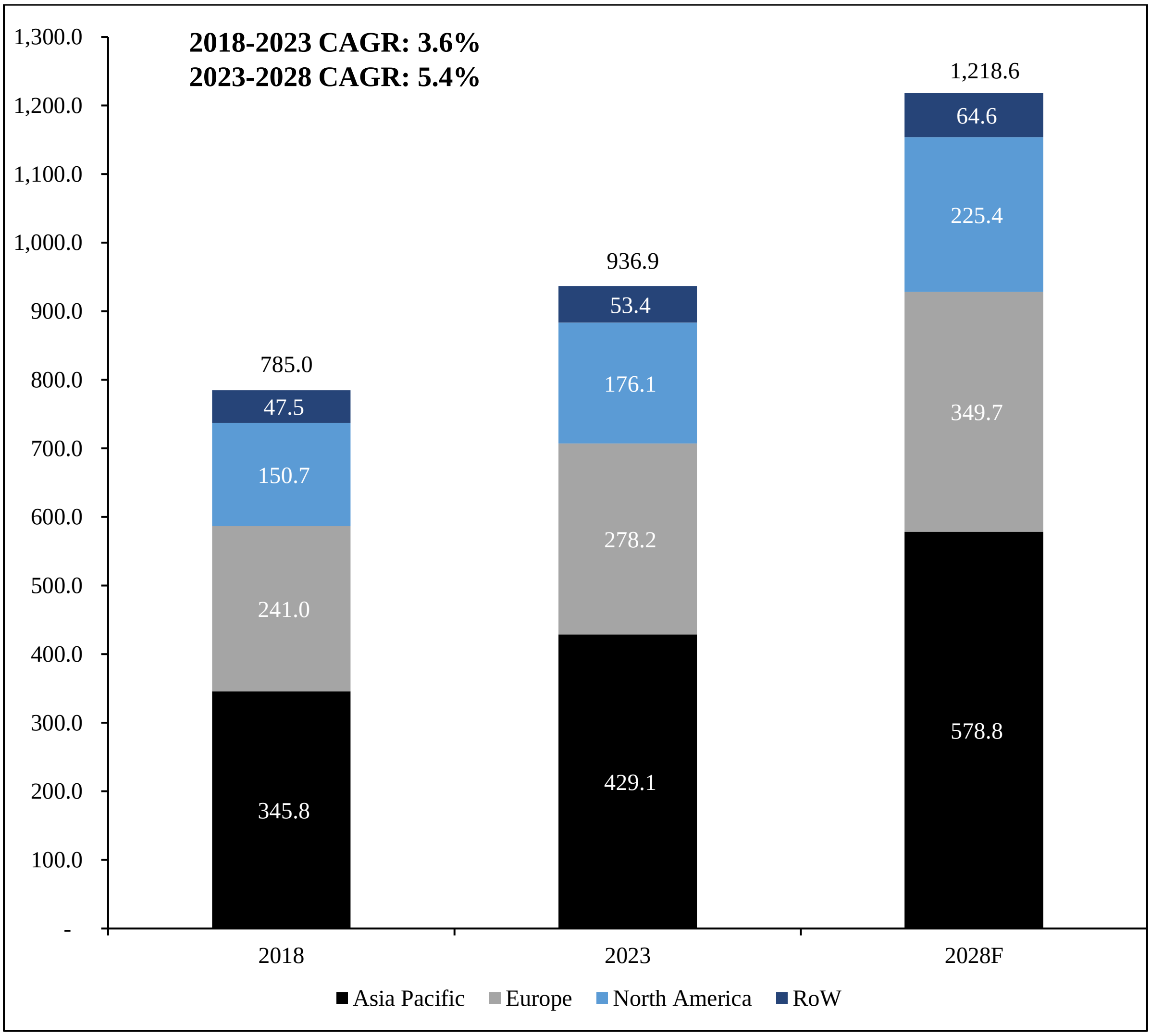
Period	Commodity Chemicals	Specialty Chemicals	Other Chemicals
2018 - 2023	**3.3%**	**3.6%**	**5.5%**
2023 - 2028	**6.0%**	**5.4%**	**7.3%**

Global Specialty Chemicals Market

Specialty chemicals, also known as specialties or effect chemicals, refer to specific chemical products that deliver diverse effects crucial to numerous industry sectors. They are designed to meet specific customer requirements and applications rather than serving general purposes. These chemicals may consist of single chemical compounds or complex formulations that significantly impact the performance and processing of the final product for which they are intended. Examples of specialty chemicals encompass antibiotics, adhesives, and pesticides, which are produced in limited quantities to address specific needs. For instance, antibiotics are customized to combat specific diseases, resulting in their production in small volumes as required.

Rapid urbanization & population growth have led to the increase in demand for agricultural, food, pharmaceutical and construction products, which are key drivers for the specialty chemicals market. The APAC region enjoys the highest share of ~ 45.8% of the global specialty chemicals market owing to the large population and associated demand of products catering to the growing population.

Global Specialty Chemicals Market by Geography, CY2018, CY2023 and CY2028F – Value (US$ Bn)



Source: Frost & Sullivan Research & Analysis

Period	Asia Pacific	Europe	North America	RoW	Global
2018 - 2023	**4.4%**	**2.9%**	**3.2%**	**2.4%**	**3.6%**
2023 - 2028	**6.2%**	**4.7%**	**5.1%**	**3.9%**	**5.4%**

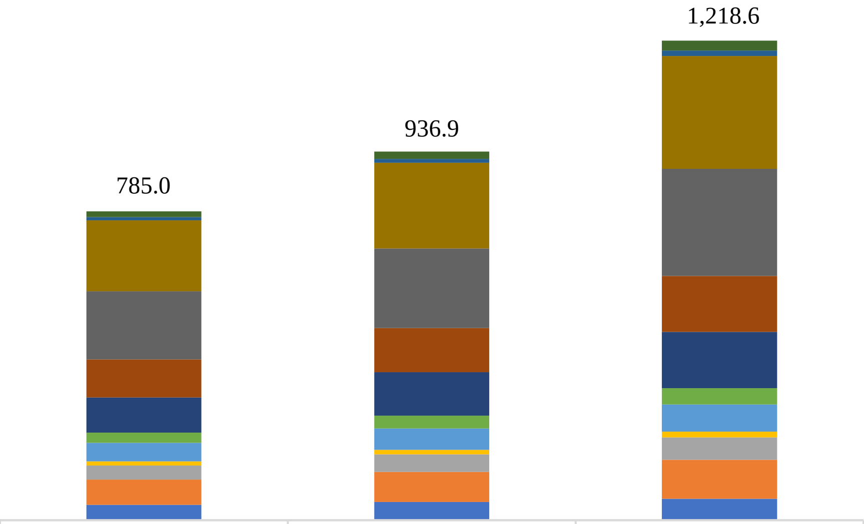
Market Segmentation – by Industry and Application Type

The global specialty chemicals industry can be segmented by the final end-user industry that these chemicals find applications in. Every end-industry varies in complexities of specialties required, and thus offer unique opportunities for specialty chemical players in terms of technology, competitive landscapes, profitability and corporate collaborations for growth and market penetration.

There's significant overlap in this characterization method. Market-oriented groups frequently encompass multiple functional chemicals serving the same market, whereas functional chemicals are typically utilized by various markets. This differentiation is primarily for the sake of convenience when discussing strategic aspects of business segments, rather than indicating a substantial variance in the products themselves.

Note: *There is considerable overlap in this method of segmenting specialty chemicals. Specialty chemicals often find use in more than one industry, and the segmentation below is purely to understand the size and potential of various end applications, as a part of business strategy and prioritization.*

Global Specialty Chemicals Segments by End Application, CY2018, CY2023E and CY2028F (US$ Bn)

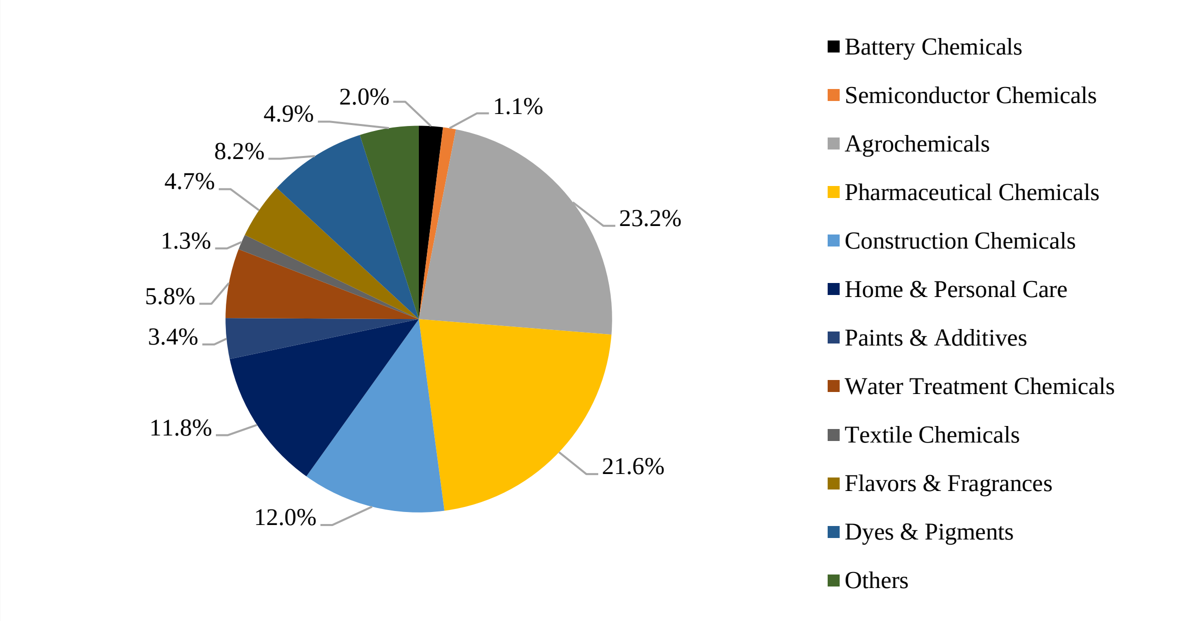


	2018	2023E	2028F
Battery Chemicals	14.9	18.7	25.6
Semiconductor Chemicals	8.2	10.1	13.9
Agrochemicals	180.6	217.3	286.4
Pharmaceutical Chemicals	172.7	202.4	271.9
Construction Chemicals	96.6	112.4	142.8
Home & Personal Care	89.7	110.5	142.7
Paints & Additives	25.9	31.9	41.1
Water Treatment Chemicals	47.1	54.3	69.5
Textile Chemicals	10.2	12.0	14.4
Flavors & Fragrances	36.1	44.0	57.3
Dyes & Pigments	63.6	76.8	98.7
Others	39.4	46.2	54.5
Total	785.0	936.9	1,218.6

Source: Frost & Sullivan Research & Analysis

Segment / End Application	CAGR (2018 - 2023)	CAGR (2023 - 2028)
Battery Chemicals	4.7%	6.4%
Semiconductor Chemicals	4.1%	6.6%
Agrochemicals	3.8%	5.7%
Pharmaceutical Chemicals	3.2%	6.1%
Construction Chemicals	3.1%	4.9%
Home & Personal Care	4.3%	5.2%
Paints & Additives	4.2%	5.2%
Water Treatment Chemicals	2.9%	5.0%
Textile Chemicals	3.3%	3.7%
Flavors & Fragrances	4.0%	5.4%
Dyes & Pigments	3.9%	5.1%
Others	3.2%	3.3%
Total	**3.6%**	**5.4%**

Global Specialty Chemicals Market, Industries & Applications, CY2023E, Value (~ USD 937 Bn)



Source: Frost & Sullivan Research & Analysis

Growth Drivers

5 - Year Growth Forecast Split by Key Industries Highlighting Key Factors Driving Growth

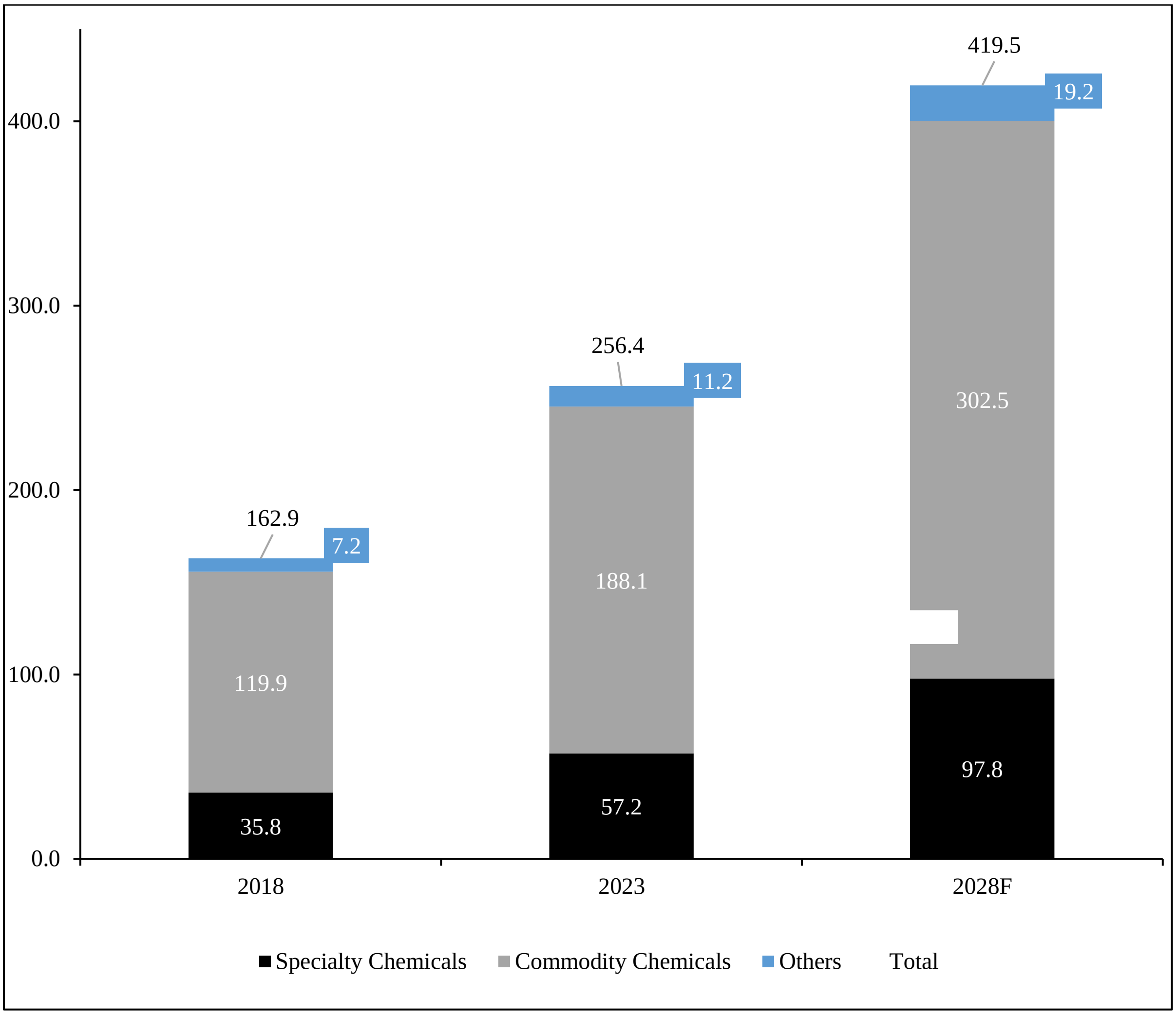
Segments	Key Growth Drivers	(2023-28F CAGR)
Battery Chemicals	The rising popularity of electric vehicles in the automotive market is driving a surge in demand for batteries. This will directly lead to demand for technologies and chemicals to support the segment.	6.4%
Semiconductor Chemicals	Advancements in technology like 5G wireless, artificial intelligence, the Internet of Things, cloud computing, and machine learning are fueling a sustained increase in demand for the chip industry in the long term. Continued government funding and incentives will further compliment the industry growth, and with it will grow the semiconductor specialty chemicals market.	6.6%
Agrochemicals & Fertilizers	Given the increasing rate of global population growth, the heightened necessity for additional crop protection measures to mitigate crop losses and enhance yields, and the escalating consumer preference for sustainably sourced food products, the demand for agrochemicals, with high focus on sustainability is expected to register robust growth in the coming decade.	5.7%
Pharmaceuticals Chemicals (APIs)	Global federal efforts to improve national healthcare systems, emphasis on development of generics to control drug costs and healthcare spending, increase in chronic disease prevalence combined with R&D on novel molecules and therapies will shape the vital pharmaceutical industry globally.	6.1%
Construction Chemicals	The swift pace of urbanization and infrastructure expansion will encompass various projects such as the development of smart cities, construction of highways and railways, as well as the facilitation of affordable housing initiatives, which will drive growth in this sector.	4.9%

Segments	Key Growth Drivers	(2023-28F CAGR)
Home & Personal Care Ingredients	The anticipated key driving forces shaping this segment in the forthcoming decade are the rising purchasing power alongside an increasing awareness and demand for personal care products.	5.2%
Paints & Coatings Additives	Increasing urbanization, improvement in spending capacities, growth of the automobile sector, and large-scale housing and infrastructure developments will contribute to robust growth.	5.2%
Water Treatment Chemicals	As populations grow, the demand for clean drinking water will also grow up, and treatment and purification technologies will also grow with this trend. Federal emphasis on quality of water and environment regulations will also support growth in this segment.	5.0%
Textile Chemicals	Increasing demands for quality and properties of final products such as longer life, wrinkle-free quality, better color retention on longer wash cycles etc., will raise demand for chemicals to support the development of products for these qualities.	3.7%
Flavors & Fragrances Ingredients	The increasing customer awareness regarding the potential long-term health effects of synthetic chemicals and additives in food products has spurred a surge in demand for natural and wholesome ingredients in food items. This trend stands as the primary catalyst propelling the growth of the flavors and fragrances market.	5.4%
Dyes & Pigments	Sustainability considerations are fueling innovation in eco-friendly dyes, while the emergence of digital printing and the development of functional textiles featuring unique properties such as water repellency are generating a need for specialized dyes to address these evolving requirements.	5.1%

India Chemical Industry Overview

The chemical industry in India is valued at approximately US$ 256 billion (~ 4.56% share in the global chemical industry) in 2023 and is expected to register robust growth of 10.3% till 2028. India ranks sixth globally and third in Asia in chemical production, making up 7% of the country's GDP. On a global scale, India stands as the fourth-largest producer of agrochemicals, trailing behind the United States, Japan, and China. It commands a significant share of 16-18% in the production of dyestuffs and dye intermediates worldwide. Between April 2023 and December 2023, India's agrochemical export reached an estimated US$ 3.12 billion. With approximately 15% of the global market share, India's dyes & colorants industry has emerged as a strong player. India has long been a frontrunner in generics, biosimilars, and vaccine production, contributing over 50% of the global vaccine supply. Moreover, India holds substantial positions in global chemical trade, ranking 14th in exports and 8th in imports, excluding pharmaceuticals. During the same period (Apr'23 - Dec'23), India's dye exports, encompassing dyes and dye intermediates, totaled US$ 1.69 billion.

Indian Chemicals Market, CY2018, CY2023 and CY2028F (US$ Bn)

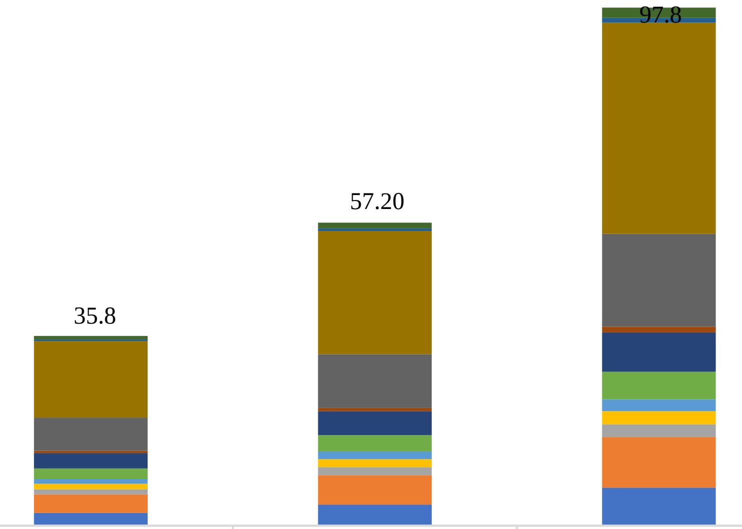


Period	Specialty	Commodity	Others	Total
2018 - 2023	9.8%	9.4%	9.3%	9.5%
2023 - 2028	11.3%	10.0%	11.5%	10.3%

Moving forward, Indian specialty chemical companies can expect sustained revenue growth, driven by robust demand from both domestic and international markets. The industry will also continue to benefit from government support in the development of business capabilities. This includes advocating for additional Petroleum, Chemicals, and Petrochemicals Investment Regions (PCPIRs) and ensuring timely availability of raw material and facilitate smooth operations, taxation/economic aids, and measures to support the sales process. Anticipated shifts in the global supply chain due to the China+1 strategy, coupled with a resurgence in domestic end-user demand are expected to be the key driving forces for the Indian specialty chemicals market in the coming decade. Some of the key players in the India specialty chemicals space include Aarti Industries, Gujarat Fluorochemicals Limited, Balaji Amines etc. ***Ami Organics is one of the leading research and development driven manufacturer of specialty chemicals.***

Market Segmentation– by Industry and Application Type

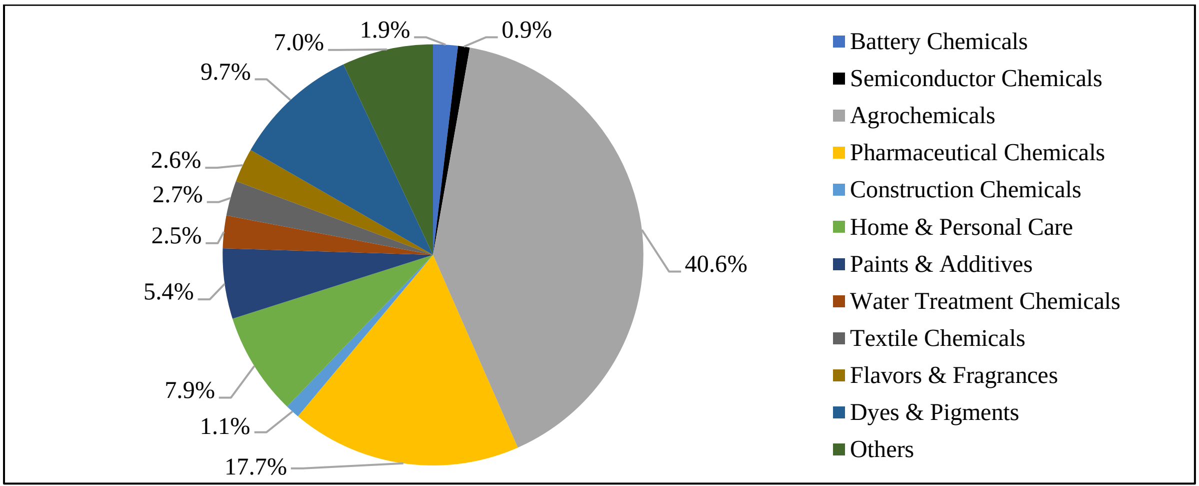
India Specialty Chemicals Segments by End Application, CY2018, CY2023E and CY2028F (US$ Bn)



	2018	2023E	2028F
Battery Chemicals	0.6	1.1	2.0
Semiconductor Chemicals	0.3	0.5	0.9
Agrochemicals	14.4	23.2	39.9
Pharmaceutical Chemicals	6.3	10.1	17.5
Construction Chemicals	0.4	0.6	1.1
Home & Personal Care	2.9	4.5	7.4
Paints & Additives	2.0	3.1	5.2
Water Treatment Chemicals	0.9	1.4	2.2
Textile Chemicals	1.0	1.5	2.4
Flavors & Fragrances	1.0	1.5	2.4
Dyes & Pigments	3.5	5.5	9.5
Others	2.4	4.0	7.2
Total	35.8	57.20	97.8

Segment / End Application	CAGR (2018 - 2023)	CAGR (2023 - 2028)
Battery Chemicals	11.0%	12.5%
Semiconductor Chemicals	10.6%	11.3%
Agrochemicals	10.0%	11.4%
Pharmaceutical Chemicals	10.1%	11.6%
Construction Chemicals	7.1%	11.3%
Home & Personal Care	9.3%	10.5%
Paints & Additives	9.4%	10.9%
Water Treatment Chemicals	9.0%	9.5%
Textile Chemicals	8.8%	9.6%
Flavors & Fragrances	8.2%	10.5%
Dyes & Pigments	9.8%	11.4%
Others	10.6%	12.4%
Total	**9.8%**	**11.3%**

Indian Specialty Chemicals Market, Industries & Applications, CY2023E, Value (USD 57 Bn)



Source: Frost & Sullivan Research & Analysis

Growth Drivers

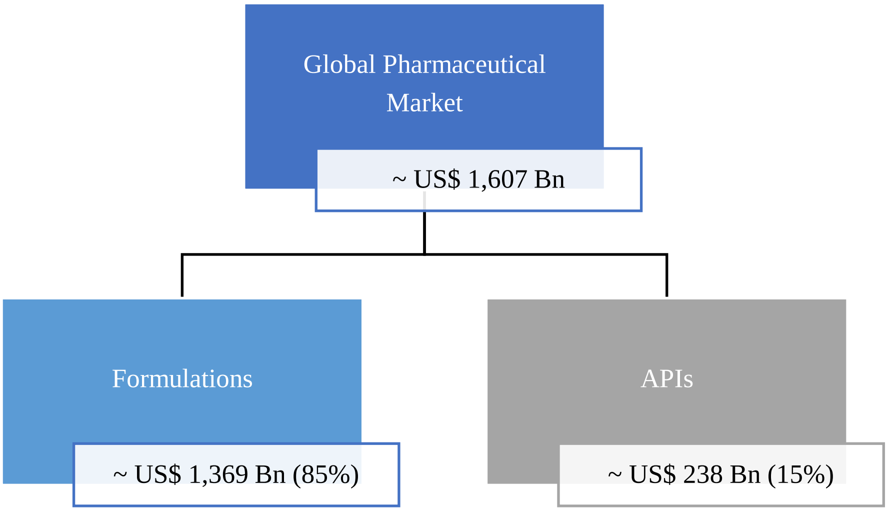
5 - Year Growth Forecast Split by Key Industries Highlighting Key Factors Driving Growth

Segments	Key Growth Drivers	(2023-28F CAGR)
Battery Chemicals	India revealed its ambitious targets for 2030 during the COP 26 UN Climate Change Conference. These goals comprised of increasing non-fossil energy capacity to 500 GW, securing 50% of its electricity from renewable sources, curbing projected carbon emissions by one billion tons, and reducing its economy's carbon intensity by at least 45% by 2030. This means that the battery business is expected to experience strong growth in the coming decade, and the requirements for chemicals will also grow.	12.5%
Semiconductor Chemicals	Since 2021, with the introduction of the India Semiconductor Mission (ISM) and the implementation of substantial subsidies and favorable business conditions for key industrial players, the industry has seen strong growth, and will continue to emerge as a dependable hub for semiconductor, owing to geopolitical aspects as well as the availability of skilled semiconductor workforce.	11.3%
Agrochemicals & Fertilizers	High growth is anticipated due to favorable domestic policies, a supportive investment environment, and increased production capacities and infrastructure development by Indian companies. Indian firms are directing their investments towards manufacturing off-patent molecules, aiming to diminish dependence on imports from China. Additionally, they are prioritizing the registration of off-patent products and cultivating partnerships with distributors to enhance sales volumes at competitive prices.	11.4%
Pharmaceuticals Chemicals	India has emerged as a significant global player in the production of Active Ingredients and generics, solidifying its position as a key manufacturer and supplier of vaccines worldwide. The industry is further propelled by the growth of Contract Research and Manufacturing Services (CRAMS). Additionally, the development of biological drugs and biosimilars represents a prominent and burgeoning area of expansion. Government initiatives such as allowing 100 percent FDI through automatic routes for greenfield pharmaceutical projects, implementing the PLI scheme to enhance manufacturing capacity for Key Starting Materials (KSMs) and Active Pharmaceutical Ingredients (APIs), promoting the establishment of medical devices parks, improving infrastructure facilities, and implementing robust pricing policies are crucial steps in the right direction.	11.6%

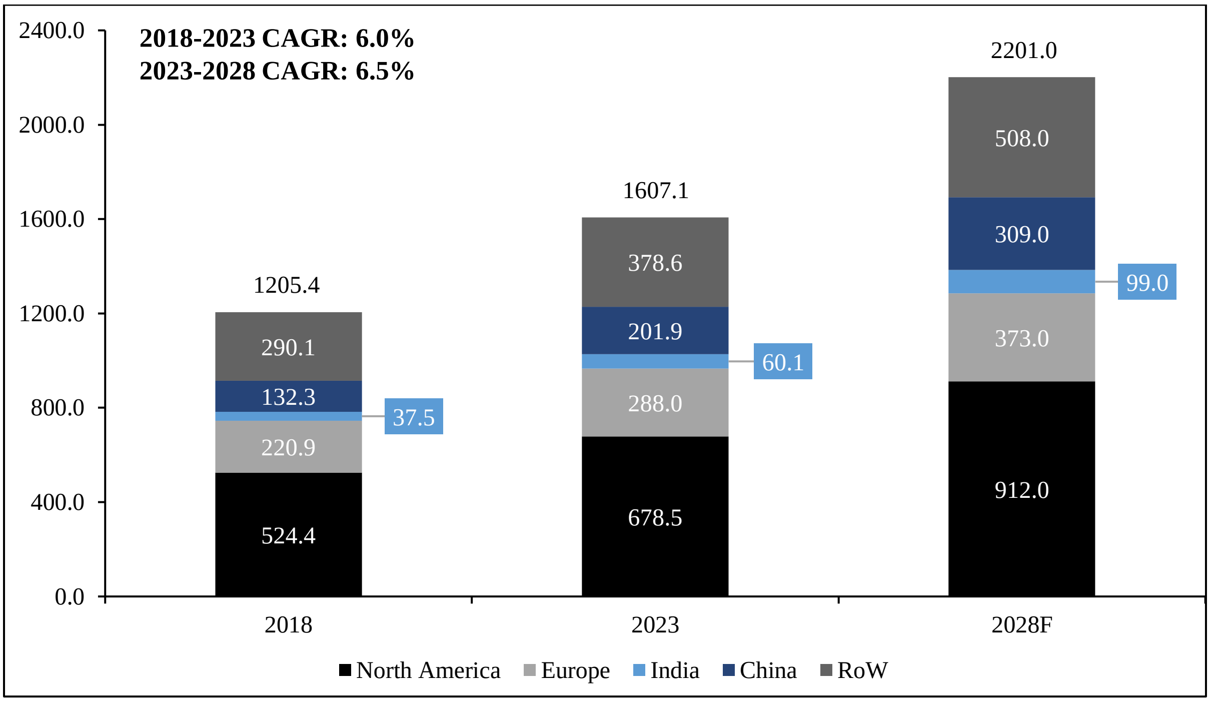
Segments	Key Growth Drivers	(2023-28F CAGR)
Construction Chemicals	India's intention to invest approximately $1.35 trillion in infrastructure development presents opportunities for companies in this space, particularly construction chemicals. Given the significant focus on sustainability both in India and globally, there is a rising demand for construction materials that adhere to green building standards. Government initiatives such as Make in India, coupled with a strong emphasis on affordable housing, have the potential to bolster the construction sector.	11.3%
Home & Personal Care Ingredients	India has witnessed cultural shift towards a heightened interest in stylized grooming and appearance, attributed to increased exposure to beauty trends via social media and access to global beauty brands. By 2030, India is projected to host over 70 urban centers with populations exceeding a million residents, and it will boast the world's largest and youngest workforce, with a median age of 31. These demographic shifts are also anticipated to significantly propel overall retail demand for these products.	10.5%
Paints & Coatings Additives	Rapidly increasing consumer demand and a rise in per capita income are motivating major companies to delve into the paint and coating industries. Following the pandemic, a surge in investments and infrastructure development has led to heightened demand from the real estate sector, which constitutes approximately 70% of India's total coating demand. Anticipated to be strong in the coming decade, demand from the real estate sector is driven by expectations of substantial project completions and heightened government expenditure on affordable housing and infrastructure, which will support this segment.	10.9%
Water Treatment Chemicals	India's expansive and expanding population generates significant demand and presents many opportunities for wastewater management services and products, including chemicals. India boasts a dynamic ecosystem of stakeholders including government agencies, the private sector, civil society, academia, and media, all of which can collaborate and play a role in advancing wastewater management efforts, which will drive up the demand for chemicals and technologies to support these efforts.	9.5%
Textile Chemicals	India’s growing population, coupled with the clothing industry's growing preference for non-toxic chemicals is fueling a rise in textile chemical sales. To satisfy the demand in textile and apparel sectors, major corporations are investing heavily in researching and developing eco-friendly, non-toxic chemicals.	9.6%
Flavors & Fragrances Ingredients	The growth in essential oils is propelled by the demand for natural products, whereas the demand for fragrance chemicals is being shaped by advancements in synthetic compounds. Indian companies have displayed significant technological prowess by harnessing both domestically developed expertise and imported technologies. Research and Development (R&D) endeavors have yielded the creation of novel ingredients and products and will drive growth in the coming decade.	10.5%
Dyes & Pigments	The rising population in the country, rise of the middle class and growth in spending capacities are expected to raise the demand for multiple consumer products, which will drive robust growth for dyes and pigments used in coloring and finishing of these products.	11.4%

Global Pharmaceutical Market

The global pharmaceutical market, currently valued at around US$ 1.6 trillion, is forecasted to sustain a compound annual growth rate (CAGR) of 6.5% until 2028, reaching an estimated worth of US$ 2.2 trillion. Post the COVID-19 pandemic, there has been a notable shift towards innovative therapies such as mRNA, antibody drug-conjugates (ADCs), and microbiome-based therapeutics, along with the development of specific therapeutic areas such as diabetes, cardiovascular, central nervous system (CNS) and gene therapeutics. These advancements are expected to fuel substantial growth within the industry in the coming years. Additionally, factors such as enhancing patient experience and navigating a rapidly evolving healthcare landscape, influenced by stricter access and pricing regulations in key regions, will also play significant roles in shaping the industry's trajectory.



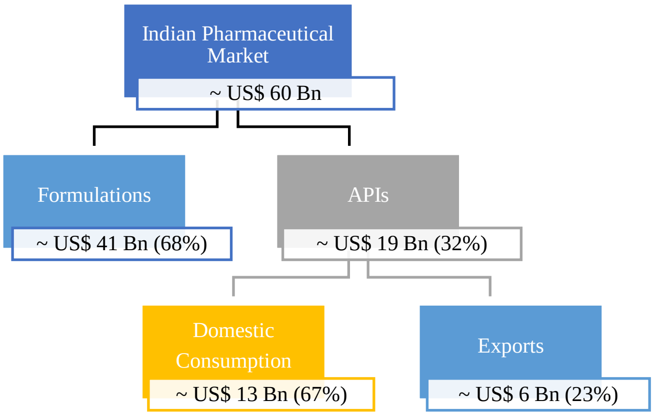
Global Pharmaceutical Industry Size, CY2018, CY2023 and CY2028F – Value (US$ Bn)



Period	N. America	Europe	India	China	RoW	Global
2018-2023	**5.3%**	**5.4%**	**9.9%**	**8.8%**	**5.5%**	**6.0%**
2023-2028	**6.1%**	**5.3%**	**10.5%**	**8.9%**	**6.1%**	**6.5%**

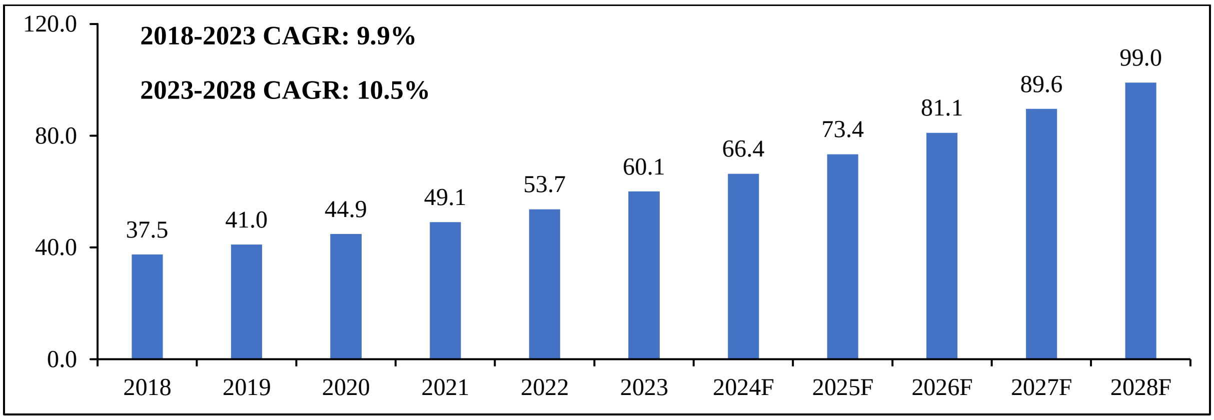
Indian Pharmaceutical Market

The Indian pharmaceutical market was valued at ~ US$ 60.1 Bn in 2023 and is expected to grow strongly at approximately 10.5% to reach ~ US$ 99 Bn in 2028. India plays a significant role in the global pharmaceutical landscape, serving more than 200 countries with its exports.



The Indian pharma industry caters to over 50% of Africa's generic drug needs, approximately 40% of the generic demand in the US, and around 25% of all medications in the UK. Moreover, India contributes to about 60% of the global vaccine demand and stands as a prominent supplier of vaccines such as DPT, BCG, and Measles vaccines. Notably, 70% of the World Health Organization's vaccines, as per the essential Immunization schedule, are sourced from India.

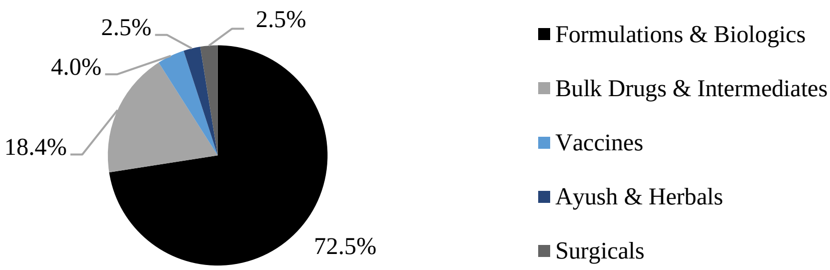
India Pharmaceuticals, Industry Size (USD Bn), CY2018 - CY2028F



Pharmaceuticals: Export Scenario

Export Market: In FY23, India exported pharmaceutical products in the tune of US$ 25.5 Bn. India exports pharmaceutical products to various regions globally, including North America, Africa, the European Union (EU), ASEAN countries, Latin America & the Caribbean (LAC), the Middle East, Asia, the Commonwealth of Independent States (CIS), and other European regions. Nearly two-thirds of India's pharmaceutical exports are directed towards NAFTA, Europe, and Africa. In the fiscal year 2022-23, the top five export destinations for the Indian Pharma Industry were the USA, Belgium, South Africa, the UK, and Brazil.

% Export Share by Product, India, CY2023



Source: Frost & Sullivan Research & Analysis, India Brand Equity Foundation (IBEF)

India Pharmaceutical Market - Industry Drivers

1. **Rise of non-communicable disease (NCDs) patients in India:** As per Apollo Hospitals' "Health of Nation Report" released on World Health Day 2024, it was revealed that approximately one out of three Indians are currently in a pre-diabetic state, while two out of three are pre-hypertensive, and one out of ten are experiencing depression. Additionally, there is a troubling increase in cancer cases within the country compared to global trends. The Apollo report also highlights a nationwide prevalence of 11.4% for diabetes, 15.3% for pre-diabetes, 35.5% for hypertension, 28.6% for general obesity, 39.5% for abdominal obesity, and 24% for hypercholesterolemia in India. These statistics underscore a growing concern regarding non-communicable disease (NCD) patients in India, highlighting the crucial role of the pharmaceutical industry in addressing these rising figures and enhancing the overall health status of the nation.

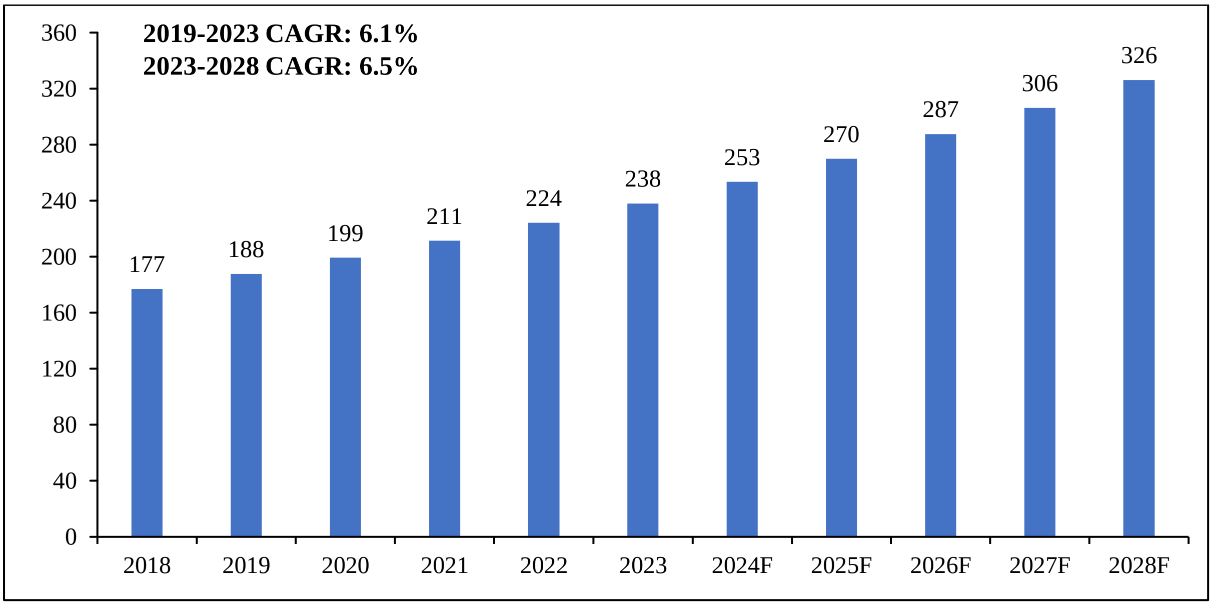
2. **Federal Policies:** To achieve the goal of establishing a $130 billion Indian pharmaceutical industry by 2030, the government has initiated several policies aimed at supporting the sector's growth. These schemes are developing self-reliance, advancing health equity, and improving the regulatory efficiency in the Indian pharma sector. Some of the schemes launched include National Pharmaceutical Policy (2023), Scheme for Strengthening of Pharmaceuticals Industry (2022), Scheme for Promotion of Bulk Drug Parks (2020), Vision Pharma 2047 & Production Linked Incentive (PLI) schemes for Pharmaceuticals.

3. **Demand & Supply Drivers:** India is set to witness the rise of the middle class, with 73 million households shifting to this category over the next decade. The population growth and lifestyle changes are expected to boost the demand for drug and medical device products. Federal spending of ~ US$ 200 Bn on medical infrastructure is another indicator that will help the pharma industry to grow. Many global players are anticipated to introduce patented medications in India following the implementation of product patents. Conversely, patents for numerous branded molecules, with combined global sales exceeding $251 billion started expiring in 2018 and are set to conclude by 2024. This presents opportunities for Indian pharma players. Additionally, India's significantly lower production costs, approximately 33 percent less than those in the US, provide a substantial advantage for the country's pharmaceutical sector.

Global Active Pharmaceutical Ingredients Market

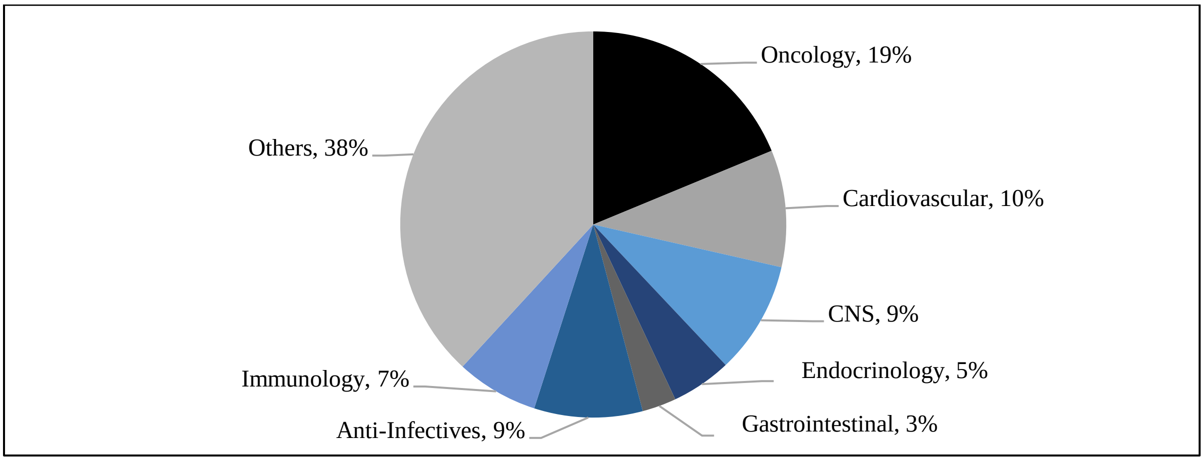
The Global API market has shown steady growth of 6.1% since 2018, reaching a value of US$ Bn 238 in 2023, and is expected to further expand at 6.5% up until 2028.

Global API Industry Size (USD Bn), CY2018 - CY2028F



The growth of the API industry will be primarily driven by the need for innovative molecules aimed at supporting the formulation technologies to improve patient compliance and pharmacological properties. Growing populations, combined with the rise in chronic disorders will call for more effective API chemistries, which will fuel the growth of this segment.

Global API Market Split by Therapy Segment, CY2023 (in USD Bn) – USD 238 Bn



Source: Frost & Sullivan Research & Analysis

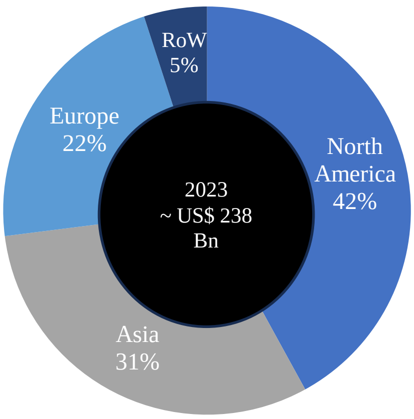
Global API Market CAGR by Therapy Areas (Historical & Forecasted)

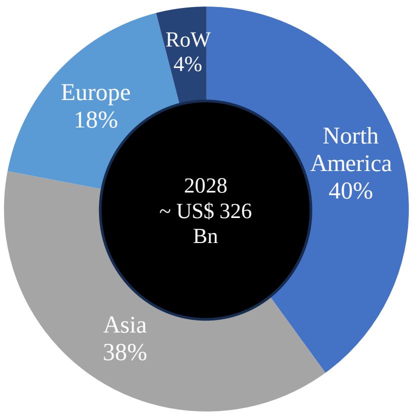
Period	CVS	Oncology	CNS	GI	Endo	Immunology	Anti-Infectives	Global
2018 - 2023	4.2%	11.0%	3.0%	4.3%	6.3%	7.7%	4.3%	6.1%
2023 - 2028	4.8%	13.0%	4.8%	4.8%	6.8%	9.0%	5.0%	6.5%

Oncology was the largest therapy segment in terms of API products. Global rise in cases of cancer, combined with federal aims at curbing the disease are bound to boost growth of this segment. Oncology drugs are also complex in terms of chemistry and are expensive, which will need investments in R&D efforts. Cardiovascular, CNS and Anti-infectives were following the list, and are expected to register strong growth in the coming decade due to the rising cases of non-communicable diseases and growing awareness of mental health disorders such as depression and Parkinson's disease. The API segment is ripe for innovation, as governments seek to promote generics to reduce national healthcare budgets, while need for more patient-compliant, effective and cheaper medicines continue to be the need of the market.

Ami Organics is market leader for various key intermediates across the globe. As one of the biggest manufacturers of key intermediate products for the target therapies, having a global market share >50% for these products, Ami Organics is in a unique position to cross-sale new molecules to existing clients.

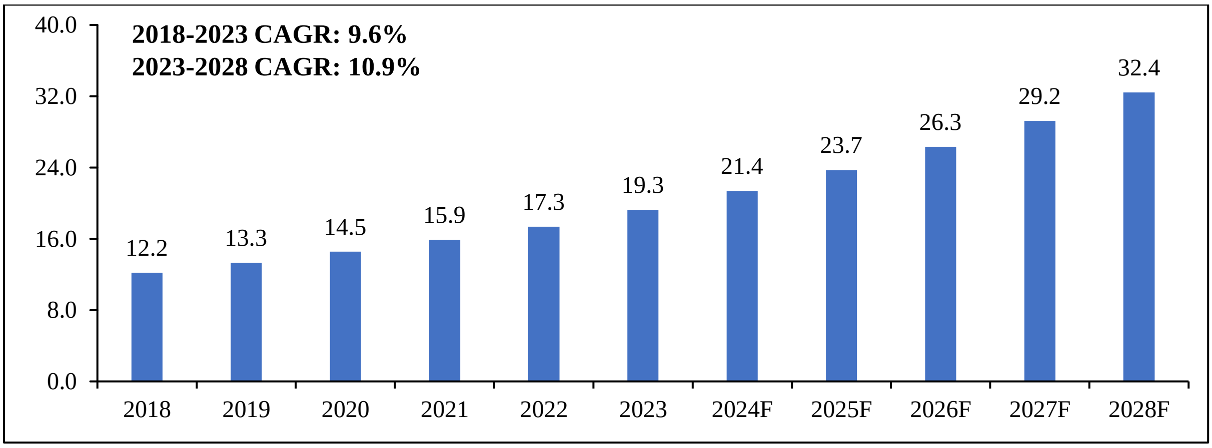
Global API Market Segmentation by Geography, CY2023 and CY2028F



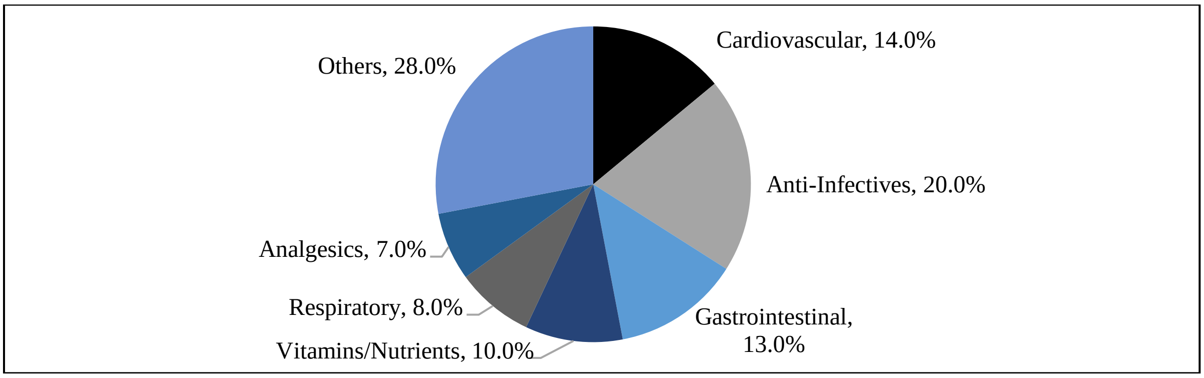


India Active Pharmaceutical Ingredients Market

Indian API Industry Size (USD Bn), CY2018 - CY2028F



Indian Domestic API Market Split by Therapy Segment, CY2023 (in USD Bn) – USD 19.3 Bn

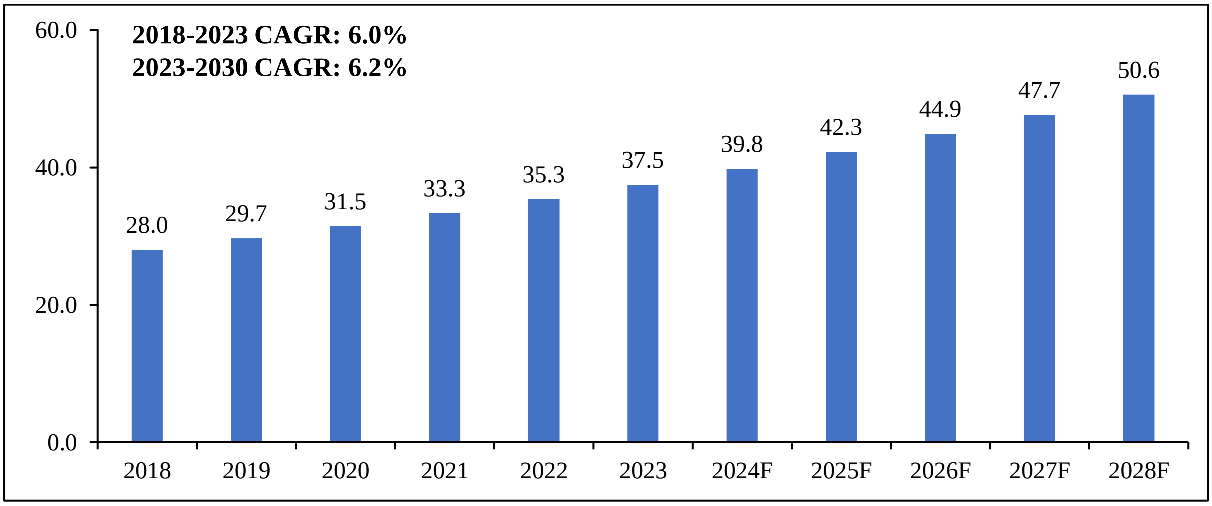


Source: Frost & Sullivan Research & Analysis

Global API Intermediates Market

The Global market for specialty intermediates that go into pharmaceutical application was valued at USD 37 Bn for 2023. KSMs serve as the fundamental elements that undergo chemical changes and reactions, ultimately resulting in the desired API. They hold a crucial role in API production, acting as the initial point or precursor for the synthesis process.

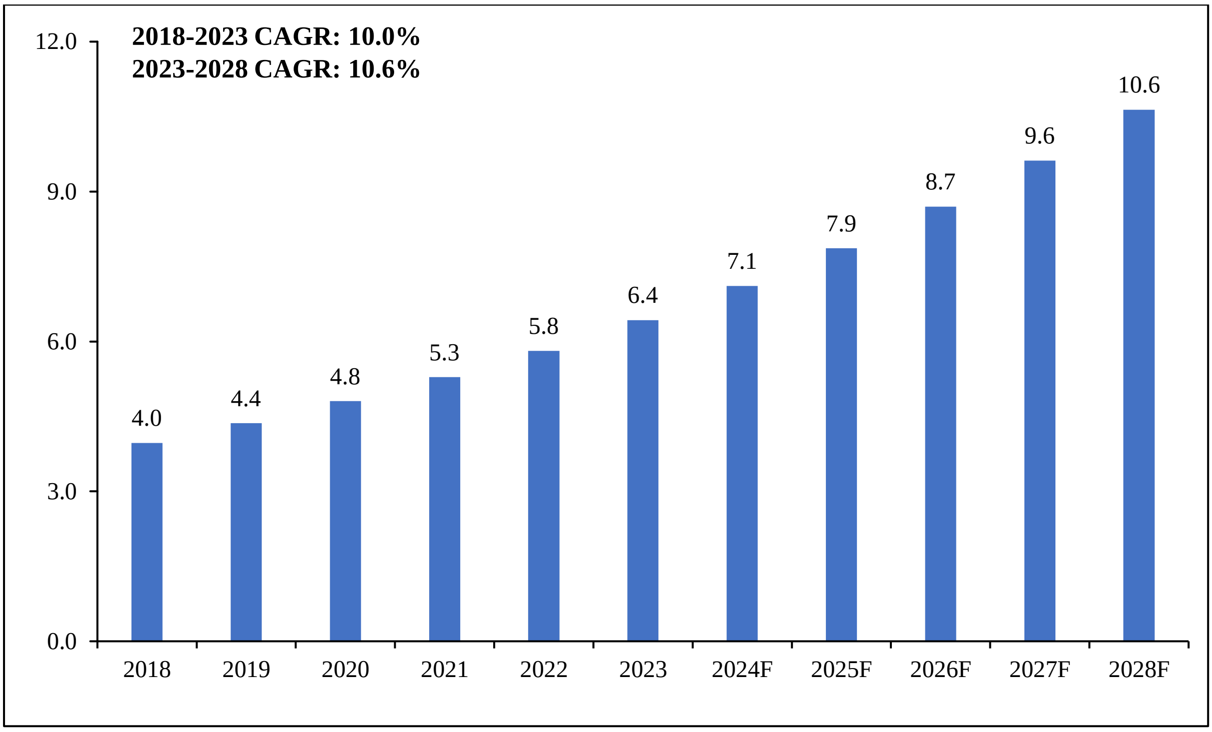
Global API Intermediate Market Size (USD Bn), CY2018 - CY2028F



India API Intermediates Market

The market for pharmaceutical intermediates in India for the year 2023 stood at ~ USD 6.4 Bn, growing at a CAGR of 10.6% over 2023-28.

India API Intermediate Market Size (USD Bn), CY2018 - CY2028F



India's Potential for Growth

Despite being the leading producer of vaccines globally, with almost half of the world's supply originating from India, the country still has significant reliance on imported active pharmaceutical ingredients (API), key starting materials (KSM), and essential chemicals, underscoring the urgency for a solution. The opportunity lies at lessening the dependence on China for bulk drugs and intermediates.

- **Opportunity Size**: Assuming that over the next decade, one-fourth of Chinese API exports shift to India and that India's domestic consumption increases steadily at a rate of 12% per annum (aligned with the nominal GDP growth rate), the pharmaceutical sector could potentially expand to $94 billion in a decade from now.

- **Geopolitical Considerations**: As Western countries become more concerned about their reliance on China for active pharmaceutical ingredients (APIs), India emerges as the most logical alternative for API production due to several factors: (a) the country's existing production capacity; (b) its expertise in process chemistry; and (c) the fact that, besides India and China, no other nation produces APIs on a large scale.

Capitalizing on these opportunities via a mix of federal support while developing technologies and greener chemistries, India can make strides towards lessening the dependence on China while also becoming a global player in the API markets.

Government Initiatives:

In 2021, the Indian government approved a Production Linked Incentive (PLI) scheme in this segment totaling around $2 billion. Under this initiative, 35 active pharmaceutical ingredients (APIs), previously subject to a 90% import dependence primarily from China, are now being produced in 32 different manufacturing plants across the country. Consequently, approximately 55 companies operating in this sector have reaped the benefits of this scheme.

Under the China+1 strategy, there's been a surge in capital expenditure (Capex) investments in captive API manufacturing. Some enterprises have established well-managed operations, highlighting their recognition of

APIs as a promising and stable revenue stream. Moreover, notable consolidation is occurring in the API market, with certain companies adopting an assertive inorganic growth approach, creating extensive API platforms to serve global clients. This presents India with a prime opportunity to contribute significantly to the China+1 initiative, bolstered by robust policy commitments such as the PLI schemes and the establishment of bulk drug parks.

In 2022, three bulk drug parks were announced to be set up in Gujarat, Andhra Pradesh, and Himachal Pradesh. The three bulk drug parks, sanctioned by the Department of Pharmaceuticals as part of the "Promotion of Bulk Drug Parks" initiative, are poised to significantly bolster the nation's capabilities in bulk drug manufacturing. By providing shared infrastructure facilities at centralized locations, these new parks will foster the development of a robust ecosystem for bulk drug production, thereby substantially lowering manufacturing costs. This program aims to stimulate domestic bulk drug production, curbing reliance on imports and positioning India prominently in the global market by ensuring manufacturers have access to top-notch infrastructure facilities. Furthermore, it will enable the industry to comply with environmental standards cost-effectively through innovative measures such as shared waste management systems, while capitalizing on resource optimization and economies of scale.

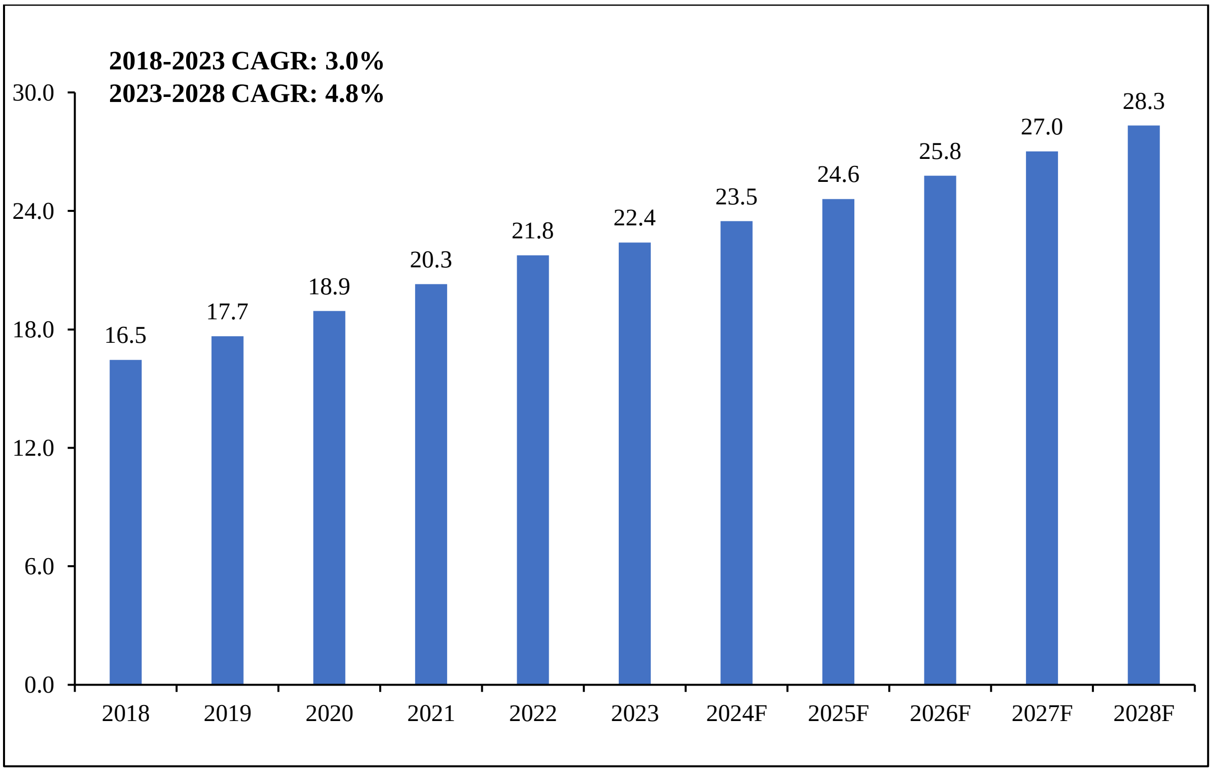
In the long term, implementing strategies such as establishing 2–3 sizable clusters and offering plug-and-play infrastructure support in specialized zones for API manufacturing, fostering collaborations between industry and academia, and incentivizing the exploration of alternative import sources, will help mitigate global price pressures. Additionally, the presence of several medium- to large-sized API manufacturers will undoubtedly strengthen India's API market in the short term. With concerted efforts and supportive policies, India is well-positioned to emerge as a leading global hub for APIs.

Overview of Therapeutics:

Global CNS (Central Nervous System) API Market

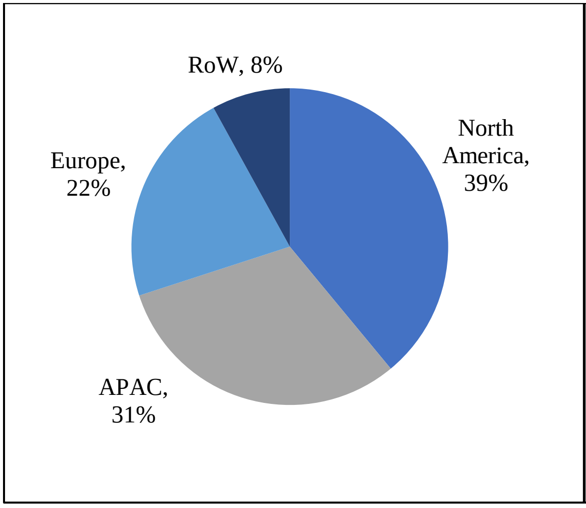
Central nervous system agents are medications that affect the brain and spinal cord, stimulating a response that may relieve or manage specific medical conditions. Central nervous system depressants are used to treat and manage different disorders, including depression, anxiety, panic attacks, stress, sleep disorders, pain, and seizures. Various categories of CNS depressants operate through distinct mechanisms, yet they share the common trait of diminishing activity within the central nervous system, thereby decreasing levels of consciousness in the brain.

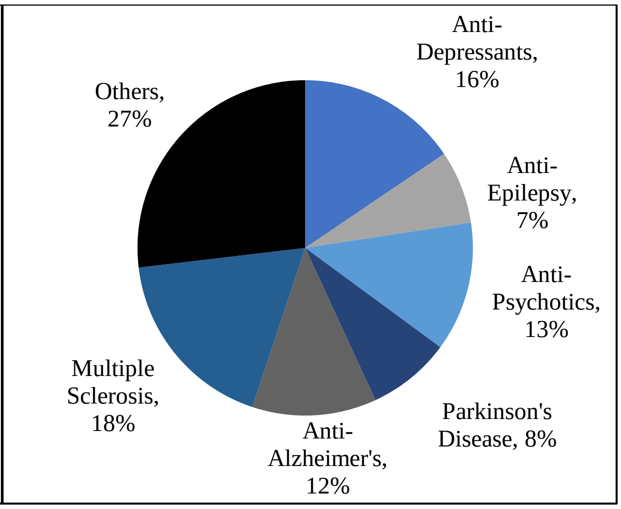
Global CNS APIs, Industry Size (USD Bn), CY2018 - CY2028F



Global CNS APIs Market Value by Region, CY2023

Global CNS APIs Market Value by Therapy Area, CY2023





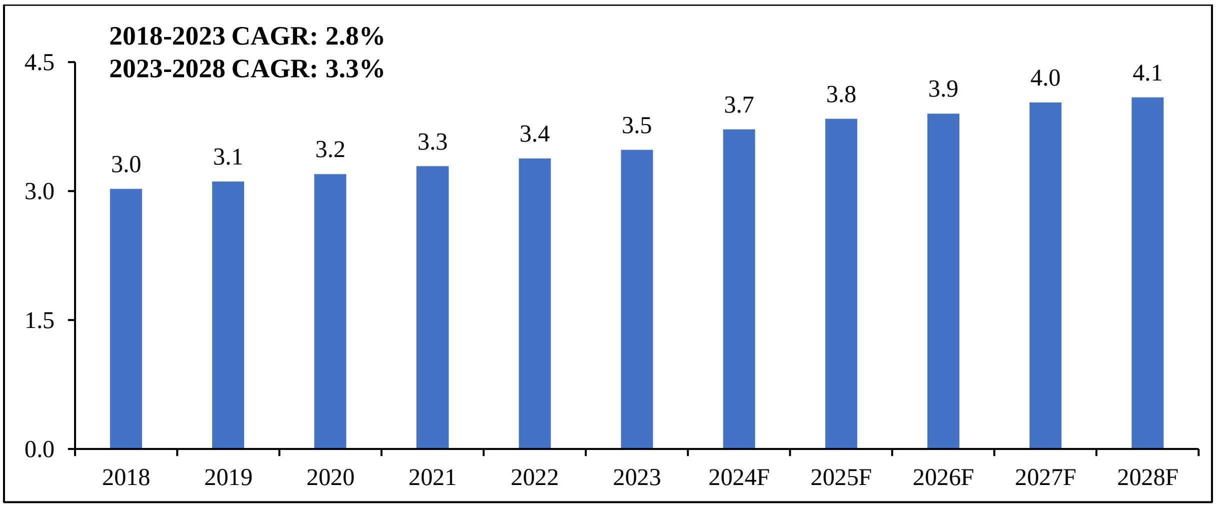
Global CNS API Market - Competition Scenario

Company	Therapies Offered
Inke S.A	Parkinson's Disease, Psychosis, Migraine, Schizophrenia
Dr. Reddy's	Schizophrenia, Bipolar Disorder, Parkinson's Disease, Alzheimer's, Epilepsy, Migraine, Multiple Sclerosis
Natco Pharma Limited	Depression, Migraine
Jubilant Pharmova	Depression, Alzheimer's, Mood Disorders, Multiple Sclerosis
Alembic Pharma	Depression, Psychosis

Global Anti-Depressants API Market

Antidepressants are common prescription medications that can help treat depression and other conditions like anxiety and obsessive-compulsive disorder. These medications are thought to function by rectifying imbalances of chemicals, known as neurotransmitters (Serotonin, Dopamine & Norepinephrine), in the brain. Neurotransmitters govern our moods and emotions by transmitting nerve signals to receptors in the brain.

Global Antidepressants APIs, Industry Size (USD Bn), CY2018 - CY2028F



During the initial year of the COVID-19 pandemic, there was a significant 25% rise in the worldwide occurrence of anxiety and depression, as indicated by a recent scientific brief from the World Health Organization (WHO).

Currently, almost four out of every ten adults aged 15 and above worldwide either experience significant depression or anxiety themselves or have a close acquaintance who does. Additional research suggests that 22% of adults in Northern America have encountered depression or anxiety severe enough to disrupt their regular daily routines for two weeks or more. This figure closely aligns with the global average of 19% and is consistent with estimates in Western Europe, the Middle East, and North Africa, as well as South Asia. These alarming numbers are poised to contribute to the growth in the demand of anti-depressants medications, and hence the API molecules required in the formulations.

Key APIs by Drug Class:

- **Selective serotonin reuptake inhibitors (SSRIs):** Celexa (citalopram), Lexapro (escitalopram), Luvox (fluvoxamine), Paxil (paroxetine), Prozac (fluoxetine), Viibryd (vilazodone), Zoloft (sertraline), Vortioxetine (Trintellix)

- **Serotonin and norepinephrine reuptake inhibitors (SNRIs):** Cymbalta (duloxetine), Effexor (venlafaxine), Fetzima (levomilnacipran), Pristiq (desvenlafaxine), Savella (milnacipran)

- **Tricyclic antidepressants (TCAs):** Anafranil (clomipramine), Asendin (amoxapine), Elavil (amitriptyline), Norpramin (desipramine), Pamelor (nortriptyline), Sinequan (doxepin), Surmontil (trimipramine), Tofranil (imipramine), Vivactil (protriptyline)

- **Monoamine oxidase inhibitors (MAOIs):** Emsam (selegiline), Marplan (isocarboxazid), Nardil (phenelzine), Parnate (tranylcypromine)

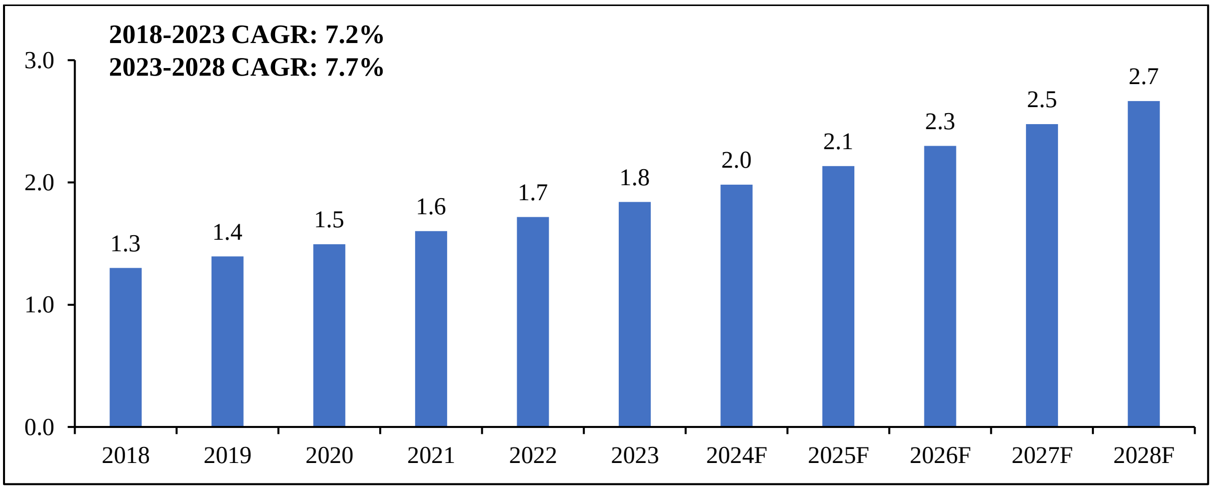
- **Atypical antidepressants:** Oleptro (Trazodone), Brintellix (vortioxetine), Remeron (mirtazapine), Wellbutrin (bupropion)

AMI Organics enjoys >90% market share in the global key intermediate market for some key atypical antidepressant API molecules.

Global Parkinson's Disease API Market

Parkinson's disease is a progressive condition affecting the nervous system and nerve-controlled body parts. Symptoms often emerge gradually, with an initial indication possibly being a slight tremor in one hand. While tremors are common, stiffness or a decrease in movement speed can also occur. Symptoms vary from person to person. While there is no cure for Parkinson's disease, medications can greatly alleviate symptoms. The exact cause of Parkinson's disease (PD) remains unknown, but individuals with a family history of the condition are at a higher risk. Exposure to factors such as air pollution, pesticides, and solvents may contribute to an increased risk of developing Parkinson's Disease.

Global Parkinson's Disease APIs, Industry Size (USD Bn), CY2018 - CY2028F



Globally, the cases of disabilities and deaths due to Parkinson's Disease are rapidly increasing. According to the latest data from the Parkinson's Foundation, over 10 million people suffer from Parkinson's worldwide. The intensity and symptoms of PD can vary from individual to individual, and we might be looking at a range of different therapies to meet the needs of the individual and their specific form of the condition. This would lead to a direct increase in the R&D for PD medications, and hence products and APIs needed for the same.

Key APIs by Drug Class:

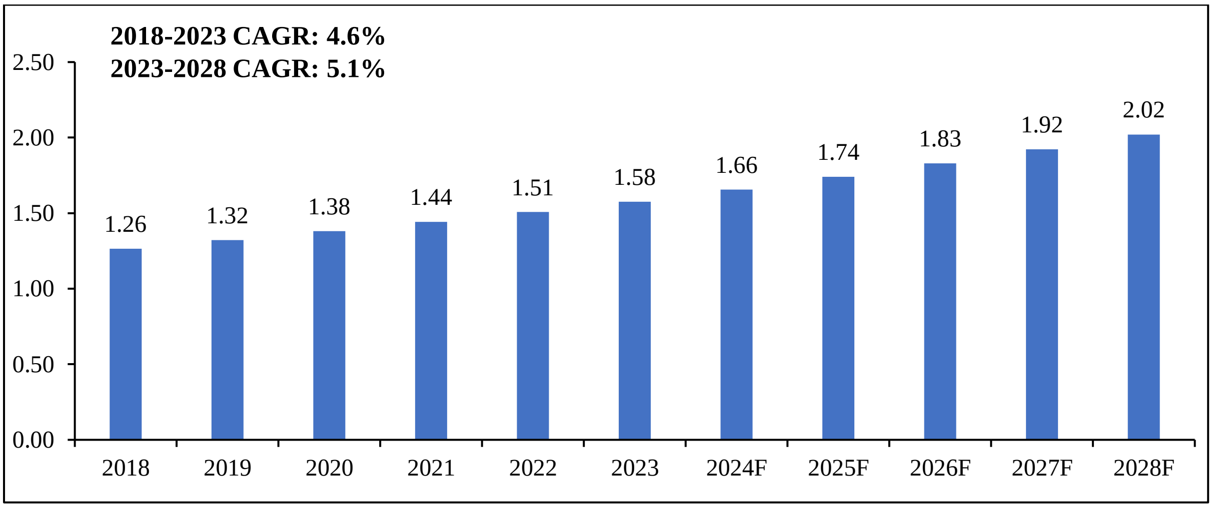
- **Levodopa**: Co-beneldopa (Madopar), Co-careldopa (Apodespan, Caramet, Lecado, Sinemet, Duodopa)
- **Dopamine agonists**: Pramipexole, Ropinirole, Rotigotine, Apomorphine
- **MAO-B inhibitors**: Rasagiline, Selegiline, Safinamide
- **COMT inhibitors**: Entacapone, Opicapone, Tolcapone, Nitecapone, Nebicapone
- **Anticholinergics:** Procyclidine, Trihexyphenidyl, Benzhexol
- Amantadine

Currently, Ami Organics holds a major market share of 80-90% in the global intermediate market for a widely used COMT inhibitor API.

Global Epilepsy (Seizure Disorder) API Market

Epilepsy is a brain disorder that causes recurring, unprovoked seizures. In epilepsy, certain regions of the brain are excessively active and transmit an abundance of signals. This leads to seizures, commonly known as epileptic fits. Seizures can vary in severity, ranging from minor muscle twitches to full-body convulsions (uncontrollable shaking) accompanied by loss of consciousness.

Global Epilepsy APIs, Industry Size (USD Bn), CY2018 - CY2028F



Approximately 50 million individuals worldwide are affected by epilepsy, rendering it one of the most prevalent neurological disorders on a global scale. Annually, around 5 million individuals worldwide receive a diagnosis of epilepsy. In high-income countries, approximately 49 out of every 100,000 people are diagnosed with epilepsy each year. However, in low- and middle-income nations, this figure can soar to as high as 139 per 100,000 individuals. Seizures can often be managed effectively. With the appropriate use of antiseizure medications, up to 70% of individuals living with epilepsy have the potential to become seizure-free. Demand for therapeutics is estimated to go up and drive API & intermediates markets.

Key APIs by Drug Class:

- **Narrow-Spectrum AEDs:** Carbamazepine (Carbatrol, Tegretol, Epitol, Equetro), Eslicarbazepine (Aptiom), Ethosuximide (Zarontin), Everolimus (Afinitor, Afinitor Disperz), Gabapentin (Neurontin), Lacosamide (Vimpat), Oxcarbazepine (Trileptal, Oxtellar XR), Phenobarbital, Pregabalin (Lyrica), Phenytoin (Dilantin, Phenytek), Tiagabine (Gabitril), Vigabatrin (Sabril)

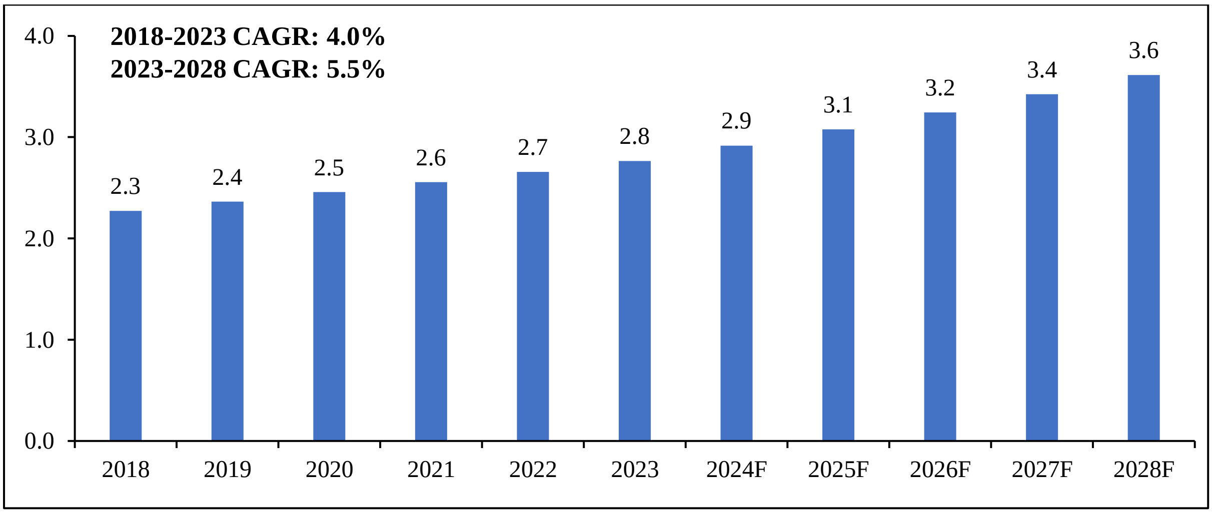
- **Broad-Spectrum AEDs:** Acetazolamide, Brivaracetam (Briviact), Cannabidiol (Epidiolex), Cenobamate (Xcopri), Clobazam (Onfi, Sympazan), Clonazepam (Klonopin), Clorazepate (Gen-Xene, Tranxene-T), Diazepam (Valium, Valtoco, Diastat), Divalproex (Depakote, Depakote ER), Felbamate (Felbatol), Fenfluramine (Fintepla), Lamotrigine (Lamictal, Lamictal CD, Lamictal ODT, Lamictal XR), Lorazepam (Ativan), Primidone (Mysoline), Perampanel (Fycompa), Topiramate (Topamax, Qudexy XR, Trokendi XR), Rufinamide (Banzel), Stiripentol (Diacomit)

Currently, Ami Organics is a market leader with a market share >50% in the global intermediate market for a widely used Narrow Spectrum AED molecule.

Global Anti-Psychotic API Market

Psychotic disorders encompass a collection of severe mental illnesses that impact the mind, causing difficulties in clear thinking, sound judgment, emotional response, effective communication, understanding of reality, and appropriate behavior. In severe cases, individuals with psychotic disorders struggle to maintain a grip on reality and often find it challenging to manage daily life. However, even severe cases of psychotic disorders can typically be effectively treated.

Global Anti-Psychotic APIs, Industry Size (USD Bn), CY2018 - CY2028F



Governments are investing significant resources in enhancing public awareness regarding psychotic diseases and the efficacy of the medications used for their treatment. Increased government funding and heightened R&D efforts by businesses will create new income opportunities, driving market expansion.

Key APIs by Drug Class:

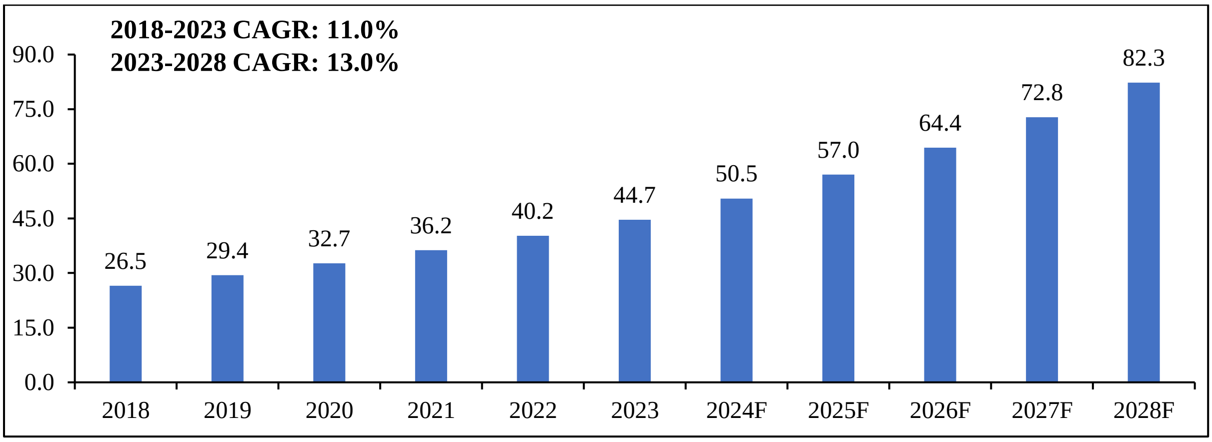
- **First-generation anti-psychotics:** Chlorpromazine, Fluphenazin, Haloperidol (Haldol®), Loxapine (Adusuve®), Molindone, Perphenazine, Pimozide, Prochlorperazine, Thiothixene, Thoridazine, Trifluoperazine
- **Second-generation (atypical) anti-psychotics:** Aripiprazole, Asenapine (Secuado®, Saphris®), Brexpiprazole (Rexulti®), Cariprazine (Vraylar®), Clozapine (Clozaril®, Versacloz®), Iloperidone (Fanapt®), Lumateperone (Caplyta®), Lurasidone (Latuda®), Olanzapine (Zyprexa®, Lybalvi®, Symbyax®), Quetiapine (Seroquel®), Paliperidone (Invega®), Pimavanserin (Nuplazid®), Risperidone (Perseris®, Risperdal®), Ziprasidone (Geodon®)

Ami Organics holds >50% market share in the global intermediates market for two second generation APIs, making it positioned strongly in the growing therapeutic category.

Global Oncology API Market

Oncology drugs encompass a variety of therapeutics utilized in combating cancer, a collection of diseases stemming from the unregulated proliferation and division of abnormal cells. These drugs span multiple categories, including chemotherapy agents, targeted therapies, immunotherapies, and hormone therapies. Additionally, there are medications designed to alleviate the side effects associated with oncology treatments.

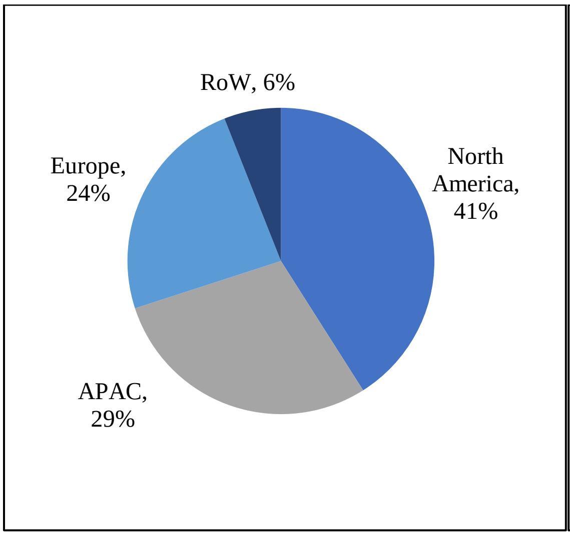
Global Oncology APIs, Industry Size (USD Bn), CY2018 - CY2028F

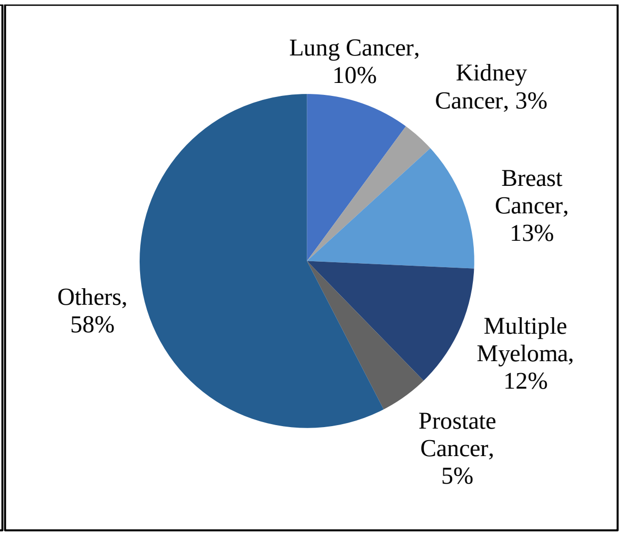


According to WHO, in 2022, it was estimated that there were 20 million new cases of cancer and 9.7 million related deaths. Approximately 53.5 million individuals were projected to be alive within five years after receiving a cancer diagnosis. Statistics suggest that about one in five individuals will develop cancer during their lifetime, with around 1 in 9 men and 1 in 12 women succumbing to the disease. By 2050, it is projected that there will be over 35 million new cancer cases, marking a 77% surge from the estimated 20 million cases recorded in 2022. This significant rise in the global cancer burden is attributed to both population aging and growth, alongside alterations in individuals' exposure to risk factors, many of which are linked to socioeconomic development. Cancer drug research and commercialization remain a key area of focus for boosting global healthcare scenario and will deliver robust growth over the next decade and beyond.

Global Oncology APIs Market Value by Region, CY2023

Global Oncology APIs Market Value by Therapy Area, CY2023





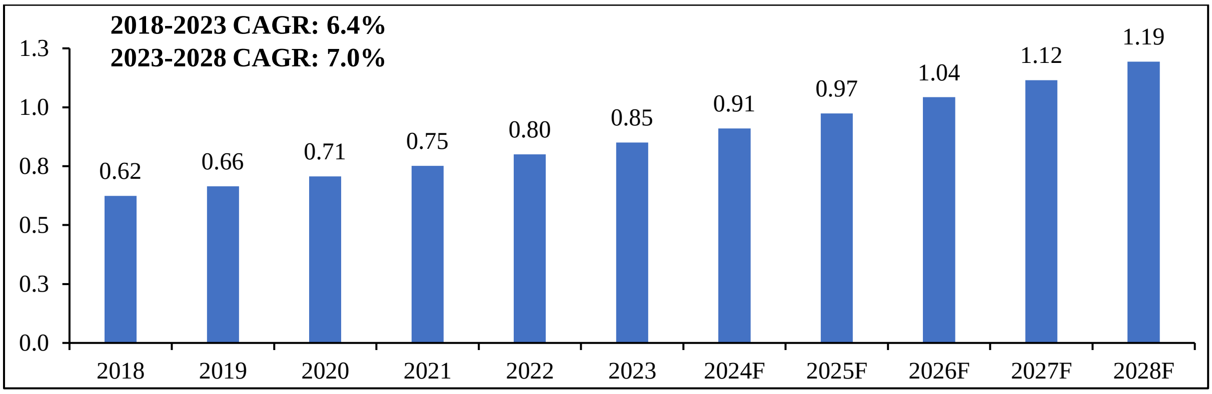
Global Oncology API Market - Competition Scenario

Company	Therapies Offered
Dr. Reddy's	Kidney Cancer, Multiple Myeloma, Prostate Cancer, Chronic Lymphocytic Leukemia
Conscientia Industrial Co., Ltd	Lung Cancer, Breast Cancer, Colorectal cancer, Prostate Cancer
Biocon	Chronic Myeloid Leukemia, Kidney Cancer, Urothelial cancer
Chempro Pharma Pvt. Ltd.	Non-Small Cell Lung Cancer, Breast Cancer

Global Anti-Androgen APIs Market

Antiandrogen drugs are medications formulated to counteract the effects of androgens, male sex hormones like testosterone, or to hinder their production. These medications are utilized in treating conditions where androgens play a role, such as prostate cancer, hirsutism & acne.

Global Antiandrogen APIs, Industry Size (USD Bn), CY2018 - CY2028F



Antiandrogen drugs, employed in hormone therapy for prostate cancer treatment, are typically administered orally and often combined with other hormone treatments. Antiandrogen medications inhibit the effects of testosterone, thereby preventing the hormone from binding to the receptor site within cancer cells. These drugs are alternatively known as androgen receptor blockers or androgen receptor antagonists.

Key APIs by Drug Class:

- **First-Generation Antiandrogens**: Flutamide, Bicalutamide, and Nilutamide are among the first-generation anti-androgens frequently prescribed for prostate cancer treatment. These drugs played a pivotal role in establishing anti-androgen therapy as an effective approach for impeding cancer cell proliferation.

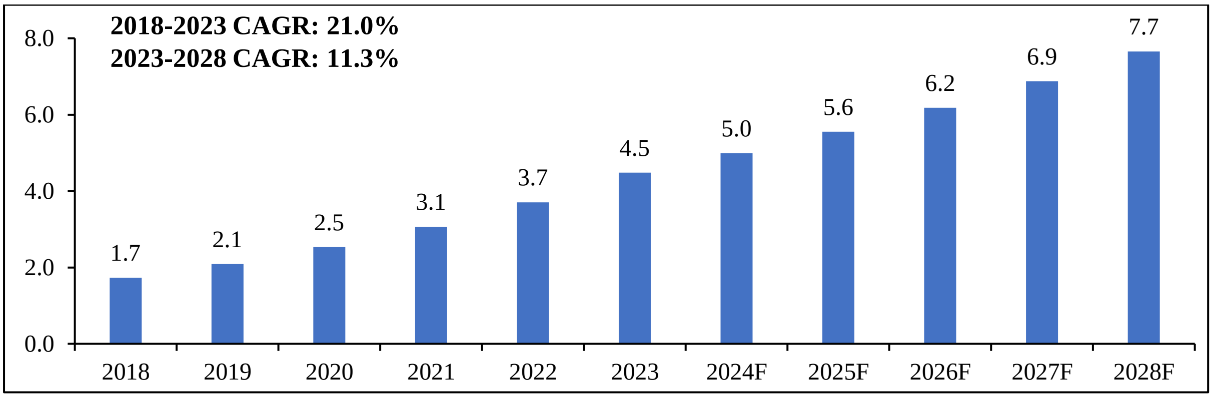
- **Second - Generation Androgen Receptor Inhibitors (SGARIs)**: Second-generation anti-androgens represent updated versions of anti-androgens, designed to bind more tightly to the androgen receptor, thus effectively blocking androgen receptor-mediated signaling. The most used second-generation anti-androgens are Enzalutamide, Apalutamide & Darolutamide.

Ami Organics is a key supplier of intermediates to API subsidiary of an innovator for one of the second-generation androgen receptor inhibitors API.

Global Lung Cancer APIs Market

Medications designed to target and treat lung cancer, which arises in the lungs, encompass a diverse array of lung cancer drugs. Common drugs used to treat lung cancer include either 2 or 3 drugs given together or 1 drug given by itself.

Global Lung Cancer APIs, Industry Size (USD Bn), CY2018 - CY2028F



Lung cancer stands as the primary cause of cancer-related fatalities globally, representing the highest mortality rates in both men and women. In 2020, there were an estimated 2.2 million new cases of lung cancer and 1.8 million deaths related to lung cancer, making up roughly 11.4% of all cancer cases and 18.0% of all cancer-related deaths worldwide. It remains to be one of the focal points for drug development and will continue to register strong growth in the coming years.

Key APIs by Drug Class:

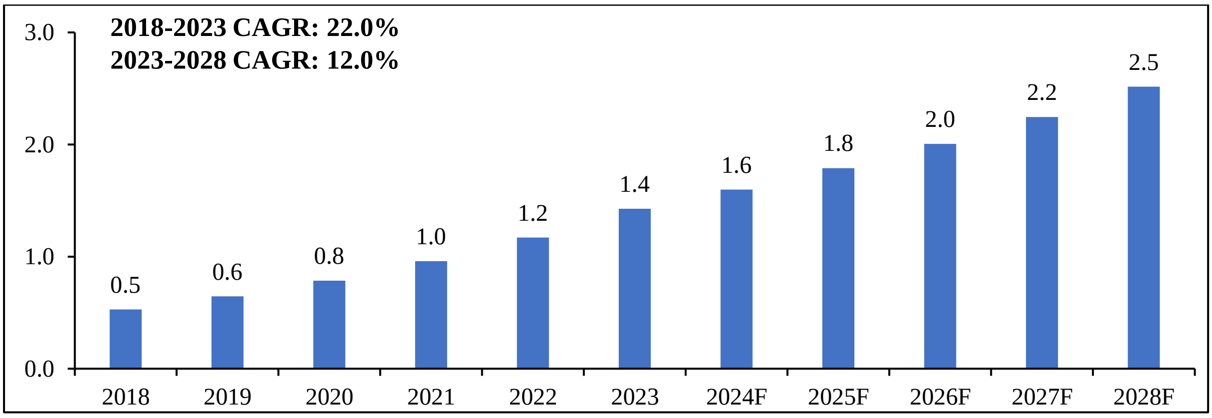
- **Drugs Approved for Non-Small Cell Lung Cancer:** Bevacizumab (Avastin), Ramucirumab (Cyramza), Sotorasib (Lumakras), Adagrasib (Krazati), Osimertinib (Tagrisso), Afatinib (Gilotrif), erlotinib (Tarceva), dacomitinib (Vizimpro), gefitinib (Iressa)

- **Drugs Approved for Small Cell Lung Cancer:** Afinitor (Everolimus), Atezolizumab, Doxorubicin Hydrochloride, Durvalumab, Etopophos (Etoposide Phosphate), Etoposide, Etoposide Phosphate, Everolimus, Hycamtin (Topotecan Hydrochloride), Imfinzi (Durvalumab), Lurbinectedin, Methotrexate Sodium, Nivolumab, Opdivo (Nivolumab), Tecentriq (Atezolizumab), Topotecan Hydrochloride, Trexall (Methotrexate Sodium), Zepzelca (Lurbinectedin)

Global Kidney Cancer APIs Market

Kidney cancer drugs comprise of formulations utilized in the treatment of kidney cancer, also known as renal cell carcinoma. The treatment approach is frequently customized to match the type and stage of kidney cancer a patient has, along with considering additional factors like overall health and treatment objectives. The global market for APIs for kidney cancer treatment was around US$ 1.4 Bn in 2023, growing at 12% till 2028.

Global Kidney Cancer APIs, Industry Size (USD Bn), CY2018 - CY2028F



Kidney cancer (KC) is a disease experiencing a growing global incidence, estimated at 400,000 new cases each year, with an annual mortality rate nearing 175,000 deaths worldwide. Forecasts indicate a continued rise in incidence over the next decade, underscoring the pressing need to address this notable global health concern. Based on current projections, the incidence of kidney cancer is expected to continue increasing over the next decade, highlighting the urgency of addressing this significant global health trend.

Key APIs by Drug Class:

- **Renal Cell Cancer (RCC) Drugs**: Sutent (Sunitinib), Inlyta® (Axitinib), Afinitor (Everolimus), Opdivo (Nivolumab), Cabometyx (Cabozantinib), Pazopanib Hydrochloride, Ipilimumab, Pembrolizumab

- **Upper Tract Urothelial Cancer (UTUC) Drugs**: Enfortumab Vedotin-ejfv, Jelmyto (Mitomycin), Padcev (Enfortumab Vedotin-ejfv)

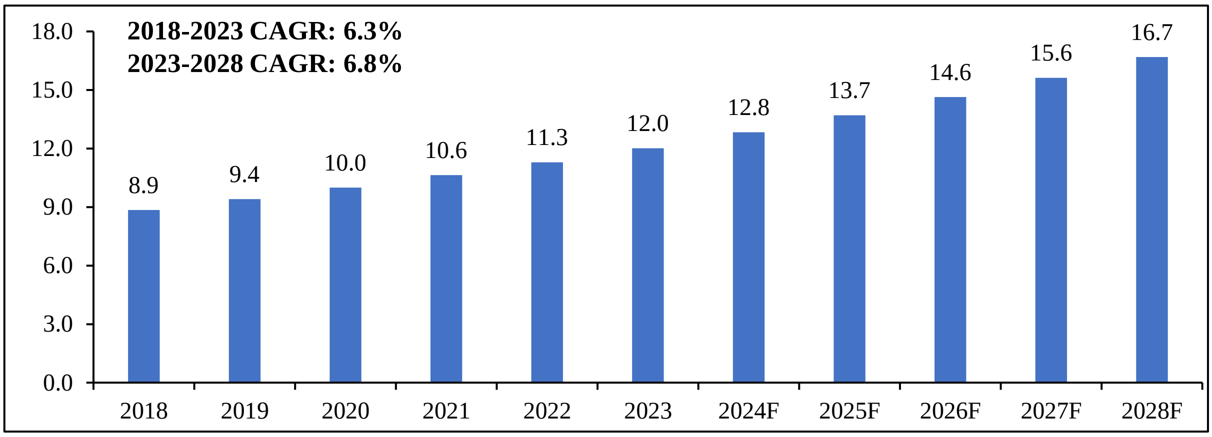
- **Wilms Tumor and other Childhood Kidney Cancers Drugs**: Cosmegen (Dactinomycin), Dactinomycin, Doxorubicin Hydrochloride, Vincristine Sulfate

Ami Organics is a key player in the oncology API intermediates space and holds an 85-90% market share in the global intermediate market for a key RCC API molecule.

Global Endocrinology APIs Market

Endocrinology medications are used to address conditions associated with the endocrine system, encompassing glands responsible for producing hormones that regulate diverse bodily functions. These treatments are designed to target hormones or receptors, either by supplementing deficient hormones, inhibiting excessive hormone production, or modulating hormonal activity. The global market for endocrinology drug APIs stood at ~ US$ 12 Bn in 2023 and is expected to grow at around 6.8% up until 2028.

Global Endocrinology APIs, Industry Size (USD Bn), CY2018 - CY2028F

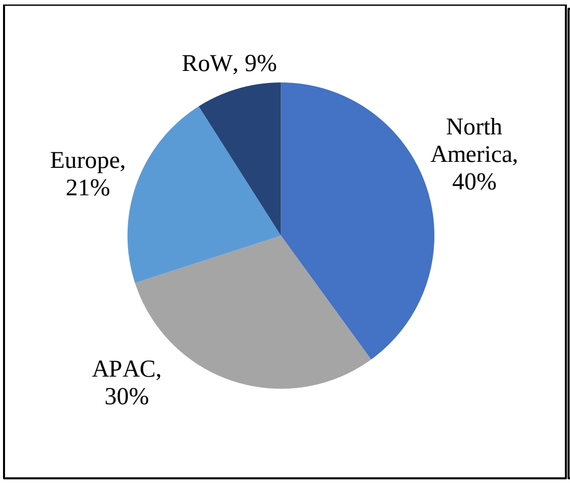


Over 500 million individuals worldwide are currently managing diabetes, spanning across all demographics—men, women, and children—in every nation. Projections indicate that this figure will surpass 1.3 billion within the next three decades, with a universal rise observed across all countries. The health complications stemming from other endocrine-related issues due to obesity and aging are poised to become significant challenges in the coming future. This will lead to a surge in the demand for treatments targeting endocrine disorders, and concerned markets such as APIs and associated intermediates will also go up.

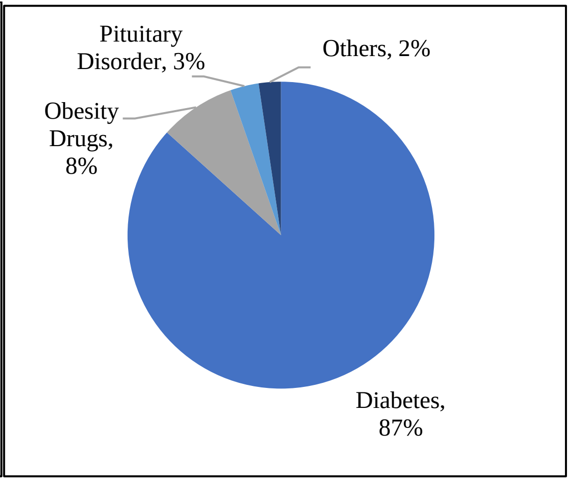
Key APIs by Drug Class:

- Diabetes Mellitus: Metformin, Glipizide, Glimepiride, Pioglitazone, Invokana, Jardiance, Tolbutamide, Repaglinide, Rosiglitazone
- Hormone Agonists: Polyestradiol, Diethylstilbestrol, Leuprorelin, Megestrol acetate
- Hormone Antagonists: Tamoxifen, Flutamide, Anastrazole

Global Endocrinology APIs Market Value by Region, CY2023



Global Endocrinology APIs Market Value by Therapy Area, CY2023



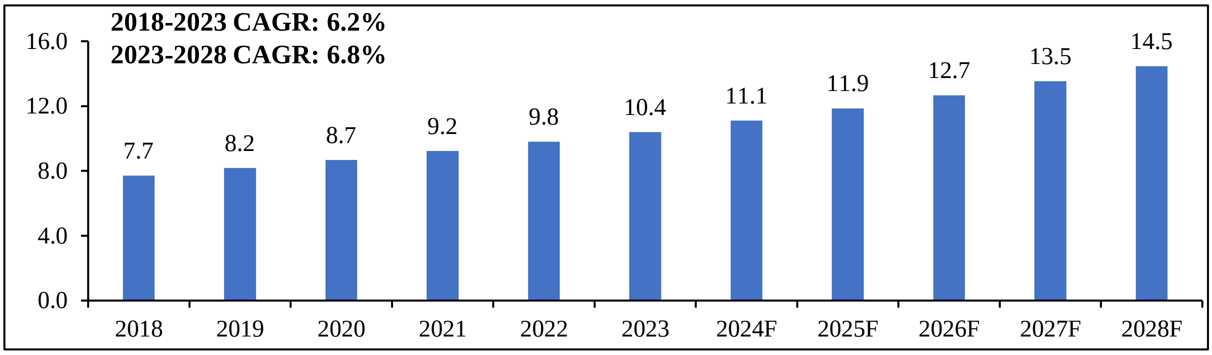
Global Endocrinology API Market - Competition Scenario

Company	Therapies Offered
Dr. Reddy's	Kidney Cancer, Multiple Myeloma, Prostate Cancer, Chronic Lymphocytic Leukemia
Conscientia Industrial Co., Ltd	Lung Cancer, Breast Cancer, Colorectal cancer, Prostate Cancer
Biocon	Chronic Myeloid Leukemia, Kidney Cancer, Urothelial cancer
Chempro Pharma Pvt. Ltd.	Non-Small Cell Lung Cancer, Breast Cancer

Global Diabetes APIs Market

Medications for diabetes aid in controlling blood sugar (glucose) levels among individuals who have diabetes yet maintain some insulin production, primarily those with Type 2 diabetes and prediabetes. For the medications used in the treatment of type 1 diabetes, insulin stands out as the most prevalent option. The global market for APIs used to treat diabetes was valued at around US$ 11.2 Bn in 2023, growing at ~ 6.8% till 2028.

Global Diabetes APIs, Industry Size (USD Bn), CY2018 - CY2028F



Diabetes has a current global prevalence rate of 6.1%, making it one of the top 10 leading causes of death and disability. The swift increase in diabetes prevalence in low- and middle-income countries indicates a shifting pattern in the epidemiology of diabetes. It has become a pervasive issue not only in wealthy and impoverished nations but also among both affluent and disadvantaged populations within those nations. Diabetes serves as a primary catalyst for various comorbid health conditions, including cardiovascular diseases, mental health disorders, kidney diseases, eye-related disorders, neuropathy, rheumatoid arthritis, bone-related diseases, and more. The worldwide impact of diabetes not only presents significant public health challenges but also exerts a considerable influence on global development, resulting in substantial social and economic losses. Hence, it is crucial to prioritize prevention and control of diabetes via development of therapeutics and drugs to tackle it.

Key APIs by Drug Class:

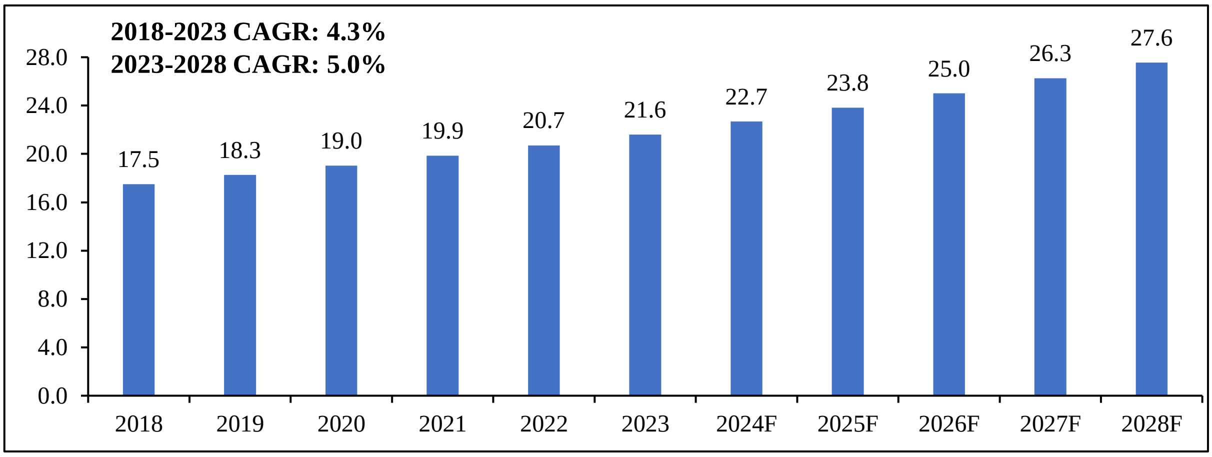
- **Alpha-Glucosidase Inhibitors**: Acarbose, Miglitol
- **Biguanides:** Metformin
- **Dopamine-2 Agonist**: Bromocriptine
- **Dipeptidyl Peptidase-4 (DPP-4) Inhibitors:** Alogliptin, Linagliptin, Saxagliptin, Sitagliptin, Vildagliptin
- **GLP-1 Receptor Agonists:** Dulaglutide, Exenatide, Liraglutide, Semaglutide, Tirzepatide
- **Meglitinides:** Nateglinide, Repaglinide
- **Thiazolidinediones:** Pioglitazone, Rosiglitazone
- **Sulfonylureas:** Glimepiride, Gliclazide, Glipizide, Glyburide

Ami Organics is a key player and leader in the diabetes API intermediates market, holding >50% market share in the global intermediates market for a major DPP-4 API molecule.

Global Anti-Infectives Market

Anti-infectives is a broad term encompassing medications capable of either inhibiting the spread of infectious organisms or directly killing them. This category consists of antibiotics, antifungals, anthelmintics, antimalarials, antiprotozoals, antituberculosis agents, and antivirals. The global market for anti-infective APIs was valued at around US$ 21.6 Bn in 2023 and is expected to grow at ~5% up until 2028.

Global Anti-Infectives APIs, Industry Size (USD Bn), CY2018 - CY2028F

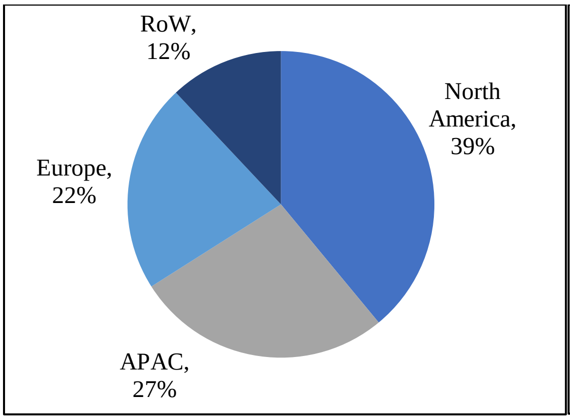


Key APIs by Drug Class:

- **Antibiotic Agents:** Amoxicillin, Azithromycin, Doxycycline, Cephalexin, Clindamycin
- **Antifungals Agents:** Clotrimazole, Miconazole, Ketoconazole, Itraconazole, Fluconazole
- **Anthelmintic Agents:** Albendazole, Mebendazole, Ivermectin, Praziquantel, Pyrantel, Thiabendazole
- **Antimalarial Agents:** Quinine, Quinidine, Chloroquine, Amodiaquine, Mefloquine, Halofantrine, Lumefantrine, Piperaquine, Tafenoquine, Pyrimethamine, Proguanil, Chlorproguanil, Trimethoprim
- **Antiprotozoal Agents:** Eflornithine, Furazolidone, Hydroxychloroquine, Melarsoprol., Metronidazole, Nifursemizone, Nitazoxanide, Ornidazole
- **Antituberculosis Agents:** Rifampin, Isoniazid, Pyrazinamide, Ethambutol
- **Antiviral Agents:** Oseltamivir, Adefovir, Ribavirin, Amantadine, Ganciclovir, Idoxuridine

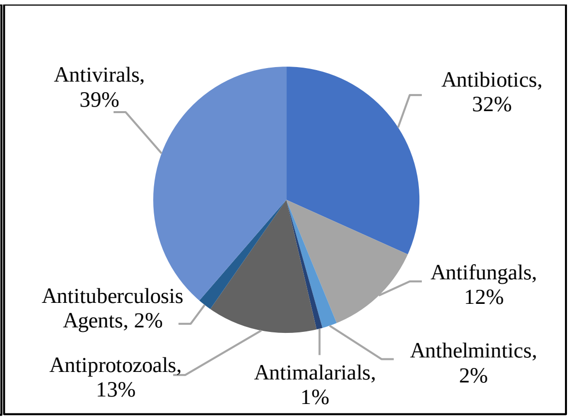
Global Anti-Infectives APIs Market

by Region, CY2023



Global Anti-Infectives APIs Market

by Therapy Area, CY2023



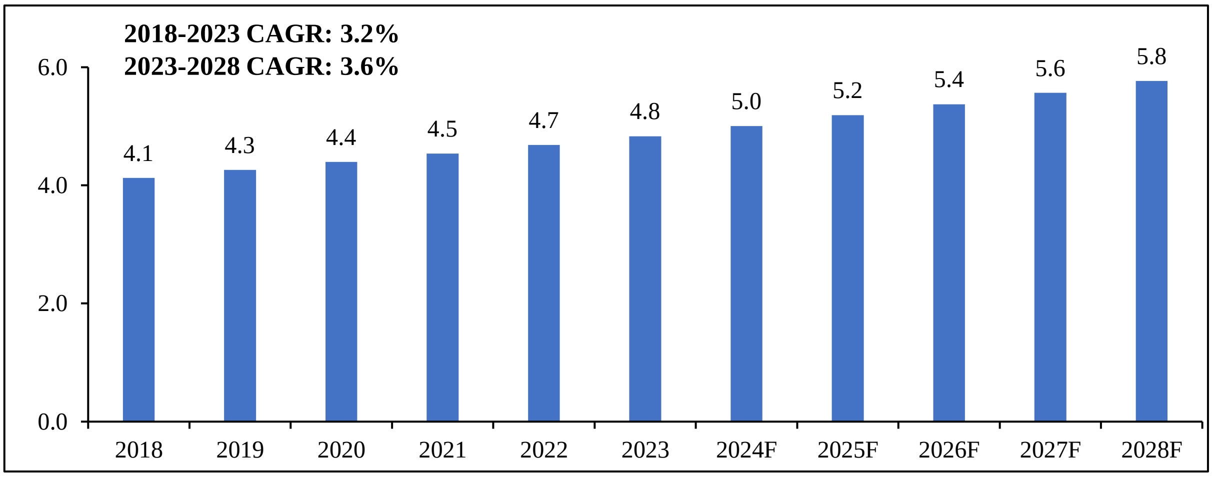
Global Anti-Infectives API Market - Competition Scenario

Company	Therapies Offered
Dr. Reddy's	Antivirals, Antimalarial, Antifungals
Glenmark Pharmaceuticals	Antifungals, Antivirals, Antibacterials
Piramal Pharma Solutions	Antifungals
Conscientia Industrial Co., Ltd	Antifungals, Antivirals
Alembic Pharma	Antiinfective Macrolides

Global HIV APIs Market

HIV drugs are used as a part of antiretroviral therapy (ART), a treatment routine for HIV patients. The global market for HIV APIs was ~ US$ 4.8 Bn in 2023, projected to reach ~US$ 5.8 Bn in 2028.

Global HIV APIs, Industry Size (USD Bn), CY2018 - CY2028F



According to WHO, an estimated 39.0 million people were living with HIV at the end of 2022. By the close of 2022, approximately 29.8 million individuals living with HIV, constituting 76% of all those affected, were receiving antiretroviral therapy (ART) on a global scale. Access to HIV treatment plays a pivotal role in the global endeavor to eradicate AIDS as a public health menace. UNAIDS (Joint United Nations Program on HIV/AIDS) warns of unequal strides in diminishing new HIV infections, expanding treatment accessibility, and eradicating AIDS-related fatalities, underscoring that numerous vulnerable individuals and populations have been marginalized in this progress. Ensuring medication accessibility, alongside efforts aimed at increasing HIV awareness, will contribute to the growth of the HIV drug and API market in the forthcoming years.

Key APIs by Drug Class:

- **Nucleoside Reverse Transcriptase Inhibitors (NRTIs):** Abacavir, Emtricitabine, Lamivudine, Zidovudine
- **Non-Nucleoside Reverse Transcriptase Inhibitors (NNRTIs):** Doravirine, Efavirenz, Etravirine, Nevirapine, Rilpivirine
- **Protease Inhibitors (PIs):** Atazanavir, Darunavir, Fosamprenavir, Ritonavir, Tipranavir
- **Fusion Inhibitors:** Enfuvirtide
- **CCR5 Antagonists:** Maraviroc
- **Integrase Strand Transfer Inhibitor (INSTIs):** Cabotegravir, Dolutegravir, Raltegravir, Elvitegravir
- **Post-Attachment Inhibitors:** Ibalizumab-uiyk
- **Capsid Inhibitors**: Lenacapavir

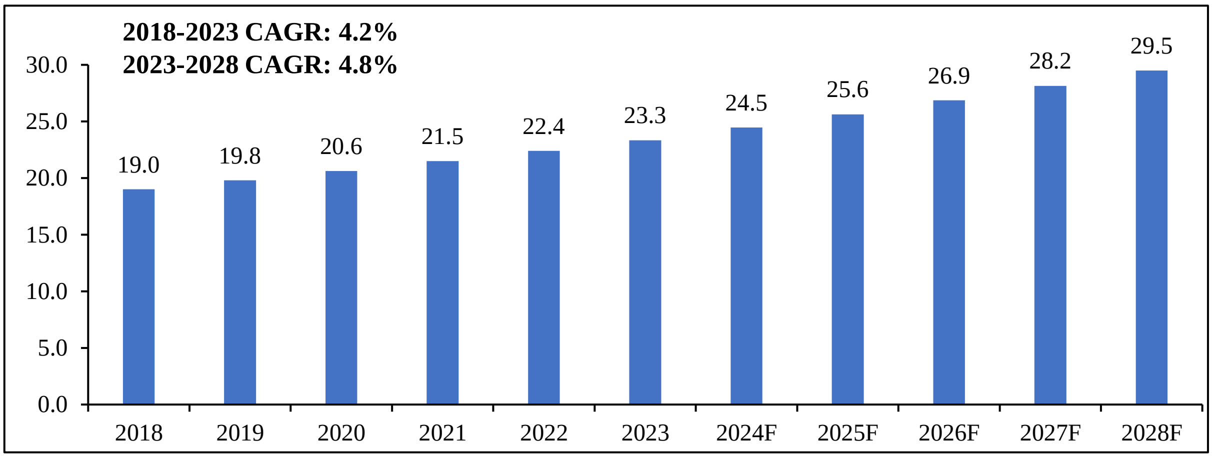
- **Pharmacokinetic Enhancers**: Cobicistat

Ami Organics, being a key leader in API intermediates, owns a dominating 80-85% market share in the global intermediates market for a major INSTI category API.

Global Cardiovascular (CVS) APIs Market

Cardiovascular agents encompass medications utilized to address medical conditions linked to the heart or the circulatory system (blood vessels). These conditions include arrhythmias, blood clots, coronary artery disease, high or low blood pressure, high cholesterol, heart failure, and stroke. The global market for CVS APIs was stood at ~ US$ 23 Bn in 2023, projected to reach ~US$ 29 Bn in 2028.

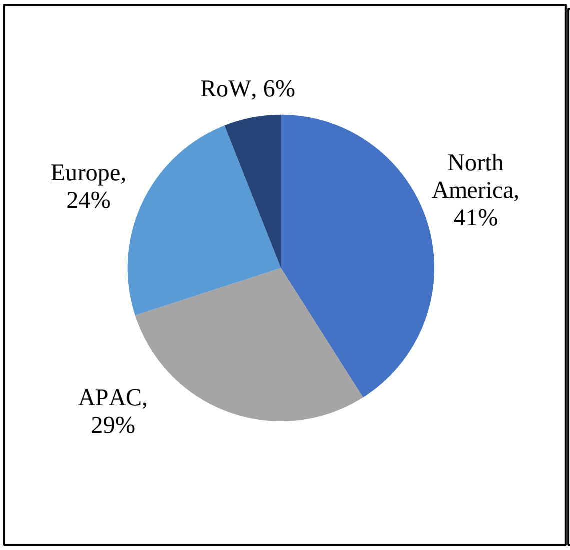
Global Cardiovascular APIs, Industry Size (USD Bn), CY2018 - CY2028F



According to the British Heart Foundation, with around 620 million individuals affected, and approximately 60 million new cases annually, it's evident that CVS diseases pose significant challenges to public health worldwide. The fact that 1 in 13 people live with heart or circulatory diseases highlights the pervasive nature of these conditions. Tragically, heart and circulatory diseases remain a leading cause of mortality, responsible for approximately 1 in 3 deaths globally. The staggering figure of 20.5 million deaths in 2021 alone, averaging to 56,000 deaths each day or one every 1.5 seconds, underscores the urgency of addressing this category of disorders. Efforts in prevention, early detection, and treatment are crucial in reducing the burden of these diseases and are key drivers which will contribute to the growth of medications targeting this therapeutic area.

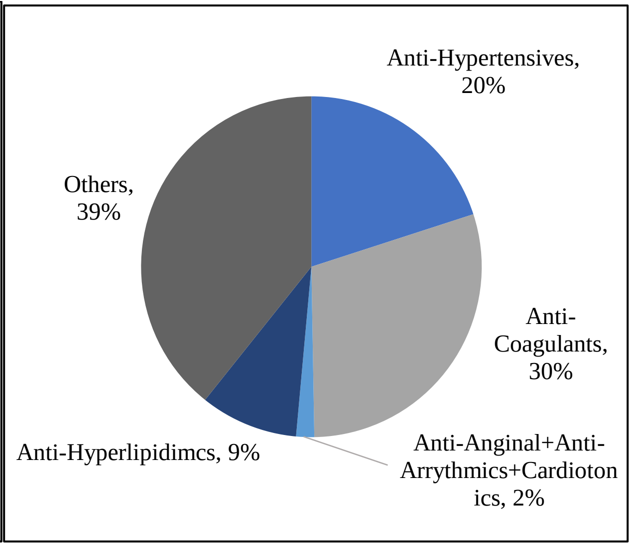
Global CVS APIs Market Value

by Region, CY2023



Global CVS APIs Market Value

by Therapy Area, CY2023



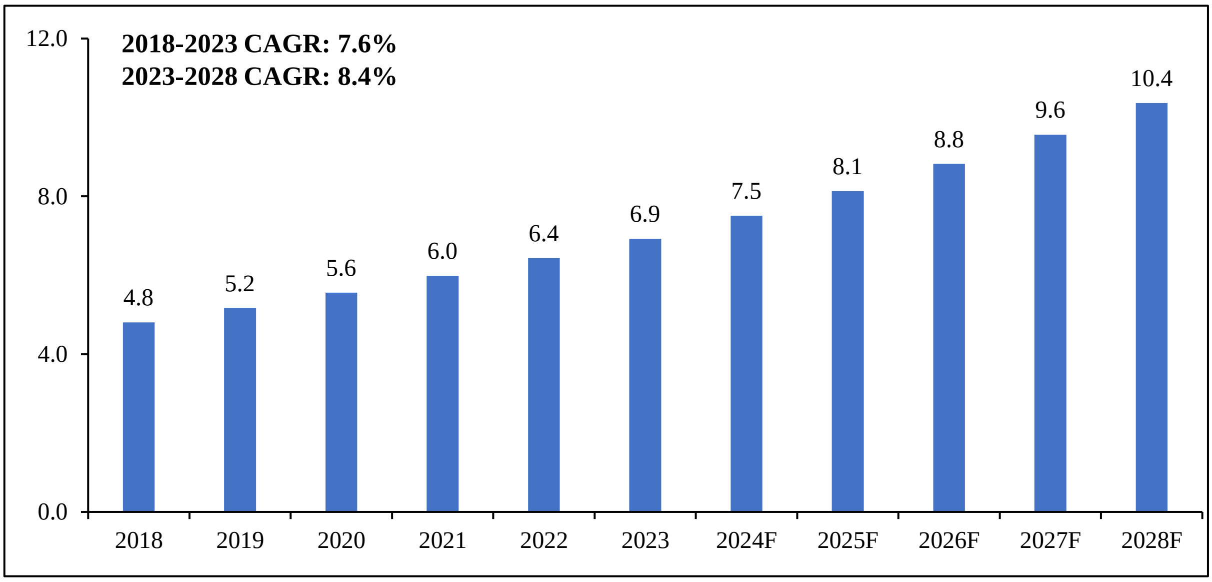
Global CVS API Market - Competition Scenario

Company	Therapies Offered
Dr. Reddy's	Anti-Hypertensive, Anti-Platelet, Anti-Anemic, Anti-Coagulants, Anti-Angina
Glenmark Pharmaceuticals	Anti-Hypertensive, Antiplatelet
Piramal Pharma	Antihypertensive, Diuretics
Biocon	Antihyperlipidimics, Antithrombotics

Global Anti-Coagulants APIs Market

Anticoagulants refer to a group of drugs that hinder excessive blood clotting. They have the capability to dissolve pre-existing clots or impede their formation, thereby assisting in the prevention of life-threatening conditions such as strokes, heart attacks, and pulmonary embolisms, all of which can result from blood clots. The global market for anti-coagulants was ~ US$ 6.9 Bn in 2023, projected to reach ~US$ 10.4 Bn in 2028.

Global Anti-Coagulants APIs, Industry Size (USD Bn), CY2018 - CY2028F



Key APIs by Drug Class:

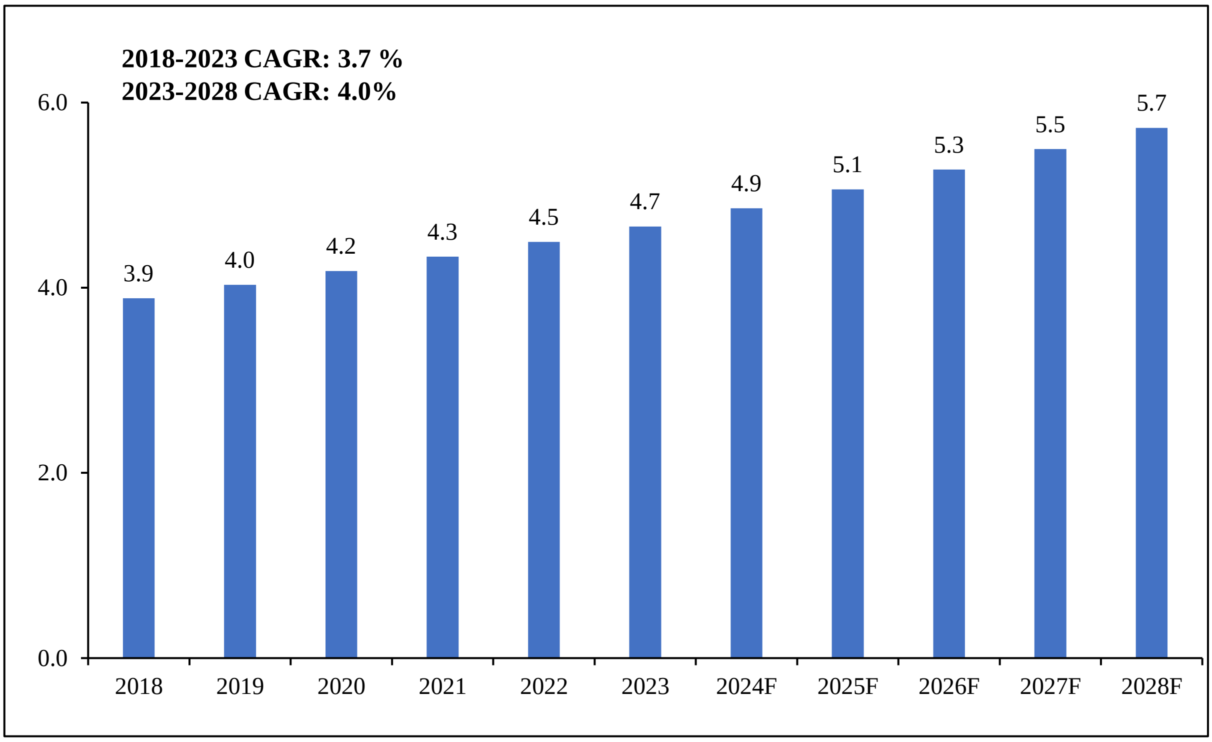
- **Coumarins and Indandiones**: Warfarin
- **Factor Xa Inhibitors**: Apixaban, Edoxaban, Fondaparinux, Rivaroxaban
- **Heparins**: Heparin, Dalteparin, Enoxaparin, Tinzaparin
- **Thrombin Inhibitors**: Algaroba, Bivalirudin, Dabigatran, Desirudin, Lepirudin

In the key API Intermediates space, Ami Organics is a global leader, holding a 50-55% market share in the global key intermediates market for 2 major anti-coagulant API molecules.

Global Anti-Hypertensive APIs Market

Antihypertensive agents, also known as blood-pressure medications, are prescribed to patients having high blood pressure. Certain blood pressure medications function by dilating your blood vessels, facilitating easier blood flow. Alternatively, some medications work by eliminating excess fluids from your bloodstream or by obstructing the natural hormones produced by your body that elevate blood pressure. The global market for anti-coagulants was stood at ~ US$ 4.7 Bn in 2023, projected to reach ~US$ 5.7 Bn in 2028.

Global Anti-Hypertensive APIs, Industry Size (USD Bn), CY2018 - CY2028F



According to WHO, around 1.28 billion adults aged 30 to 79 years globally are estimated to have hypertension, with the majority, approximately two-thirds, residing in low- and middle-income nations. Roughly 46% of adults having hypertension are unaware of their condition. Only 42% of adults with hypertension are diagnosed and receive treatment. According to WHO, one of the global targets for noncommunicable diseases is to reduce the prevalence of hypertension by 33% between 2010 and 2030. Raising awareness about hypertension will call for the industry to develop chemistries and formulations to cater to the medication requirement, which will contribute to the growth of this market segment.

Key APIs by Drug Class:

There are several classes of antihypertensive medications utilized for treating hypertension. Among these, the most recommended classes as first-line treatments are:

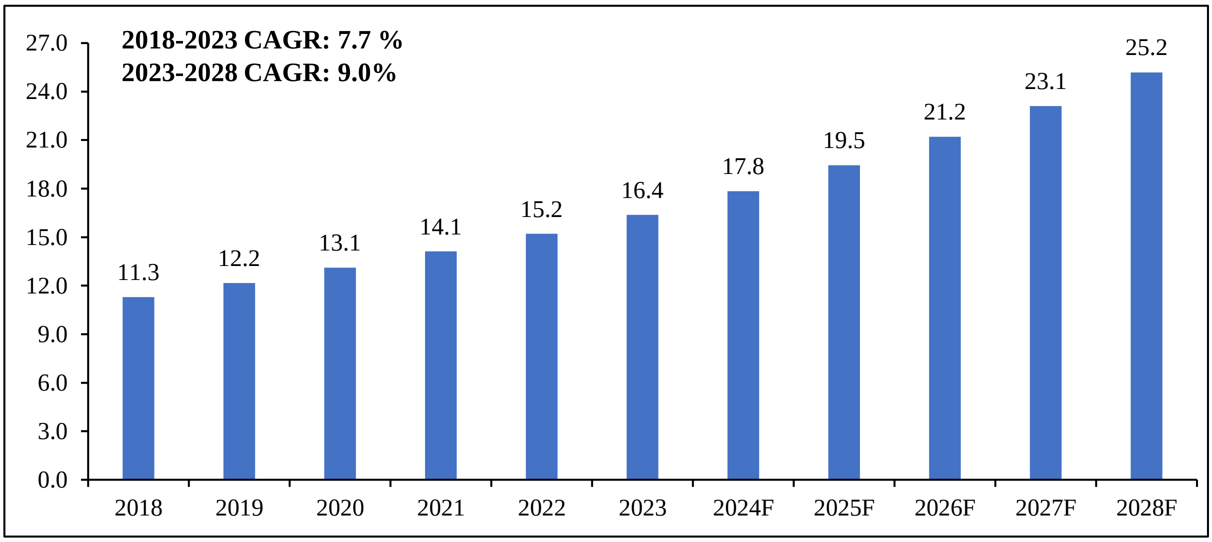
- **Thiazide-type diuretics**: Hydrochlorothiazide (HCTZ), Chlorthalidone, and Indapamide
- **Calcium channel blockers**: Amlodipine (Norvasc), Diltiazem (Cardizem, Tiazac, others), Felodipine, Isradipine, Nicardipine, Nifedipine (Procardia), Nisoldipine (Sular), Verapamil (Verelan)
- **Angiotensin-converting enzyme (ACE) inhibitors**: Lisinopril, Ramipril, Enalapril, Fosinopril, Captopril, Moexipril, Benazepril
- **Angiotensin II receptor blockers (ARBs):** Losartan, Irbesartan, Olmesartan, Valsartan, Telmisartan, Candesartan, Azilsartan

Ami Organics currently leads the market with a >50% share in the global key intermediate market for a major ARB category API.

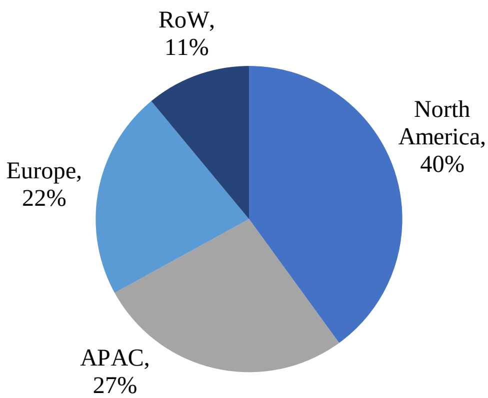
Global Immunology APIs Market

Immunologic agents refer to medications capable of altering the immune response, either by bolstering or dampening the immune system. They are employed in combating infections and in the prevention and treatment of specific diseases. The global market for immunology APIs was around ~ US$ 16.4 Bn in 2023, projected to reach ~ US$ 25.2 Bn in 2028.

Global Immunology APIs, Industry Size (USD Bn), CY2018 - CY2028F



Global Immunology APIs Market Value by Region, CY2023



Note: Immunology drugs can be used across all therapeutic areas, either in conjugation with other targeted drugs or individually, hence there are multiple overlaps in categorization of immunology agents.

Global Immunology API Market - Competition Scenario

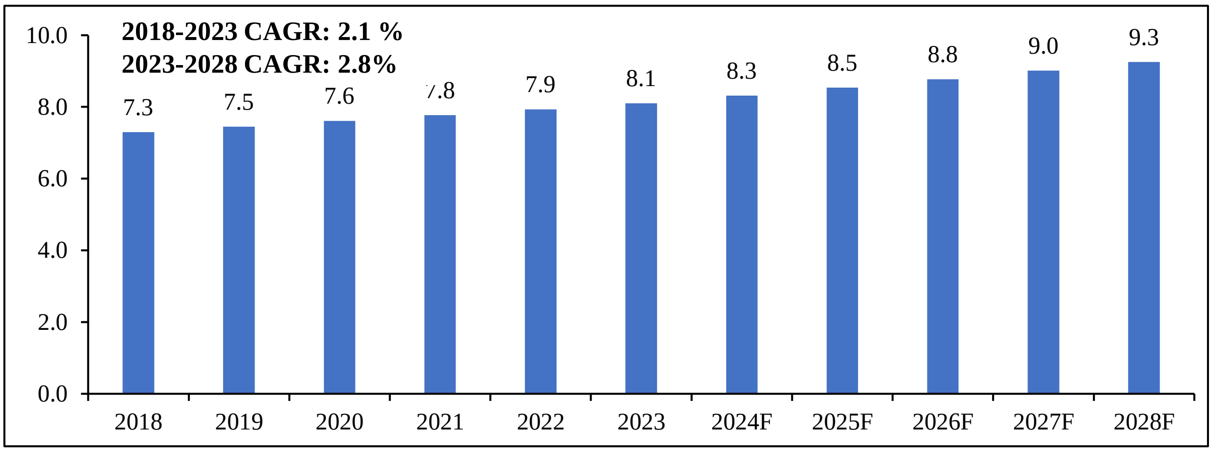
Company	Therapies Offered
Divis Labs	Antihistamines, Anti-Inflammatory
Glenmark Pharmaceuticals	Antineoplastic and Immunomodulating agents
Cerata Pharmaceuticals	Immunosupressants, Anthihistamines, Anti-Inflammatory
Biocon	Immunosuppresants
Alembic Pharma	Anti-Rheumatics, Anti-Inflammatory

Since immunology drugs can be used to modify the body’s immunity system, these drugs can find potential in control and treatment of various other disorders. One interesting area of work is to develop therapies that can target both to improve the immune system’s ability to attack and eliminate cancer. Other application areas where these drugs can play a role are therapies for multiple sclerosis, Crohn’s disease, Influenza A Virus, and other diseases as well as to develop vaccines. The potential of these drugs as immunomodulators provides companies with opportunities to develop new therapies and will drive the growth for these agents in the coming years.

Global Anti-Rheumatic APIs Market

Disease-modifying antirheumatic drugs (DMARDs) form a group of medications, typically diverse in their composition, that are designated for treating rheumatoid arthritis with the aim of decelerating the advancement of the disease. The global market for antirheumatic APIs stood at ~ US$ 8.1 Bn in 2023, projected to reach ~US$ 9.3 Bn in 2028.

Global Antirheumatic APIs, Industry Size (USD Bn), CY2018 - CY2028F



Key APIs by Drug Class:

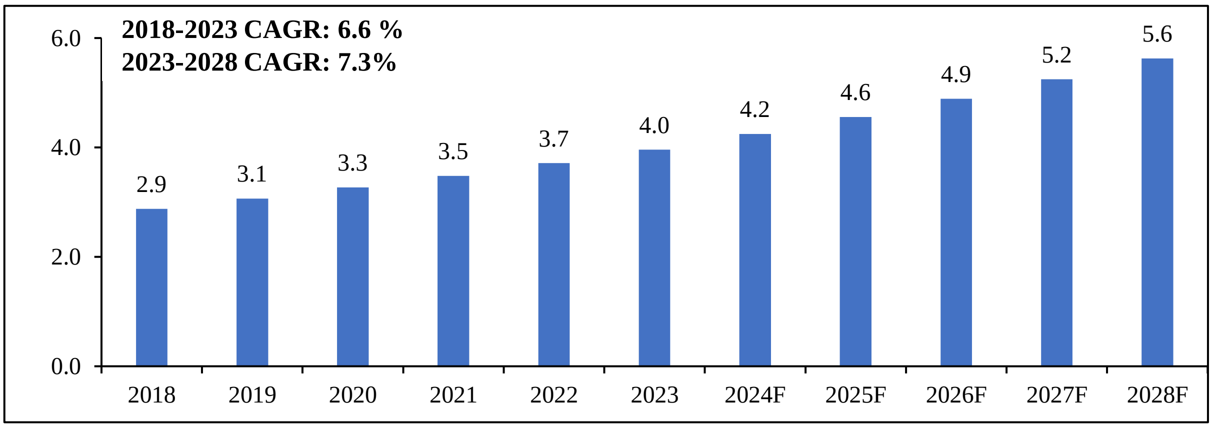
- **Disease-modifying antirheumatic drugs (DMARDs):** Apremilast, Azathioprine, Ciclosporin, Cyclophosphamide, Hydroxychloroquine, Leflunomide, Methotrexate, Mycophenolate
- **Biological Therapies:** Abatacept, Belimumab, Ixekizumab, Rituximab, Sarilumab, Secukinumab, Tocilizumab, Ustekinumab

Ami Organics holds >50% market share in the global key API intermediates market for a major DMARD API molecule.

Global Anti-Inflammatory APIs Market

Agents which reduce inflammation and thus relieve pain or fever symptoms are classified as anti-inflammatory agents. Under the immunomodulators category, we have two kinds of agents that work on inflammation – NSAID (Non-steroidal anti-inflammatory drugs) & Corticosteroids. The market for these APIs stood at ~ US$ 4 Bn in 2023 and is expected to grow at a 7.3% CAGR up until 2028. (Note that the market has been given according to the classification mentioned above)

Global Anti-Inflammatory APIs, Industry Size (USD Bn), CY2018 - CY2028F



Key APIs by Drug Class:

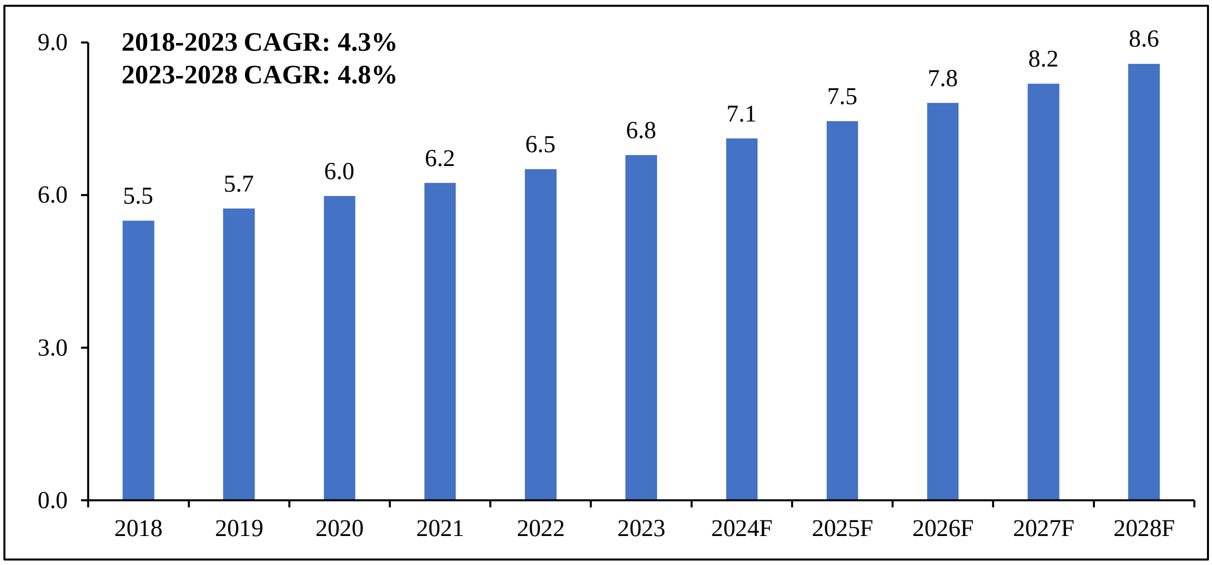
- **NSAIDs:** Aspirin, Ibuprofen, Diclofenac, Naproxen, Celecoxib, Etoricoxib, Indomethacin, Etodolac
- **Corticosteroids:** Hydrocortisone, Cortisone, Ethamethasoneb, Prednisone, Prednisolone, Triamcinolone

Ami Organics is a leader owning >50% market share in the global key API intermediates market for a major NSAID API molecule.

Global Gastrointestinal (GI) APIs Market

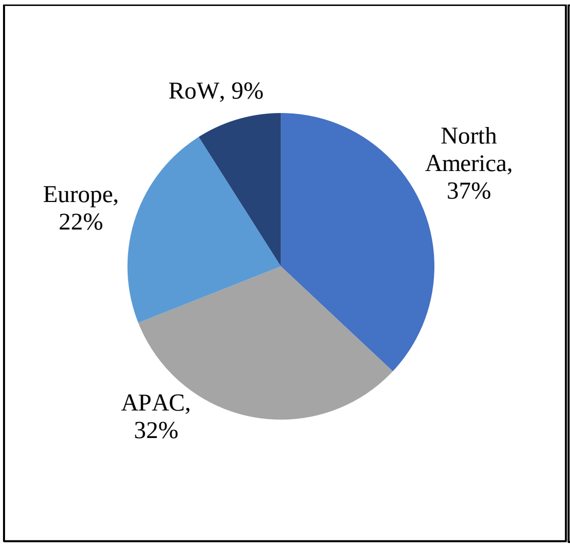
Gastrointestinal agents include many different classes of drugs that are used to treat gastrointestinal disorders. Typical areas of treatment include heartburn, stomach or intestinal ulcers, constipation, or excess stomach acid. The global market for GI APIs stood at around US$ 6.8 Bn in 2023, and is expected to touch US$ 8.6 Bn in 2028, at a 4.8% CAGR.

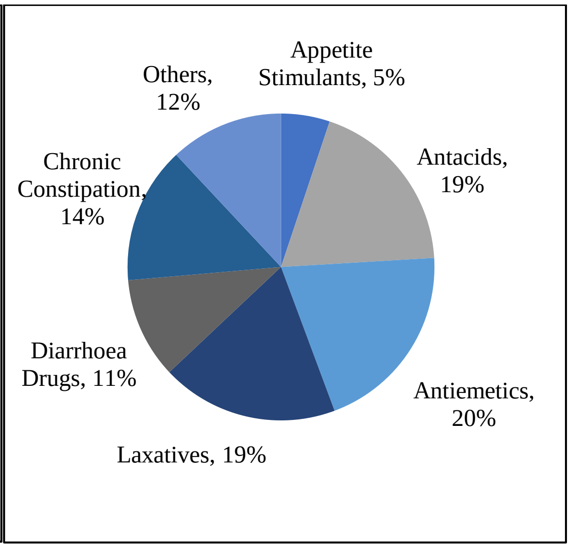
Global Gastrointestinal APIs, Industry Size (USD Bn), CY2018 - CY2028F



Global Gastrointestinal APIs Market Value by Region, CY2023

Global Gastrointestinal APIs Market Value by Therapy Area, CY2023





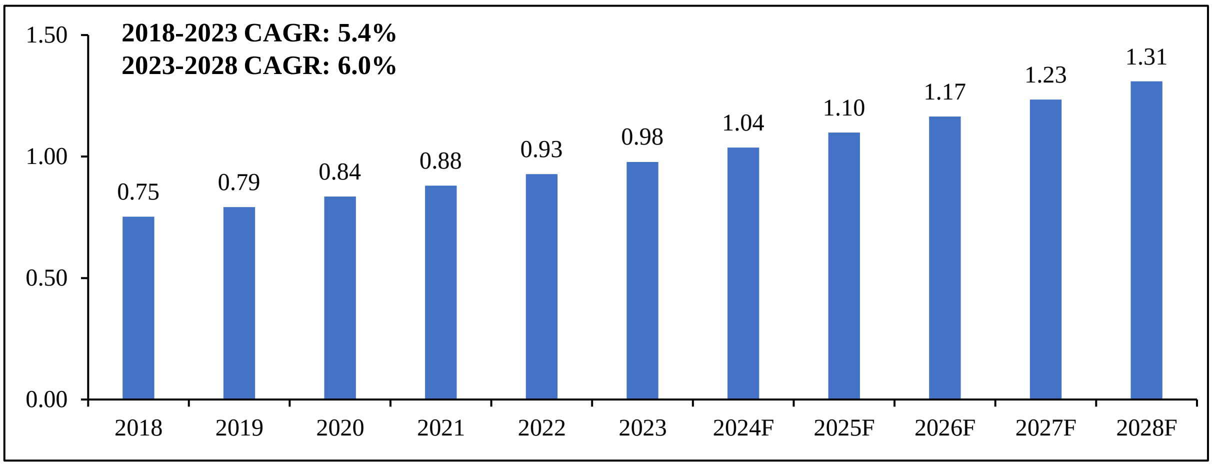
Global Gastrointestinal API Market - Competition Scenario

Company	Therapies Offered
Jubilant Pharmova	Antiulcerants, Antispasmodics, Nausea & Vomiting Agents
Glenmark Pharmaceuticals	Antiulcerants, Gastroesophageal Reflux Disease Agents, Esophagitis Agents

Global Chronic Constipation APIs Market

Constipation occurs when frequency of bowel movements decreases, and stools become difficult to pass. Persistent constipation, known as chronic constipation, may necessitate addressing an underlying ailment or condition that contributes to the disorder. Medications might be needed to intervene in such a situation. The global market for APIs used to address this disorder stood at around US$ 1 Bn in 2023 and will register robust growth of 6% leading up till 2028.

Global Chronic Constipation APIs, Industry Size (USD Bn), CY2018 - CY2028F



Numerous factors can contribute to chronic constipation. It may stem from structural abnormalities in the colon, such as colon cancer or narrowing (colon stricture), medical conditions like diabetes, thyroid disorders, Parkinson's disease, or pregnancy, or medications such as narcotics for pain relief, calcium channel blockers for blood pressure management, anti-seizure drugs, and antispasmodics.

Key APIs by Drug Class:

- **OTCs (Fiber supplements, Osmotics, Stimulants, Stool softeners, suppositories, Enemas, Lubricant Laxatives)**: Bisacodyl, Magnesium Citrate, Magnesium Hydroxide, Lactitol, Glycerin

- **Prescription Drugs:** Lactulose, Linaclotide, Lubiprostone, Plecanatide, Prucalopride

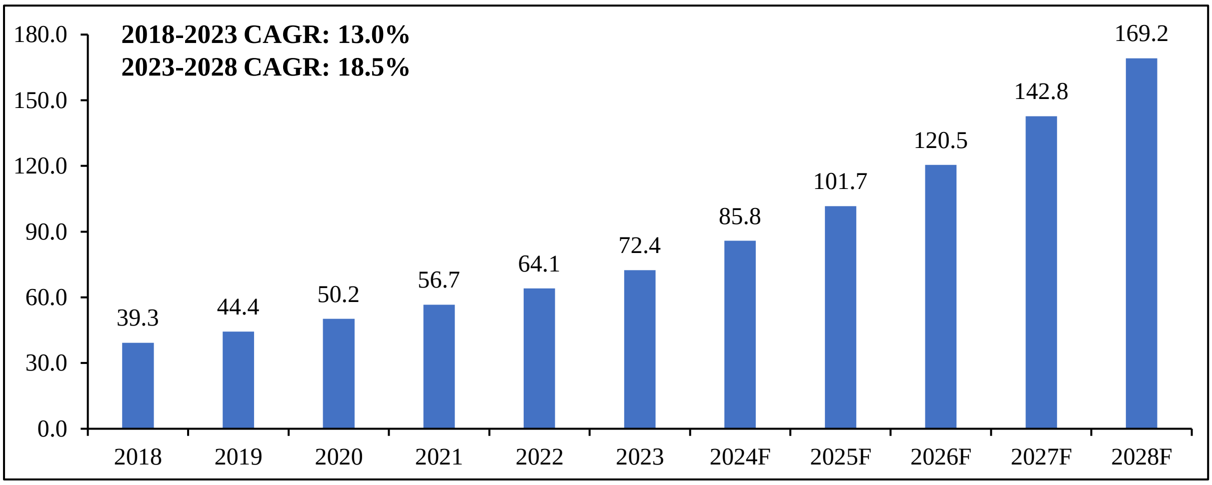
Global Li-ion Battery Market

In the last decade, Li-ion batteries have become increasingly popular in household, commercial and industrial uses. Their exceptional charge density, which means that Li-ion batteries can store much higher energy than conventional products, and capacity for storing electric energy are the primary factors driving their widespread adoption. According to a report by McKinsey, the worldwide need for lithium-ion batteries is projected to surge in the coming decade, with the demand for gigawatt-hours (GWh) rising from approximately 700 GWh in 2022 to approximately 4.7 terawatt-hours (TWh) by 2030. The automotive industry stands as the primary consumer of lithium-ion batteries and boasts significant growth potential. With the enhanced performance and decreasing costs of lithium-ion batteries, the global adoption of electric vehicles (EVs) is anticipated to surge exponentially.

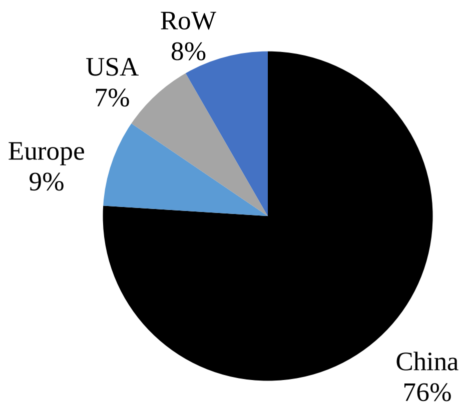
A shift in regulations towards sustainability is underway, marked by new net-zero goals and frameworks such as Europe's "Fit for 55" initiative, the US Inflation Reduction Act, the EU's plan to ban internal combustion engine (ICE) vehicles by 2035, and India's Faster Adoption and Manufacture of Hybrid and Electric Vehicles Scheme. Customer adoption rates for greener technologies are on the rise, with growing consumer demand for eco-friendly products. By 2030, it's anticipated that up to 90 percent of total passenger car sales in certain countries will involve electric vehicles (EVs).

Technology wise, a key trend that would drive growth for the industry are the advancements in cathode chemistry. Cathodes, often among the costliest components of a battery, are crucial in battery construction. Currently, NMC (nickel manganese cobalt) cathodes prevail in EV batteries. However, nickel, manganese, cobalt, and lithium—key constituents of NMC—are pricey. Thus, reducing or substituting these materials could contribute to cost reduction efforts. In the realm of alternative options, a growing technology in this space is lithium iron phosphate (LFP) chemistry. This low-cost cathode material is occasionally employed in lithium-ion batteries. Advancements in lithium iron phosphate (LFP) chemistry and manufacturing have spurred enhancements in battery performance. Consequently, companies are increasingly embracing this technology. According to MIT Technology Review, the market share of LFP batteries is rapidly expanding, rising from approximately 10% of the global EV market in 2018 to about 40% in 2022. Tesla has already incorporated LFP batteries into certain vehicles, and automakers such as Ford and Volkswagen have disclosed plans to introduce EV models featuring this chemistry as well.

Global Li-ion Battery Market, Industry Size (USD Bn), CY2018 - CY2028F



Li-Ion Battery % Manufacturing Share by Geography, CY2023



Key players in the Li-Ion Battery Manufacturing space:

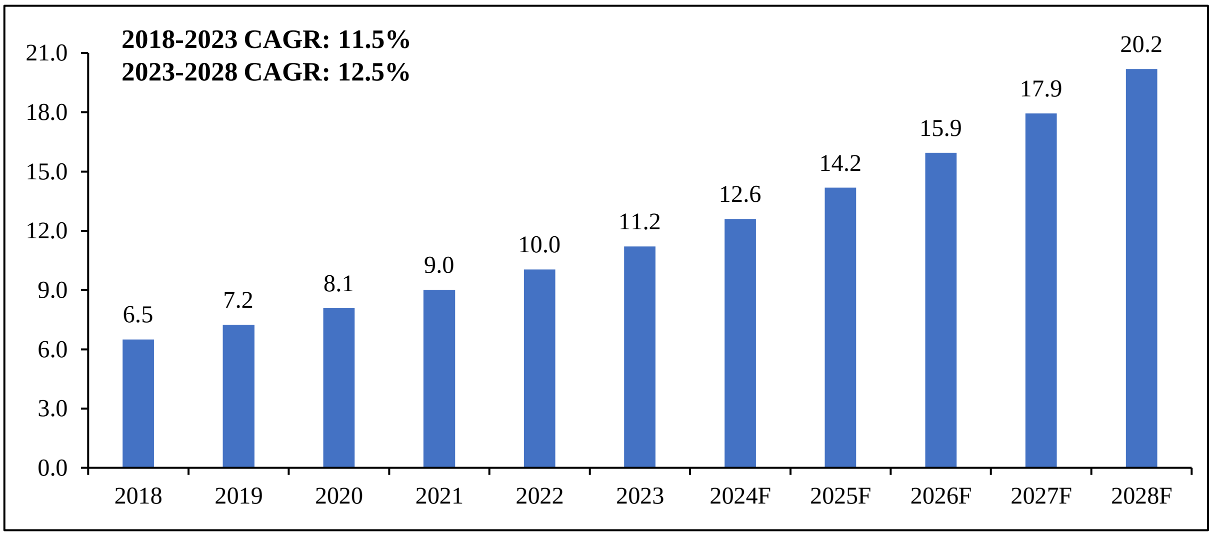
China holds 76% of the total capacity in lithium battery production and is expected to maintain this leading position for the next four years. The table below shows the key Li-Ion battery manufacturing companies:

Company	Base Location
Contemporary Amperex Technology Co. Ltd.	China
BYD Company Ltd.	China
Panasonic Corporation	Japan
CLN Energy	India

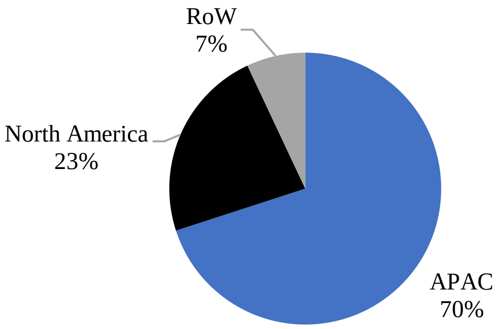
Global Electrolyte Solutions Market

An electrolyte is a material within a battery that facilitates the transfer of ions, which are particles carrying electrical charge, between the battery's electrodes, thereby enabling the charging and discharging processes of the battery. Electrolyte is generally composed of salts, solvents, and additives. Hence, multiple combinations of these components are possible depending on the requirements of the battery properties. Various batteries depend on distinct chemical reactions and utilize different electrolytes. For instance, a lead-acid battery typically employs sulfuric acid to initiate the desired reaction. In zinc-air batteries, the reaction hinges on oxidizing zinc with oxygen. Common household alkaline batteries utilize potassium hydroxide as their electrolyte. Meanwhile, lithium batteries predominantly use a lithium salt solution like lithium hexafluorophosphate (LiPF6) as their electrolyte. The global battery electrolyte solutions market stood at US$ 11.2 Bn in 2023, registering a strong CAGR of 12.5% until 2028.

Global Electrolyte Solutions Market, Industry Size (USD Bn), CY2018 - CY2028F



Electrolyte Solutions % Manufacturing Share by Geography, CY2023



Electrolyte Solutions - Competition Scenario:

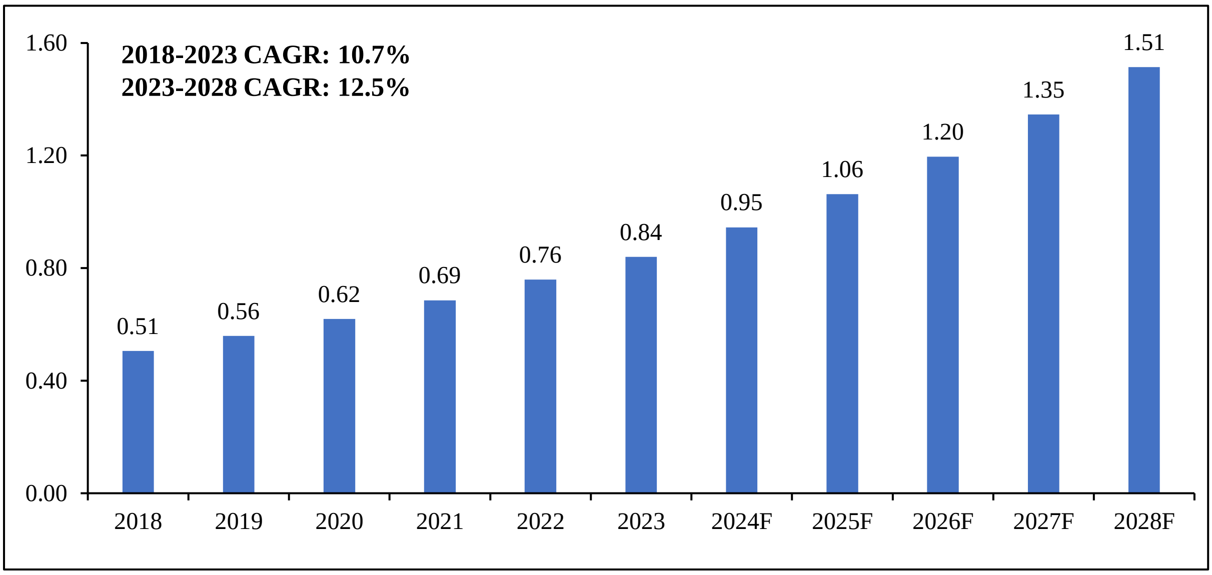
Key players in the electrolyte solutions space have been tabulated below:

Company	Base Location
Hopax Fine Chemicals	Taiwan
Shenzhen Capchem Technology Co., Ltd.	China
Guangzhou Tianci Hi-tech Material Co., Ltd.	China
Enchem Co., Ltd.	South Korea
Targray	Canada

India Electrolyte Solutions Market

The Indian battery market is ripe for growth due to the rising population, which will lead to a rise in demand for energy storage solutions, The penetration of electric vehicles in the Indian market is also inevitable due to the environmental concerns and measures to decrease the dependence on fossil fuels. Despite this high market potential, the manufacturing of battery technologies and associated products supporting these technologies are till at a nascent phase in the country. Opportunities are rich in a US$ 840 Mn battery electrolytes market, which is poised to grow at a 12.5% CAGR up until 2028.

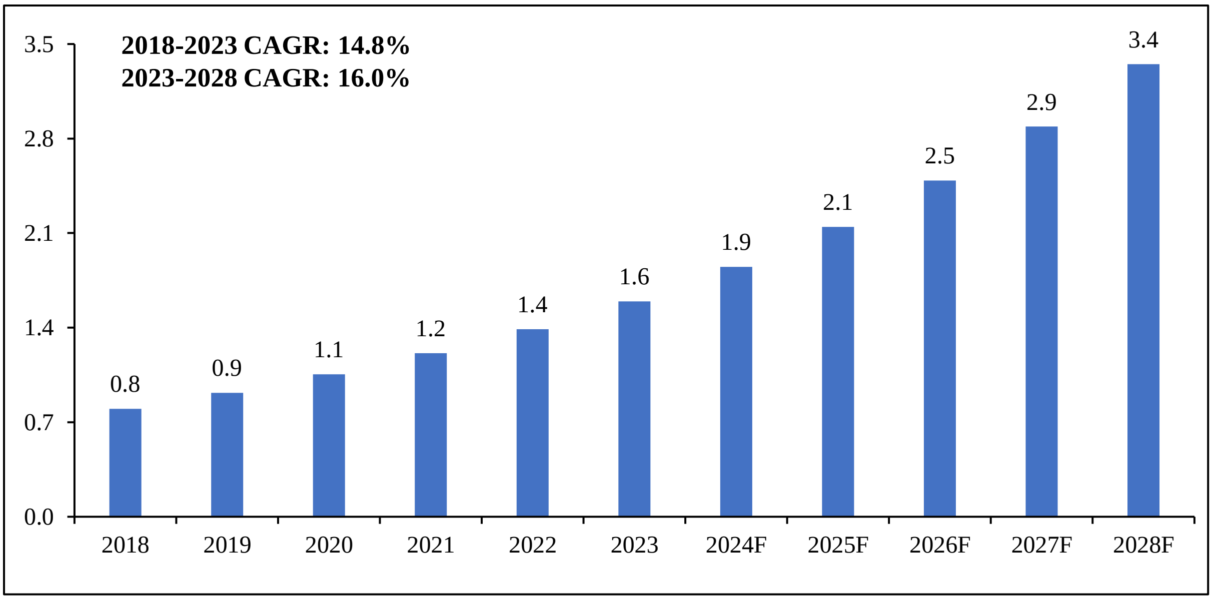
India Electrolyte Solutions Market, Industry Size (USD Bn), CY2018 - CY2028F



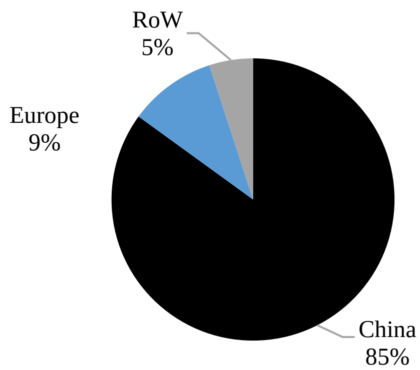
Global Electrolyte Additives Market

Electrolyte additives are minute quantities of supplementary components that are added to enhance the properties of electrolytes. The primary function of the electrolyte in lithium-ion batteries is to facilitate the movement of lithium ions between the cathode and anode. They serve to safeguard the electrode surfaces during charging and discharging processes, or during the movement of lithium ions. Consequently, these additives can enhance the performance and safety of batteries. Due to their distinct properties, the type and combination of additives employed can have varying impacts on battery performance. The global market for battery electrolyte additives stood at ~ US$ 1.6 Bn in 2023 and is expected to grow at a 16% CAGR up until 2028.

Global Electrolyte Additives Market, Industry Size (USD Bn), CY2018 - CY2028F



Electrolyte Additives % Manufacturing Share by Geography, CY2023



Key players in the Electrolyte Additives manufacturing space:

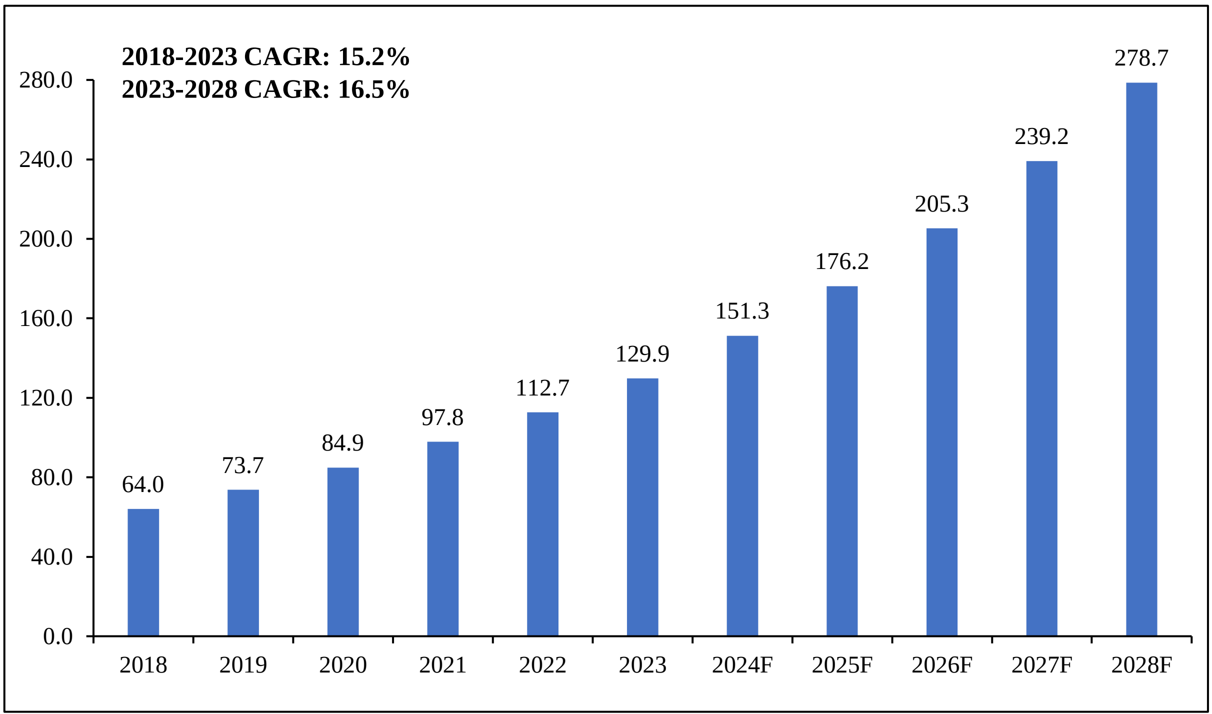
The electrolyte additives market is mostly concentrated in Asia, with some activity in USA. The key companies manufacturing electrolyte additives are tabulated below:

Company	Base Location
HSC Corporation	China
Zhejiang Yongtai Technology Co., Ltd	China
Koura Global	USA

India Electrolyte Additives Market

India's growing energy storage demand is poised to contribute to the growth of all supporting technologies, and battery electrolyte additive chemistries are no exception. The industry is expected to grow in tandem with the rising demand of batteries, growing from ~ US$130 Mn in 2023 to ~ US$ 279 Mn in 2028 at a 16.5% CAGR.

India Electrolyte Additives Market, Industry Size (USD Mn), CY2018 - CY2028F



Ami Organics is the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale.

Product Overview for Electrolyte Additives:

- **Vinylene Carbonate:** Vinylene carbonate is a colorless, transparent liquid which represents a class of film-forming and overcharge protection additives for lithium-ion batteries. During the initial charge and discharge cycles, it undergoes an electrochemical reaction on the negative electrode surface, leading to the formation of a solid electrolyte interface film (SEI film). This film effectively hampers the infiltration of solvent molecules. Moreover, vinyl carbonate exhibits commendable performance across a wide range of temperatures and boasts an exceptional anti-swelling capability. Its incorporation can enhance the capacity and lifespan of lithium-ion batteries. It is the most commonly used additive in Li-ion batteries.

- **Fluoroethylene Carbonate:** A clear, colorless liquid that finds frequent application as an electrolyte additive in lithium-ion batteries, aimed at enhancing the battery's stability and performance throughout charging and discharging operations. Its primary function lies in facilitating the formation of a robust solid electrolyte interface (SEI) layer on the lithium electrode's surface. This layer contributes to improving the battery's capacity retention, cycling stability, and overall longevity. Moreover, FEC plays a role in diminishing the battery's impedance, thereby promoting enhanced power output and efficiency.

- **Succinonitrile:** A colorless, waxy solid that can be employed as an additive in batteries, particularly lithium-ion batteries, for several reasons: improve electrolyte stability, aiding in SEI formation, improving cycling performance and reducing impedance. Overall, the incorporation of Succinonitrile as an additive in battery electrolytes can contribute to enhancing the overall performance, stability, and lifespan of lithium-ion batteries.

- **1,3-Propane- Sultone:** It is a colorless or yellowish transparent liquid which, when added to the battery electrolyte can improve the compactness of the passivation film formed on the surface of the negative electrode during charge and discharge. This prolongs the life of the electrode, improves the power cycle efficiency, increases the number of lithium battery cycles, and improves the service time of lithium batteries.

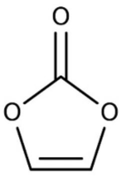
- **1-Propene 1,3-Sultone:** Like 1,3-propane sultone, 1-propene-1,3-sultone can be used as an electrolyte additive in lithium-ion batteries. It helps improve battery performance, stability, and safety by enhancing cycling stability and reducing the risk of thermal runaway.

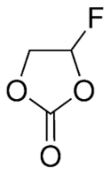
- **Ethylene Sulfate:** It is additive to lithium battery electrolytes which plays a crucial role in several aspects. It helps prevent the decline of initial capacitance, boosts initial discharge capacity, reduces battery expansion when stored at high temperatures, thereby enhancing charge-discharge performance, and ultimately extending cycle times.

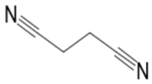
- **Ethylene Sulfite:** Ethylene sulfite (ES) serves as a sulfur counterpart to ethylene carbonate (EC), and it functions as an additive for the creation of liquid electrolytes. Its primary functionality is film forming and subsequent improvement in the decomposition resistance of the electrolyte.

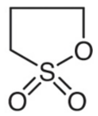
- **Ethyl Methyl Sulfone:** Research into the use of ethyl methyl sulfone in battery applications is ongoing, and its effectiveness as an additive depends on various factors such as battery chemistry, electrode materials, and operating conditions. Its potential role in maintaining the thermal stability of the electrolyte is vital for averting thermal runaway and boosting the battery's safety. Several studies propose that integrating ethyl methyl sulfone into the electrolyte formulation could enhance the performance and longevity of lithium-ion batteries. This is achieved by mitigating electrode degradation and fortifying the stability of the electrolyte.

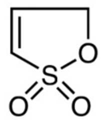
- **2 - (ethyl sulfonyl) propane:** EPS, or 2 - (ethyl sulfonyl) propane, functions as a beneficial electrolyte additive in lithium-ion batteries, playing a role in enhancing battery performance, stability, and safety. It works by improving ion transport properties within the electrolyte, thereby enhancing the electrochemical performance of lithium-ion batteries. Additionally, the inclusion of EPS in lithium-ion battery electrolytes aids in enhancing safety by mitigating the risk of thermal runaway and battery fires.

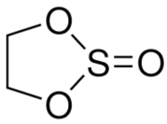

Vinylene Carbonate

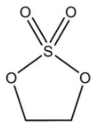

Fluoroethylene Carbonate

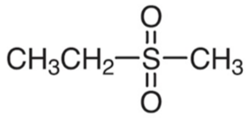

Succinonitrile

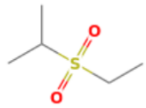

1,3 - Propane – Sultone


1,3 - Propene – Sultone


Ethylene Sulfite


Ethylene Sulfate

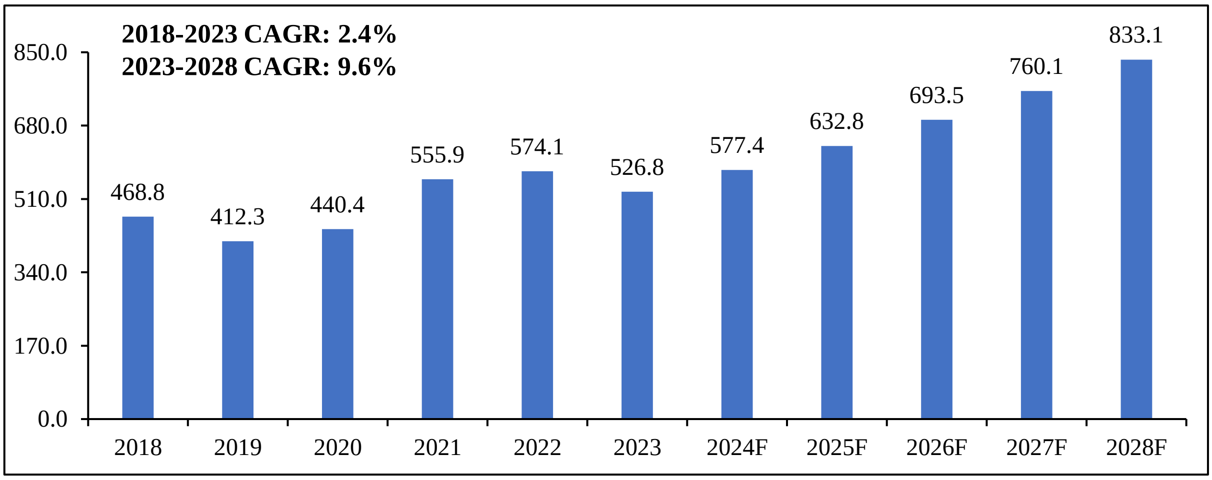

Ethyl Methyl Sulfone


2- (ethylsulfonyl) propane

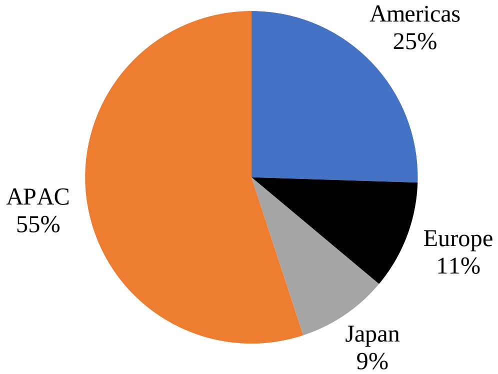
Global Semiconductor Market

The global semiconductor market stood at $526.8 Bn in 2023, a decrease of 8.2% compared to the 2022 market sales total of USD $574.1 Bn. In 2023, Europe was the sole regional market to witness positive annual growth, with sales rising by 4.0%. Conversely, all other regional markets experienced a decline in annual sales: Japan (-3.1%), the Americas (-5.2%), Asia-Pacific/All Other (-10.1%), and China (-14.0%). In December 2023, sales compared to November 2023 increased in China (4.7%), the Americas (1.8%), and Asia Pacific/All Other (0.3%), but decreased in Japan (-2.4%) and Europe (-3.9%). Moving ahead, the market is forecasted to touch US$ 1 Tn by 2030, experiencing robust growth over the coming decade.

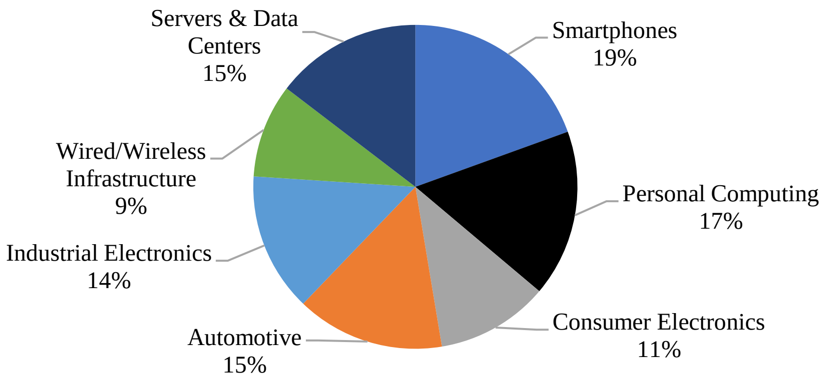
Global Semiconductors Market, Industry Size (USD Bn), CY2018 - CY2028F



Global Semiconductor Industry Sales by Geography, CY2023



Global Semiconductor Industry Sales by Applications, CY2023



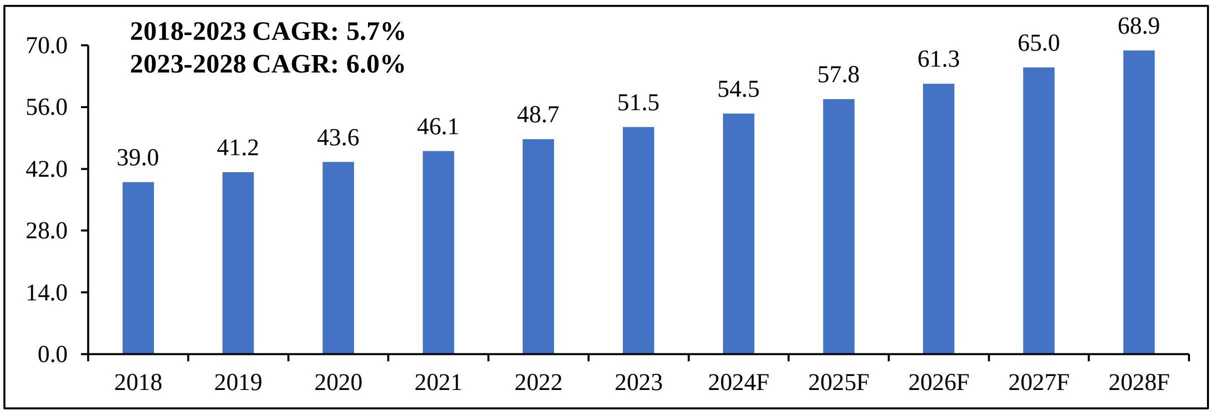
The semiconductor industry is poised for abundant opportunities for growth, with new technological requirements spearheading this growth. The fast-growing demand for a diverse array of disruptive technologies and emerging applications, including AI, autonomous and electric vehicles, high-performance computing, 6G, and autonomous machines, will drive this expansion in the semiconductor industry. The automotive sector is expected to be the fastest-growing segment, potentially experiencing a tripling in demand. This surge will be driven by applications like autonomous driving and e-mobility. According to a report by SEMI (a semiconductor industry association), 109 new fabs (Fabrication Plants) are projected to be operational between 2022 and 2026 to support this growth. Already, 89 of these fabs are in various stages of operation, equipping, or construction. It's clear that additional fabs will be required through the end of the decade to meet the rising demand for chips.

Semiconductor products are highly diversified, with companies specializing in various niches. Nvidia, Intel, and AMD focus on designing and manufacturing advanced computing processors for computers and servers, utilizing cutting-edge geometries. Qualcomm and Mediatek target the mobile computing market, particularly smartphones and tablets. Samsung, Hynix, and Micron dominate the memory market. Other semiconductor products include power devices crucial for electric vehicles and industrial applications, as well as analog, mixed-signal, RF (Radio Frequency), and a wide array of automotive-specific products serving various functions within vehicles. Major players in these segments include Texas Instruments (TI), STMicroelectronics, NXP Semiconductors, Infineon Technologies, Analog Devices Inc. (ADI), Renesas, Qorvo, and others. It's important to note that these market clusters may not always follow the same trends, and cyclical patterns may not necessarily overlap.

Global Semiconductor Chemicals Market

The semiconductor sector utilizes numerous chemical substances during the fabrication of microchips, which are generally employed in the manufacturing stages and are not retained in the final product. The chemicals utilized by the semiconductor industry range from aqueous acid and base solutions, specialty chemicals and gases, organic solvents, and metallic compounds. The semiconductor chemicals segment stood at ~ US$ 52 Bn in 2023 and is expected to grow at a CAGR of 6% over the next 5 years.

Global Semiconductor Chemicals Market, Industry Size (USD Bn), CY2018 - CY2028F

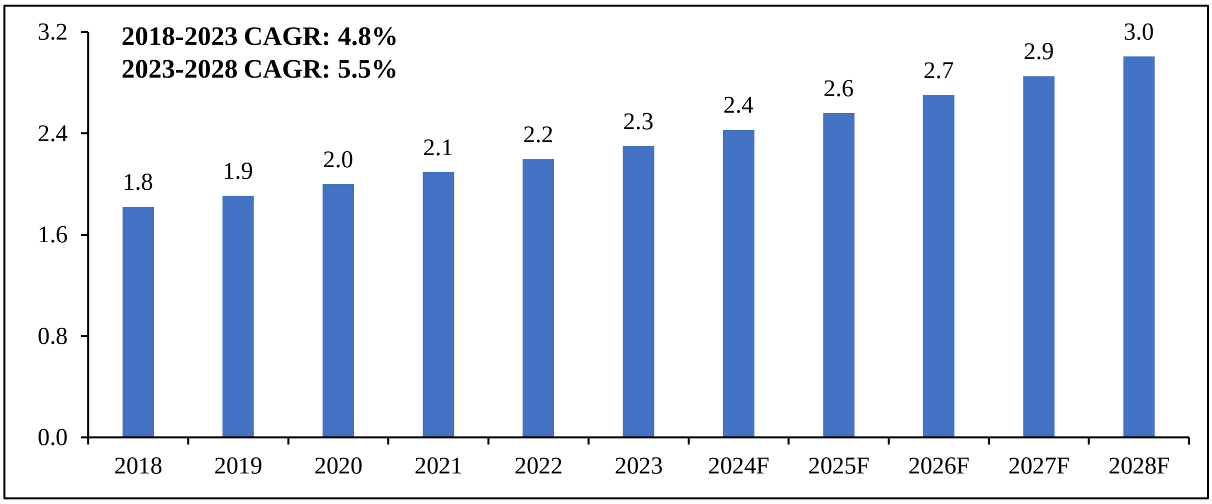


Global Photoresist Chemicals Market

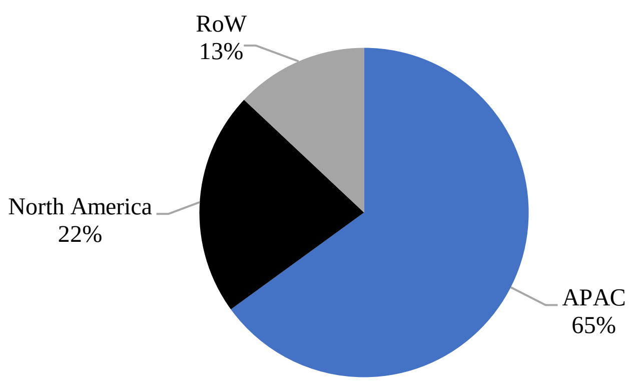
Photoresists are a type of light-sensitive polymers. When subjected to ultraviolet light, they undergo a chemical change, becoming soluble. Light, shaped according to the desired circuitry pattern, is directed onto the photoresist, causing the exposed chemicals to polymerize and form the circuitry on the device. The unexposed areas of the photoresist are then removed through a developing process. Subsequent layers are applied, and after further processing steps, the device fabrication is completed. For the manufacture of photoresists, a host of chemicals are needed. These include Photoresist Backbones, Ballasting Agents for Photo Initiators and Additives. Some examples of such chemicals are Bisphenols containing Carboxyl group, Isatin derivatives, Trisphenols, Polyphenols, Methylolphenols/Methylolbisphenols, Acetoxystyrenes, Hydrogenated Bisphenols and Trisphenols. The market for chemicals used in Photoresist manufacturing was around ~ US$ 2.3 Bn in 2023 and is expected to register a 5.5% CAGR over the next 5 years.

Baba Fine Chemicals is an Indian player that has specialized products in photo resist chemicals for semiconductor industry.

Global Photoresist Chemicals Market, Industry Size (USD Bn), CY2018 - CY2028F



Photoresist Chemicals % Manufacturing Share by Geography, CY2023



Photoresist Chemicals - Competition Scenario:

Key players in the photoresist chemicals space have been tabulated below:

Company	Base Location
Honshu Chemical Industry Co. Ltd.	Japan
Mitsui Chemicals America, Inc.	USA
Sumitomo Chemicals	Japan

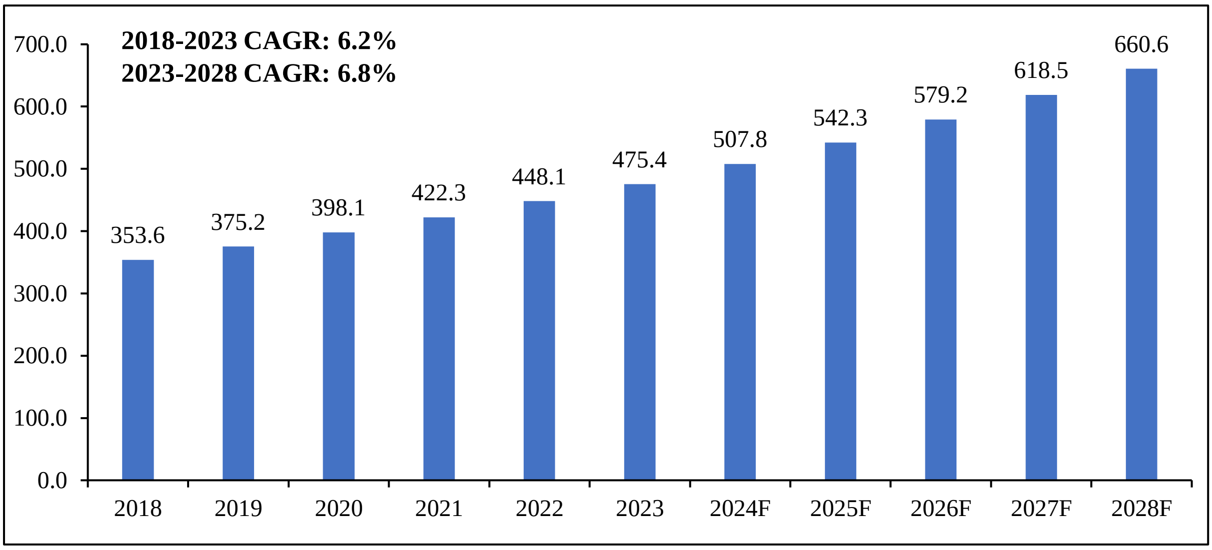
Company	Base Location
Heraeus Group	Germany

Specialty Chemicals

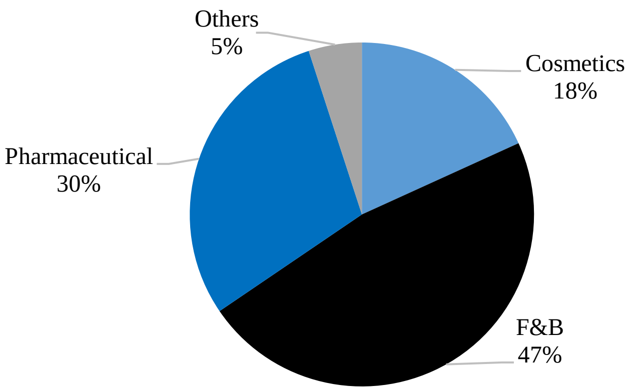
Global Parabens Market

Parabens are synthetic chemicals that find application as preservatives in various products, including cosmetics such as shampoo and conditioner, as well as in food products. The most common parabens are methylparaben, propylparaben and butylparaben. The global parabens market stood at ~ US$ 475 Mn in 2023 and is expected to grow at a 6.8% CAGR up until 2028.

Global Parabens Market, Industry Size (USD Mn), CY2018 - CY2028F

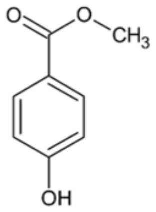


Global Parabens Market Split by Application, CY2023 (%)

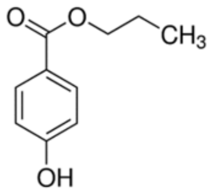


A constant talking point in the market currently is the safety of these compounds in products. One of the primary worries associated with parabens is that they can interfere with hormone levels in the body. Upon absorption, parabens may mimic estrogen, impacting both male and female hormonal balance. This can directly affect fertility, reproductive development, and even birth outcomes. Due to these concerns, the European Union implemented a ban on isopropylparaben and isobutylparaben in all personal care products in 2015, pending further investigation. Similarly, the Association of Southeast Asian Nations (ASEAN) has also prohibited the use of these specific parabens. As of now, the FDA doesn't enforce specific regulations concerning parabens and asserts that they are generally safe for use. The agency maintains its stance that parabens are safe for inclusion in cosmetic products. However, the industry is also closely tracking alternatives and any other effects of these compounds on the body.

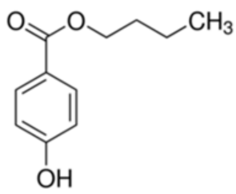
The key paraben molecules have been summarized below:



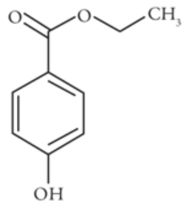
Methyl Paraben



Propyl Paraben



Butyl Paraben



Ethyl Paraben

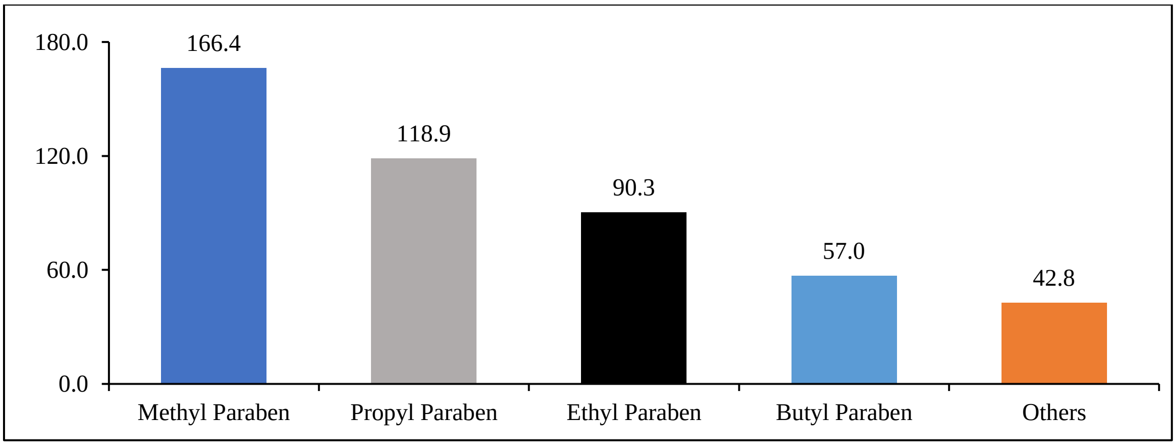
- **Methyl Paraben**: Methylparaben is derived from the formal condensation of methanol with the carboxyl group of 4-hydroxybenzoic acid, resulting in a 4-hydroxybenzoate ester. It is the most utilized antimicrobial preservative in cosmetics. Methylparaben tends to be rapidly eliminated from the body. Research conducted on dogs, infants, and adult males indicates that methylparaben was completely excreted within 48 hours or less. This suggests that methylparaben may not exert long-term effects.

- **Propyl Paraben:** Propylparaben is the n-propyl ester of p-hydroxybenzoic acid. Propylparaben is included on the FDA's Generally Recognized as Safe (GRAS) list. Animal toxicity studies indicate that propylparaben is generally non-toxic when administered orally or through injections, although it may cause skin irritation. Additionally, it has not been demonstrated to possess carcinogenic, mutagenic, or clastogenic properties.

- **Ethyl Paraben:** Ethylparaben is the ethyl ester of para-hydroxybenzoic acid. It is widely used in cosmetics and personal care products such as moisturizers, lotions, creams, shampoos, conditioners, deodorants, and makeup to prevent microbial growth and extend the shelf life of these products. It is also used as a preservative in pharmaceutical products, and less commonly in food and beverages.

- **Butyl Paraben:** Butylparaben is synthesized through an esterification process, which involves the reaction of 4-hydroxybenzoic acid with 1-butanol in the presence of an acid catalyst like sulfuric acid. Butylparaben serves as a preservative in various cosmetic products, including baby products, manicuring preparations, deodorants, and other hygiene items. Additionally, it is utilized in drug formulations such as local anesthetic solutions and estrogen tablets, as well as some food products.

Global Parabens Market Split by Product, CY2023E (US$ Mn)



Parabens - Competition Scenario:

The key players manufacturing parabens have been tabulated in the table below:

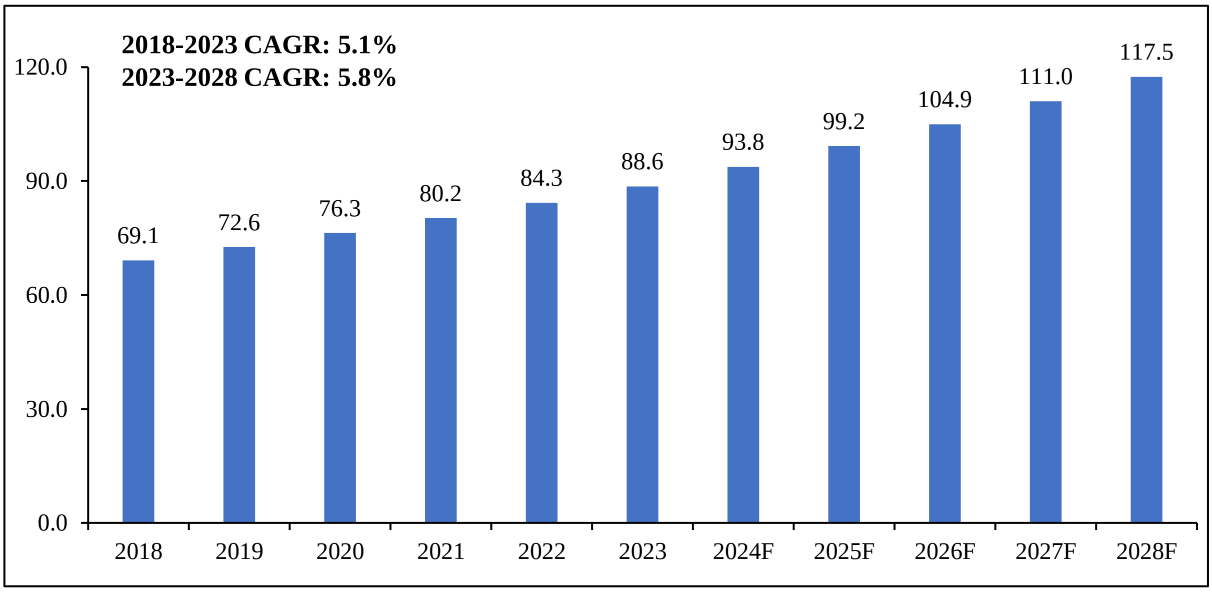
Company	Base Location
Qzuhou Ebright Chemicals Co.,Ltd	China
Ashland Inc.	USA
Anant Pharmaceuticals Pvt. Ltd.	India

Global Para Anisic Acid Market

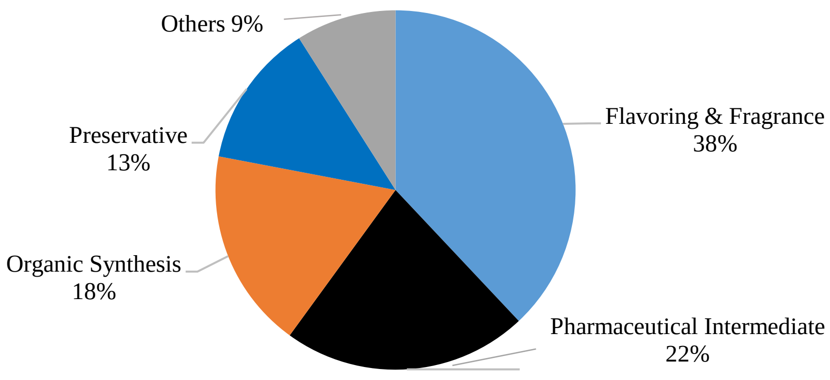
P-Anisic Acid, also known as 4-methoxybenzoic acid is a white crystalline solid derived from p-methylphenol (also known as p-cresol), a compound obtained from petrochemical sources or naturally occurring in plants. P-Anisic acid has a lot of applications across industries including pharmaceuticals, cosmetics, fragrances, and flavors. Its functional groups and chemical reactivity make it valuable as a precursor in synthesizing various pharmaceuticals and organic compounds. In the fragrance sector, it acts as both a fixative and a fragrance component, imparting floral and sweet undertones to perfumes and cosmetics. Moreover, it functions as a flavor enhancer in food and beverages.

The typical commercial production of P-Anisic acid primarily relies on synthetic methods, which offer advantages in terms of ensuring consistent quality and scalability when compared to extraction from natural sources. The global p-Anisic acid market stood at ~ US$ 88.6 Mn in 2024, and is projected to grow at a 5.8% CAGR over the next 5 years.

Global p-Anisic Acid Market, Industry Size (USD Mn), CY2018 - CY2028F

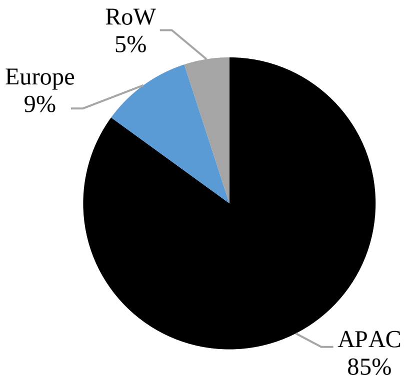


Global p-Anisic Acid Market Split by Application, CY2023 (%)



p-Anisic acid will continue to find growth as end industries utilizing the compound grow. A key driving force behind the market growth of P-Anisic acid is the rising demand within the cosmetics and personal care industry. Additionally, its significance as an intermediate compound in pharmaceutical synthesis plays a crucial role in fueling market expansion. With the pharmaceutical sector continually seeking novel drug compounds, there is a heightened demand for P-Anisic acid to facilitate these processes, further contributing to market growth.

Global p-Anisic Acid – Market Segmentation by Geography, CY2023



Para Anisic Acid - Competition Scenario:

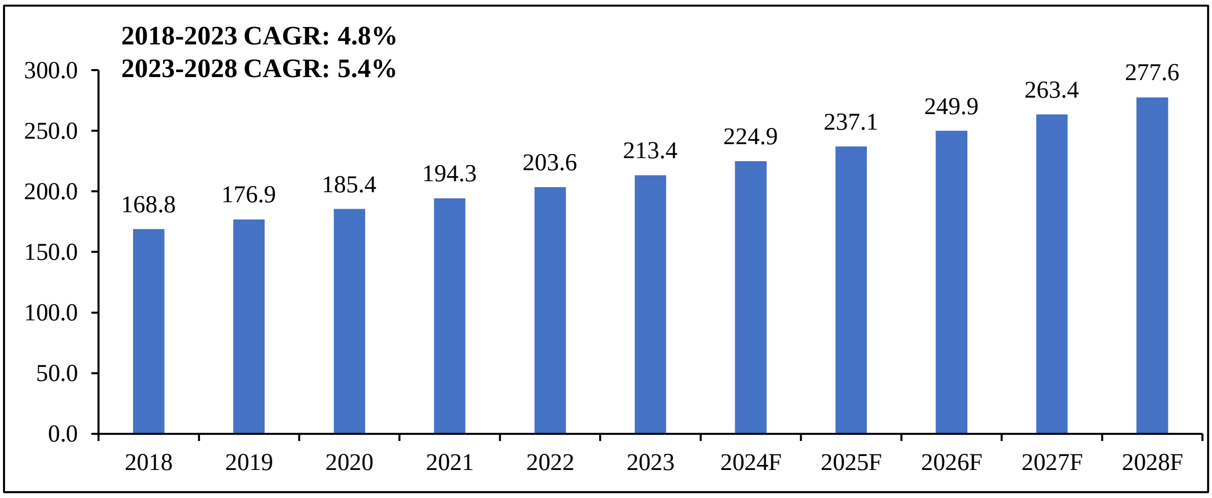
Key players supplying p-Anisic Acid have been tabulated below:

Company	Base Location
Fujifilm Wako Pure Chemical Corporation	Japan
BeiLi Technologies (Chongqing) Co. Ltd.	China
Ganesh Group	India
S D Intermediates	India
Shanghai Sunwise Chemical Co., Ltd	China

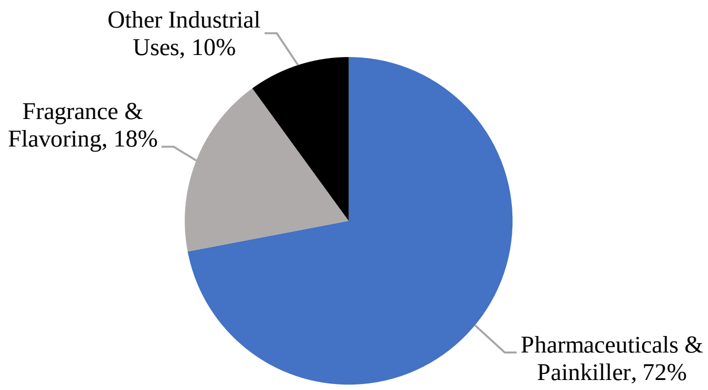
Global Methyl Salicylate Market

Methyl salicylate, also known as oil of wintergreen or wintergreen oil, is an organic ester that occurs naturally in various plant species, with wintergreens being particularly rich sources of this compound. Methyl salicylate can also be synthetically produced and finds application as a fragrance, as well as in foods, beverages, and liniments. It typically manifests as a colorless to yellow or reddish liquid, possessing the distinctive odor and taste associated with wintergreen. In liniments, it serves as a rubefacient and analgesic, providing relief for acute joint and muscular pain through deep heating effects. Moreover, methyl salicylate is utilized in small concentrations as a flavoring agent in chewing gums and mints, while also being incorporated into mouthwash solutions for its antiseptic properties. The global methyl salicylates market was around ~ US$ 213 Mn in 2023, growing at 5.4% up until 2028.

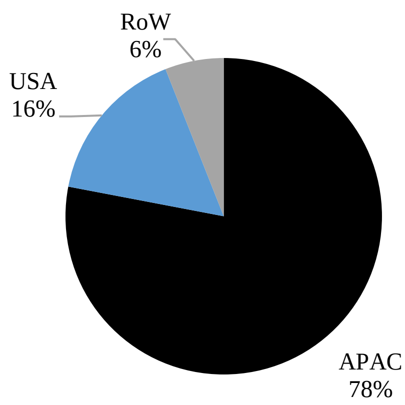
Global Methyl Salicylate Market, Industry Size (USD Mn), CY2018 - CY2028F



Global Methyl Salicylate Market Split by Application, CY2023 (%)



Global Methyl Salicylate – Market Segmentation by Geography, CY2023



Methyl Salicylate - Competition Scenario:

Multiple companies globally are manufacturing methyl salicylate, catering to both domestic as well as international demand. High concentration of manufacturing is observed in Asia, particularly in China. In India, Alta Laboratories is the largest manufacturer of Salicylic Acid & downstream Salicylates. Seqens is the only European producer of Methyl salicylate. Key players in this space are tabulated below:

Company	Base Location
Zhenjiang Maoyuan Chemical Co. Ltd.	China
Zhenjiang Gaopeng Pharmaceutical Co. Ltd.	China
Shandong Longxin Holding Group Co. Ltd.	China
Alta Laboratories Ltd.	India
Seqens	France
Tokyo Chemical Industry	Japan

OUR BUSINESS

*Some of the information in this section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve numerous risks and uncertainties. You should read the section "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and the sections "Risk Factors" and "Management's Discussion and Analysis of Financial Position and Results of Operations – Significant Factors Affecting our Results of Operations" on page 46 and 97 for a discussion of certain risks that may affect our business, financial condition or results of operations. Unless otherwise indicated, industry and market data used in this section have been derived from the Industry report on "Market Overview of the Global Pharmaceutical API & Key Intermediates Industry" dated June 4, 2024 (the "**F&S Report**") commissioned and paid for by our Company, as well as other industry sources and government publications.*

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Consolidated Financial Statements included in this Preliminary Placement Document, on page 253.

Overview

We are a research and development ("**R&D**") driven manufacturer of speciality chemicals focused towards the development and manufacturing of advanced pharmaceutical intermediates ("**Pharma Intermediates**") for regulated and generic active pharmaceutical ingredients ("**APIs**") and chemicals for New Chemical Entities ("**NCE**"), and other specialty chemicals including parabens and paraben formulations, methyl salicylate , semiconductor chemicals, electrolyte additives and niche key starting materials (**"KSM"**) for cosmetics, fine chemicals and agrochemical industries. The Pharma Intermediates which we manufacture, find application in certain high-growth therapeutic areas including anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder. We are the market leader for various key intermediates across the globe and the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale.

We have developed and commercialised over 550 Pharma Intermediates for generic and regulated APIs across more than 17 key therapeutic areas since inception and chemicals for NCE, with a strong focus on R&D across select high-growth high margin chronic segment therapeutic areas such as anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder, for use across the global pharmaceutical market. Our Pharma Intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs portfolio has expanded from over 450 products as of March 31, 2022, to over 550 products as of March 31, 2024. We believe that our focus on R&D and continuous process improvement has positioned us as a preferred supplier to our customers.

As on the date of this Preliminary Placement Document, we have been granted 10 process patents, two of our process patents are under publication and we have filed applications for three process patents, in respect of intermediates used in the manufacture of generic APIs across therapeutic segments.

Along with the domestic market, we supply various speciality chemicals and Pharma Intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs to various multi-national pharmaceutical companies which cater to the large and fast-growing markets of Europe, China, Japan, Israel, UK, Italy, Finland, Latin America, Africa and the USA. In the Fiscals 2024, 2023 and 2022, our revenue from exports contributed ₹ 39,969.02 lakhs, ₹ 36, 436.58 lakhs and ₹ 30,103.83 lakhs i.e. 55.71%, 59.08% and 57.88%, respectively, of our total revenue from operations. Our revenues from exports have grown at a CAGR of 15.23% between Fiscals 2022 and 2024.

We supply our products to more than 500 customers (including international customers) directly in India and in more than 55 countries overseas since inception, using distributorship network in certain cases. We have established long standing relationships with some of our key customers. Over 30 of our customers have been customers since the past 10 years.

We also manufacture specialty chemicals including parabens and paraben formulation, methyl salicylate, semiconductor chemicals, electrolyte additives and niche KSM for cosmetics, fine chemicals and agrochemical industries. In 2022, we forayed into battery chemicals - electrolytes additives segment by incorporating wholly owned subsidiaries, namely Ami Organics Electrolytes Private Limited ("**Ami Organics Electrolytes**") and Enchem Ami Organics Private Limited (100% subsidiary of Ami Organics Electrolytes). We have created a fundamental electrolyte additive which are used in manufacturing lithium battery cells utilized in energy storage devices, through Ami Organics Electrolytes. Notably, we are the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale (*Source: F&S Report*). Furthermore, we have signed a Memorandum of Understanding (MOU) with the Government of Gujarat on December 27, 2023, signalling our commitment to investment amounting up to ₹ 53,000 lakhs for the establishment of manufacturing facilities for our pharma intermediates and specialty chemicals business within the state of Gujarat, India.

In addition, as part of our strategic expansion into the semiconductor industry, we have acquired a 55% stake in Baba Fine Chemicals ("**BFC**"), manufacturer of high-value custom speciality chemical products essential for semiconductor applications by way of a purchase agreement dated April 22, 2023 and the said acquisition came into effect on April 1, 2023 ("**BFC Acquisition**"). With the semiconductor industry's high barriers to entry, the acquisition provides us with a strong foothold in this market. This acquisition is in line with our strategy of expanding our speciality chemicals division to focus on niche products manufactured using advanced technology with low competition and high entry barriers.

We have three manufacturing units located at (i) GIDC, Sachin, Gujarat, India, spread over an aggregate land area of 8,250 sq. mtrs. with an installed reactor capacity of 144 KL ("**Sachin Facility**"), (ii) GIDC, Ankleshwar Industrial Estate, Gujarat, India, spread over an aggregate land area of 10,375 sq. mtrs. with an installed reactor capacity of 442 KL ("**Ankleshwar Facility**"), and (iii) GIDC Industrial Estate, Jhagadia, Gujarat, India, spread over an aggregate land area of 56,698 sq. mtrs. with an installed reactor capacity of 512 KL ("**Jhagadia Facility**" and together with Sachin Facility and Ankleshwar Facility, the "**Manufacturing Facilities**"). Our Sachin Facility is inspected and approved (EIR issued) by US FDA for manufacture and supply of advanced pharmaceutical intermediates for manufacturing of generic and regulated APIs and chemicals for NCEs since 2016. The management systems of our Sachin Facility has been certified by the Bureau Veritas Certification Holding SAS – UK Branch to be compliant with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 27001:2022 for designing, manufacturing and dispatching of pharmaceutical intermediates for bulk drugs & warehouse management and SA 8000:2014 for manufacture, supply of pharmaceutical intermediates, pharmaceutical excipients and speciality chemicals. Similarly, our Jhagadia Facility is compliant with ISO 9001:2015, ISO 14001:2015 and SA8000:2014 standards and has been issued Kosher certification and Halal registration in respect of certain of our products manufactured at Jhagadia Unit. Further, our subsidiary Baba Fine Chemicals has a manufacturing unit spread over an aggregate land area of 999 sq. mtrs. with an installed reactor capacity of 1.80 KL located at Export Promotion Industrial Park, Site V, Industrial Area, Kasna, Greater Noida, Gautam Budh Nagar 201306, Uttar Pradesh ("**Noida Facility**").

We also have two warehouses (i) a 1,500 MT warehouse facility ("**Warehouse I**") for storage of raw materials and packing materials which is spread over 2,812 sq. mtrs in the vicinity of our Sachin facility and (ii) an industrial plot admeasuring 8,000 sq. mtrs at Plot No. 5538, in GIDC Sachin Industrial Area, Sachin, Surat which has been developed as a 800 MT warehouse facility ("**Warehouse II**") and catering to the incremental warehousing requirement for its Sachin Unit.

We continually invest in R&D activities to stay ahead and create a differentiating factor vis-à-vis our competitors. In addition to the Manufacturing Facilities, we have a dedicated in-house R&D facility located in GIDC, Sachin ("**R&D Facility**") spread over an aggregate built-up area of 2,200 sq. mtrs and is also supported by our analytical development laboratory ("**ADL**") in relation to research and developmental activities, freezing specifications and developing the method of analysis for finished products, in process intermediates, KSMs and raw materials. We have applied for renewal of certification from the Department of Scientific and Industrial Research, Ministry of Science and Technology of India ("**DSIR**") with respect to our R&D Facility.

Our Promoter, Executive Chairman and Managing Director, Nareshkumar Ramjibhai Patel holds a bachelor's degree in engineering (in chemical branch) from the Gujarat University and has been associated with the Company since incorporation and responsible for research and development, marketing, secretarial and legal, finance and product implementation divisions of our Company and our Promoter, Whole-time Director, Chetankumar Chhaganlal Vaghasia has been associated with the Company since its incorporation and has extensive experience in the specialty chemicals manufacturing sector. Presently, he is responsible for handling the human resource, logistics and dispatch, IT, procurement and administration divisions of our Company.

Key Financial Information

(₹ in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (₹ in lakhs)	71,747.45	61,673.45	52,013.50

(₹ in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
EBITDA (₹ in lakhs)	12,848.98	12,260.67	10,517.56
EBITDA/revenue from operations (in %)	17.91	19.88	20.22
Profit after tax ("**PAT**") (₹ in lakhs)	4,870.80	8,328.97	7,194.61
PAT Margin (in %)	6.79	13.50	13.83
Earnings per share (basic)	11.67	22.86	21.03
Earnings per share (diluted)	11.66	22.86	21.03
Return on capital employed (in %)*	10.10	20.21	19.08
Return on equity (in %)**	7.13	14.02	13.78

* *Return on capital employed is calculated as Earnings before interest and taxation ("**EBIT**")/ Capital employed (Net of cash and bank balances) at the end of the year. EBIT is calculated as EBITDA net of depreciation and amortisation, Capital employed is calculated as Net Worth + Net Borrowings (Net Borrowings is calculated as total borrowing (including current and non-current borrowing) less cash and cash equivalents at the end of the year).*

** *Return on equity is calculated as Net Profit after taxes / Net worth at the end of the year.*

Our Strengths

Niche product portfolio with strong market share

We manufacture and market advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs in select high-growth high margin chronic segment therapeutic areas such as anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder. Based on our existing business strategy of early identification of molecules for development and supply, we have developed and commercialised over 550 molecules used for manufacture of APIs and chemicals for NCEs across more than 17 high growth chronic segment therapeutic areas. Our key intermediate products for the therapeutic areas have a global market share of over 50% based on F&S Report. We are the market leader for various key intermediates across the globe.

In addition to advanced pharmaceutical intermediates, we specialize in producing KSM tailored for cosmetics, agrochemicals and fine chemical enterprises. Our portfolio also encompasses parabens and paraben formulations, methyl salicylate, and a range of other specialty chemicals crucial to industries such as cosmetics, dyes, polymers, agrochemicals, animal nutrition, and personal care. These products thrive within market niches characterized by limited competition and guided by our strategy of proactive molecule identification and development, we have successfully cultivated a catalogue comprising of over 70 specialty chemical products as on March 31, 2024. We have specialized products in photo resist chemicals for semi conductor industry.

Revenue Break-up

Product Category	Revenue (₹ in lakhs) and % of from total revenue from operations					
	Fiscal 2024	%	Fiscal 2023	%	Fiscal 2022	%
Advance Pharma Intermediates	56,779.76	79.14	51,806.00	84.00	42,426.65	81.57
Specialty Chemicals	14,967.69	20.86	9,867.45	16.00	9,586.85	18.43
Total	**71,747.45**	**100%**	**61,673.45**	**100%**	**52,013.50**	**100%**

Ability to launch innovative products ably supported by strong R&D and process chemistry skills

We are a R&D driven manufacturer of speciality chemicals focussed towards the development and manufacturing of advanced pharmaceutical intermediates for regulated and generic APIs and chemicals for NCE, and other specialty chemicals including parabens and paraben formulations, methyl salicylate, semiconductor chemicals, electrolyte additives and niche KSM for cosmetics, fine chemicals and agrochemical industries. We are present across the value chain of the Intermediates business, supplying chemicals for NCE to innovators, providing a wide range of products with the different routes of synthesis and different levels of intermediates. Our strategy to be the first to market with target products has helped us in positioning us to be the preferred suppliers for innovators as well as big generic pharma companies.

Our Company has a strong market research-based model wherein we focus on development of Pharma Intermediates either for molecules which are under clinical trials; or for molecules which have been launched in the patented as well as generic space. Our Company has developed capability to provide product from N-1 to N-12 stage with different routes of synthesis. As on the date of this Preliminary Placement Document, we have been granted 10 process patents, two of our process patents are under publication and we have filed applications for three process patents in respect of intermediates used in the manufacture of generic API across therapeutic segments. We have also developed a core electrolyte additive for manufacturing lithium battery cells used in energy storage devices, through Ami Organics Electrolytes. We are the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale.

We have applied for renewal of certification from the DSIR with respect to our R&D Facility which has a specialised team of 118 people across various sections including R&D, regulatory affairs, quality control, quality assurance and analytical development laboratory. With a view to further strengthen our R&D capabilities, we continuously recruit and appoint scientists of varied experience and expertise at our R&D laboratory with an objective to successfully implement our strategy of early identification of development and manufacturing opportunities. Our investments in R&D has been critical to our success and a differentiating factor vis-à-vis our competitors in becoming one of the key suppliers of pharmaceutical intermediates for API in both domestic and global markets.

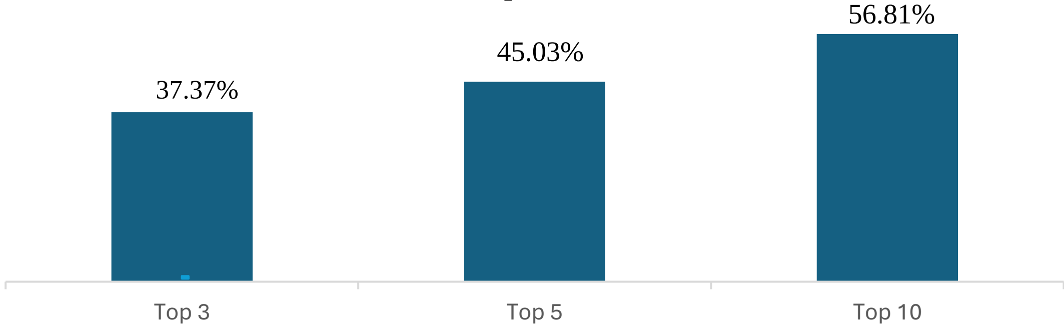
Extensive geographical presence and diversified customer base with long standing relationships

We cater to domestic and certain multi-national pharmaceutical companies which cater to the large and fast-growing markets of Europe, China, Japan, Israel, UK, Italy, Finland, Latin America, Africa and the USA. In Fiscals 2024, 2023 and 2022, our revenue from exports contributed ₹ 39,969.02 lakhs, ₹ 36,436.58 lakhs and ₹ 30,103.83 lakhs i.e. 55.71%, 59.08% and 57.88%, respectively, of our revenue from operations**.** As on March 31, 2024, we supply our products to over 55 countries and have long standing relationships with numerous domestic and global pharmaceutical companies. Specifically, we cater extensively to the large geographies of Italy, Finland, USA, and China, which contributed to 25.51%, 33.42%, 7.35% and 6.99%, respectively, of our total revenue from exports for Fiscal 2024.

Diversification of our customer base across the domestic and global markets has limited our exposure to a risk of concentration, enabling us to further diversify and expand our business relationships. We believe that our ability to diversify into new markets, with limited exposure to the risk of dependence on any specific market is a key strength in our business operations.

We have established long standing relationships with our key customers. Our top 10 customers for Fiscal 2024 have been our customers for over 5 years and have contributed to 56.81% of our total revenue from operations. Further over 30 of our customers have been customers since the past 10 years. Ability to address the varied and stringent client requirements over long periods enables the Company to obtain additional business from existing clients as well as new clients in an industry marked by high entry barriers.

Revenue Contribution from Top Customers - Fiscal 2024



High entry barriers in the chemicals manufacturing industry in which the Company operates

We manufacture and market advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs in select high-growth high margin chronic segment therapeutic areas such as anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder. This pharmaceutical intermediates business has high entry barriers *inter alia* due to: (a) a long gestation period to be enlisted as a supplier with the customers, particularly with the customers in US and European countries, which requires suppliers to adhere to strict compliance requirements, leading to a high regulatory gestation period; and (b) the involvement of complex chemistries in the manufacturing process, which is difficult to commercialize on a large scale. Our Sachin facility is USFDA inspected and in respect of which we have received the EIR twice, in 2018 and 2020.

Further, APIs and NCEs manufactured by our customers, where our products are used, and where such use has been formally recognised in filings with regulatory agencies, any change in the vendor of the product may require significant time and cost for the customer resulting in a propensity amongst customers to continue with the same set of suppliers. Hence, customer acquisition involves a long gestation period, resulting in very few players being involved in manufacturing of the products.

Further, post 2018, in order to import into, market and sell chemical drugs in the European Union, the drugs need to be registered under the Registration, Evaluation, Authorization and Restriction of Chemicals ("**REACH**") Regulations. A registration under REACH is primarily a comfort registration for the purposes of ensuring local support point on behalf of the non-EU manufacturer that does not have a local presence in the said country within the European Union. As a consequence of this measure, no new entrants can supply products into the European Union market unless such entrant holds a valid registration under the REACH Regulations. Our Company secured REACH registration for some of its products for the purposes of selling and marketing these products in the European Union with an added advantage of being a 'preferred supplier' to its customers in the said territory. We believe that this is a significant entry barrier that works in favour of our Company and places it in a major advantageous position vis-à-vis its competitors in the critical European market wherein our Company intends to cater to the regulated players (i.e., the originators and not generic makers).

Further, given the nature of the application of our products, our processes and products are subject to, and measured against, high quality standards and stringent impurity specifications. We believe that we have, over the years, built strong relationships with our customers, who recognise our technical capabilities and timely deliveries and associate our Company with good and consistent quality products.

Moreover, handling of some of the raw materials that we use requires a high degree of technical skill and expertise, and operations involving such hazardous chemicals ought to be undertaken only by personnel who are well trained to handle such chemicals. We believe that the level of technical skill and expertise that is essential for handling such chemicals can only be achieved over a period of time, creating a further barrier for new entrants.

Strong sales and marketing capabilities

We believe that we have strong sales, marketing and distribution capabilities. Since our Company's incorporation in 2007, we have created a sales division, aligned with our key therapeutic areas and have focused on developing and growing our engagement with specialists and super specialists. Our marketing team utilizes a variety of sales and marketing techniques and programs to promote our products, including promotional materials, speaker programs, key pharmaceutical trade exhibitions such as CPHI and CHEMSPEC, advertising and other media besides reliance on a strong market research-based model wherein we focus on development of advanced pharmaceutical intermediates either for molecules which are under clinical trials; or for molecules which have been launched and approved by pharmaceutical regulators worldwide, including the US-FDA. As on March 31, 2024, we have a dedicated team of 11 members in our marketing team.

As a result of its continuous marketing efforts, our Company has received new product requirements from multiple innovators which shall help our Company remain relevant with respect to our reliability for servicing future product requirements. Our Company services its domestic and its export customers through its marketing and sales team in India and by way of certain distributorship arrangements in overseas jurisdictions.

Focus on long term sustainability through various environment friendly and social initiatives

We have a strong focus on sustainability in all aspects of our operations and over the years have adopted various green initiatives. We have adopted "zero" liquid discharge based in-house effluent plant at Sachin Unit wherein no treated effluent from our manufacturing operations is discharged on to the land or into any water body. Our Units are fitted with effluent treatment plants. Our Sachin Unit is SA 8000:2014 Certified. Our occupational health and safety management system at Sachin facility has been certified to be in compliance with ISO 45001:2018 standards by the Bureau Veritas Certification Holding SAS – UK Branch.

Our manufacturing units located at Sachin and Jhagadia are ISO 9001:2015, ISO 14001:2015 certified. Moreover, we maintain adequate green belt near our Sachin Unit, Ankleshwar Unit and Jhagadia Unit. We believe that having such a strong focus on sustainability is beneficial for our business operations as (i) we face minimal disruptions from neighbouring communities where our manufacturing facilities are located; (ii) we receive more enquiries from potential customers for custom manufacturing due to their increased focus on sustainability; and (iii) it helps reduce our power and water costs.

Our Company has been awarded Gold Rating accreditation from EcoVadis in Fiscal 2024, recognizing our Company's outstanding commitment to sustainability. The EcoVadis Gold Rating is the Sustainability scorecard which puts the Company amongst top 5% of the companies assessed by EcoVadis globally. Company has been rated by EcoVadis across the four themes of Environment, Labour & Human Rights, Ethics and Sustainable Procurement.

Experienced and Dedicated Management Team

We are led by qualified and experienced Board of Directors, key managerial personnel and senior management personnel, who we believe have extensive knowledge and understanding of the global generic pharmaceutical business environment and have the expertise and vision to organically scale up our business. Our executive directors have a collective pharmaceutical industry experience of more than 5 decades and almost all of them have been associated with our Company since our formative years.

Our Promoter, Executive Chairman and Managing Director, Nareshkumar Ramjibhai Patel, holds a bachelor's degree in engineering (in chemical branch) from the Gujarat University and has been associated with the Company since incorporation and responsible for research and development, marketing, secretarial and legal, finance and product implementation divisions of our Company and our Promoter, Whole-time Director, Chetankumar Chhaganlal Vaghasia has been associated with the Company since its incorporation and has extensive experience in the specialty chemicals manufacturing sector. Presently, he is responsible for handling the human resource, logistics and dispatch, IT, procurement and administration divisions of our Company. Both Nareshkumar Ramjibhai Patel and Chetankumar Chhaganlal Vaghasia are ably supported by Virendranath Mishra and Ram Mohan Lokhande, our Whole-time Directors. We believe that our stable, senior management team has helped us in successfully implementing our development and operating strategies over the years. We believe that owing to the understanding of the industry trends, demands and market changes of our senior management team, we have been able to adapt and diversify our operating capabilities and take advantage of market opportunities since the incorporation of the Company.

Apart from the members on our Board, we believe that the knowledge and experience of our senior and middle-level management team members in the pharmaceutical business provides us with a significant competitive advantage as we seek to grow our business. For further details of our key managerial personnel, see "*Board of Directors and Senior Management*" on page 196.

Consistent financial performance

We have a track record of operations of over a decade and have a strong balance sheet with stable cash flows. We have experienced sustained growth in various financial indicators including our revenue and PAT, as well as a consistent improvement in our balance sheet position in the last three Fiscals, wherein we have seen an increase in our net worth.

The table below sets forth some of the key financial indicators for the Fiscals 2024, 2023 and 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (₹ in lakhs)	71,747.45	61,673.45	52,013.50
EBITDA (₹ in lakhs)	12,848.98	12,260.67	10,517.56
EBITDA/revenue from operations (in %)	17.91	19.88	20.22
Profit after tax ("**PAT**") (₹ in lakhs)	4,870.80	8,328.97	7,194.61
PAT Margin (in %)	6.79	13.50	13.83
Earnings per share (basic)	11.67	22.86	21.03
Earnings per share (diluted)	11.66	22.86	21.03
Return on capital employed (%)*	10.10	20.21	19.08
Return on equity (%)**	7.13	14.02	13.78

* *Return on capital employed is calculated as Earnings before interest and taxation ("**EBIT**")/ Capital employed (Net of cash and bank balances) at the end of the year. EBIT is calculated as EBITDA net of depreciation and amortisation, Capital employed is calculated as Net Worth + Net Borrowings (Net Borrowings is calculated as total borrowing (including current and non-current borrowing) less cash and cash equivalents at the end of the year).*

*** Return on equity is calculated as Net Profit after taxes / Net worth at the end of the year.*

We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. Our strong balance sheet and positive operating cash flows coupled with low levels of debt enable us to fund our strategic initiatives, pursue opportunities for growth and better manage unanticipated cash flow variations. Our financial strength provides us a valuable competitive advantage over our competitors with access to financing, which are factors critical to our business.

For further details on a comparative analysis of our financial position and revenue from operations, see the section titled "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 95.

Our Strategies

Continue to develop innovative products for the global market by strengthening the R&D capabilities

With the objective of early identification and attaining early development, we constantly seek to introduce new product verticals and develop our R&D capabilities to distinguish ourselves from our competitors particularly with a view to enhance our development of advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs, either for molecules under clinical trial or those which have been launched. We have applied for renewal of certification from the DSIR with respect to our R&D Facility. As on March 31, 2024, the R&D Facility has specialised team of 118 people across various teams including R&D, regulatory affairs, quality control, quality assurance and analytical development laboratory. Our total spend on R&D *vis-à-vis* our turnover has increased from 1.35% in Fiscal 2022 to 1.97% in Fiscal 2024.

With a view to further strengthen our R&D capabilities, we continuously recruit and appoint scientists of varied experience and expertise at our R&D laboratory with an objective to successfully implement our strategy of early identification of development and manufacturing opportunities. Our investments in R&D have been critical to our success and a differentiating factor vis-à-vis our competitors in becoming one of the key suppliers of pharmaceutical intermediates for API in both domestic and global markets.

We have also developed and manufactured speciality chemicals for pharmaceutical, cosmetics, fine chemicals, semiconductors, battery chemicals, among others.

Our Company's focus has been to develop cost effective processes for manufacturing our products and as on March 31, 2024 we have been granted 10 process patents, two of our process patents are under publication and we have filed applications for three process patents (in respect of intermediates used in the manufacture of generic API across therapeutic segments) and have developed significant expertise in chemistry and series of molecules. Additionally, we have recently diversified our product portfolio into manufacturing of electrolyte additives segment and very high entry barrier custom made chemical products for semi-conductor industries as a result of our acquisition of Baba Fine Chemicals by way of a purchase agreement dated April 22, 2023 which came into effect on April 1, 2023.

We intend to develop, test and manufacture new products meeting regulatory standards subsequent to receipt of requisite regulatory approvals from the relevant authorities in India and overseas and make investments on an ongoing basis in new product launches and research and development for future products. We also intend to invest in development of products which are used in manufacture of APIs being used in formulations whose patents are expiring, which would lead to increase in demand for the Pharma Intermediates for such APIs.

Expand our innovator business with more focus on CDMO opportunities

We are a R&D driven manufacturer of speciality chemicals and are present across the value chain of the Intermediates business, supplying chemicals for NCE to innovators, providing a wide range of products with different routes of synthesis and different levels of intermediates. Our Company has developed capability to provide product from N-1 to N-12 stage with different routes of synthesis. We endeavour to be first to market with target products which are used for manufacturing APIs and pharmaceutical products by innovators as well as big generic pharma companies. We endeavour to expand into generic markets for patented products that are going to go off patent. There is a robust pipeline of generic drugs, which provide a tremendous growth opportunity for pharmaceutical companies once the patented products go off patent. We are focusing on building a robust range of intermediate products to cater to the increased demand from generic drugs manufacturing companies, both domestic and foreign.

Additionally, we are also focusing on CDMO opportunities, where in we offer services for Advance Intermediate development and commercial manufacturing to the innovators and formulators. This provides us with avenues for growth and collaboration.

Focus on electrolyte additives market expansion

We are the first international company, apart from China, to spearhead the pioneering development of electrolyte additives on a global scale (*Source: F&S Report*). This shows our profound understanding of market dynamics and consumer needs. We intend to capitalize on this achievement to solidify our position as industry leaders and drive further innovation in the energy storage sector. Firstly, we will focus on strengthening our research and development capabilities to continue innovating in electrolyte additive technology. This involves investing in cutting-edge research facilities, forging partnerships with leading research institutions, and attracting top talent in the field. Secondly, we will prioritize strategic partnerships and collaborations to expand our reach and accelerate the adoption of our electrolyte additives globally. This includes collaborating with battery manufacturers and energy companies to integrate our additives into their products and initiatives. Thirdly, we will invest in marketing and branding efforts to enhance awareness of our pioneering role in the industry. This involves participating in industry conferences and events, showcasing our innovations through thought leadership content, and engaging with stakeholders through various channels.

Augmenting scale through organic and inorganic routes in the current geographic markets and expanding into new geographic markets

As per the F&S Report, the Government of India's proposition to support local manufacturing of many possible raw materials and intermediates especially in the pharmaceutical space will enhance the growth in domestic market and reduce imports, especially from China. With shift in investments from regulated markets like Europe to developing countries like India, domestic production is expected to increase, reducing dependency on imports encouraging the current trend of exports of intermediates to grow substantially. With many global end users looking for alternative to China, India stands as an immediate alternate due to its significant years of experience in handling global regulatory requirements, strong process know how, strength in R&D and low cost.

Our Company supplies advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs to over 500 customers in India and over 55 countries overseas since inception and has established itself as a trusted and reliable supplier of advanced pharmaceutical intermediates used for manufacturing of generic and regulated APIs and chemicals for NCEs, globally. As one of the biggest manufacturers of intermediates for the target therapies, our Company is in a unique position to cross-sale new molecules to existing clients (*Source: F&S Report*).

As on March 31, 2024, the installed reactor capacity of our Manufacturing Facilities was 1,098 KL bifurcated as 144 KL, 442 KL and 512 KL respectively for Sachin, Ankleshwar and Jhagadia facilities. Moreover, our subsidiary, Baba Fine Chemicals has installed reactor capacity of 1.80 KL. We believe that our Company is well positioned to consolidate its existing capacity to capitalise upon future growth that is envisaged. We aim to strengthen our manufacturing capability and achieve better economies of scale by organic and inorganic growth. We have, and continue to, expand our business through organic growth to increase our production capacities and product portfolio, including by way of our recent acquisitions which we believe significantly increases our production capabilities. Consistent with past practice, we will look to add capacity in a phased manner to ensure that we utilize our capacity at optimal levels.

We had acquired our Ankleshwar Facility and Jhagadia Facility in Fiscal 2021 which enabled us to expand our product portfolio to include the manufacture of speciality chemicals and has also enabled us with backward integration in relation to our products. During Fiscal 2023, we relocated our speciality chemical manufacturing plant in Ankleshwar Unit to the Jhagadia unit. This was undertaken to build a brownfield plant in Ankleshwar, Gujarat while supporting the growth of advance pharmaceutical intermediates segment. In December 2023, we inaugurated a state-of-the-art technology driven plant in Ankleshwar Unit which focuses on advanced pharmaceutical intermediate business.

Further, as part of our strategic expansion we have forayed into the semiconductor industry in Fiscal 2023 by acquiring 55% stake in Baba Fine Chemicals, manufacturer of high-value custom speciality chemical products essential for semiconductor applications. Baba Fine Chemicals makes high purity chemicals with its main application in photo resistance chemicals in semiconductor industries.

Going forward, we may consider acquisition/ investment opportunities to selectively expand in other verticals. We believe such acquisitions will support our long-term strategy, strengthen our competitive position, particularly in acquiring technical expertise and provide greater scale to grow our earnings and increase shareholder value.

Expand our production capacities and broadening the footprint of manufacturing operations

Our Company's existing manufacturing facilities are located in Surat, Ankleshwar and Jhagadia in Gujarat and our Subsidiary, Baba Fine Chemicals' manufacturing unit at Noida, UP. Our manufacturing facilities are equipped with cutting-edge technology and adhere to stringent quality control measures, ensuring the production of high-quality chemicals and intermediates. We propose to expand our manufacturing capacities by increasing the capacity of our existing facilities at Ankleshwar and Jhagadia facilities. The Board of Directors of our Company in Fiscal 2024 approved the capex of ₹ 31,000.00 lakhs in order to build a brownfield plant in Ankleshwar, Gujarat while supporting the growth of advance pharmaceutical intermediates segment. Currently, we also have access to additional land at our existing manufacturing facility at Jhagadia Facility, which provides significant headroom for future growth. Going forward, we will continue to periodically review the functioning of our in–house product development strategy, identify scope for expansion and undertake projects to increase our production capabilities.

Continue to focus on cost efficiency and improving productivity while employing environmentally friendly processes

Our Company strongly believes in conducting its business operations in an environmentally responsible manner. We have set up a Zero Liquid Discharge based in-house effluent plant at our Sachin Unit. Our Jhagadia unit also has a state-of-the-art ETP solution, which aids in separating solids from liquids that can be recycled. We follow a comprehensive approach to disposing of wastes. This entails directing a portion of it to landfills, some to recycling facilities and remaining portions to co-processing plants. The Jhagadia Facility is equipped with state of art effluent treatment plant equipped with multiple effect evaporator, reverse osmosis for purification of waste and bioreactors for treatment of effluents and removal of organic load. The cutting-edge Zero Liquid Discharge (ZLD) in-house effluent plant in Sachin enables us to recycle and reuse wastewater, thereby reducing water consumption and stress on local water resources. We have been awarded Gold Rating accreditation from EcoVadis in Fiscal 2024, recognizing the Company's outstanding commitment to sustainability. In line with our Company's net-zero ambitions, we are making investments in renewable energy projects. This includes the planned installation of 15.80 MW solar power plant in coming years. This will reduce our emissions and help us to progress towards our target of achieving 100% of our current energy consumption from renewable energy sources.

As we operate in a fiercely competitive industry wherein technology plays a critical role for being a relevant market player with no assurance that the technology developed or adopted by our peers and competitors shall not render our products less competitive or attractive, we continuously strive to keep our technology, facilities and machinery current and updated with the latest international standards. Further, we intend to position ourselves as a leading market player in our product verticals, both domestically and internationally by adopting the latest technological changes and be responsive to the constant technological upgradations and emerging standards to ensure cost efficiency and environmentally friendly processes in our business operations. We believe that making timely and cost-effective enhancements and additions to our technological infrastructure shall ensure that we keep up with technological improvements in order to meet our customer requirements.

Sourcing of raw materials also plays an important part in ensuring competitiveness, price flexibility and profitability. We also depend on third-party vendors and suppliers for the purchase of raw materials. However, we have now developed backward integration capabilities for key raw materials which helps us manufacture our raw materials up to basic chemical level which helps us minimise reliance on third party vendors. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Pricing and volumes are negotiated for each purchase order. The purchase price of our raw materials generally follows market prices. We have historically sourced raw materials from multiple vendors in India, China, Europe, Israel and Japan and continue to diversify our procurement base. We also enter into contract manufacturing agreements with vendors to supply raw materials. This allows us to minimise supply failure risk and generate greater negotiating power over our suppliers.

Description of our Business

Pharma Intermediates business

Our Company has an experience of over 20 years of developing, manufacturing and commercialising advanced pharma intermediates used for manufacturing API and chemicals for NCE in India and overseas. We have developed and commercialised over 550 Pharma Intermediates across more than 17 key therapeutic areas and chemicals for NCE, which are being supplied to over 500 customers in India and over 55 countries overseas, since inception. Our Company has developed the capability to provide product from N-1 to N-12 stage with different routes of synthesis. Some of the key therapeutic areas catered to by us include anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder.

Innovator and Generic business

We are present across the value chain of the Intermediates manufacturing business, i.e., supplying chemicals for NCE molecules to innovators, supplying intermediates to innovator pharma companies for off-patent products and providing a wide range of products with the different routes of synthesis and different levels of intermediates to innovators. We have focussed on being first to market with target products which has helped us in positioning us to be the preferred suppliers for the innovators as well as big generic pharma companies.

Custom manufacturing/ CDMO business

Our Company also has the capacity to manufacture advanced pharmaceutical intermediates and other speciality chemicals on a make to order basis. Our R&D team works closely with customers or prospective customers and provide innovative and cost-efficient solutions tailored to meet specific customer requirements.

We have entered into definitive multi-year, multi-tonne Contract Development and Manufacturing Organization (CDMO) contracts with several foreign innovators for their products in Fiscals 2024, 2023 and 2022.

Specialty chemicals business

Our Company manufactures over 40 types of speciality chemicals, including parabens and parabens formulation, methyl salicylate, semiconductor chemicals, electrolyte additives and niche KSM for cosmetics, fine chemicals and agrochemical industries. As on March 31, 2024, our products are sold to over 340 customers in India and over 40 countries overseas for diverse end-user segments.

Speciality chemicals

We manufacture specialty fine chemicals including parabens and parabens formulation, methyl salicylate, and niche KSM for cosmetics, fine chemicals and agrochemical industries.

Electrolyte additives

In 2022, we forayed into battery chemicals - electrolytes additives segment by incorporating wholly owned subsidiaries, namely Ami Organics Electrolytes Private Limited ("**Ami Organics Electrolytes**") and Enchem Ami Organics Private Limited (100% subsidiary of Ami Organics Electrolytes). Our Company has developed fundamental electrolyte additive used for manufacturing lithium battery cells utilized in energy storage devices, through Ami Organics Electrolytes. We have successfully developed products for liquid electrolyte additive used in manufacturing Lithium-ion batteries, because of its beneficial role on the formation of the solid electrolyte interphase (SEI). Notably, we are the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale *(Source: F&S Report)*.

Semiconductor chemicals

As part of our strategic expansion into the semiconductor industry, we have acquired a 55% stake in Baba Fine Chemicals, manufacturer of high-value custom speciality chemical products essential for semiconductor applications by way of a purchase agreement dated April 22, 2023, which came into effect from April 1, 2023.

Revenue Break-up

Product Category	Revenue (₹ in lakhs) and % of from total revenue from operations					
	Fiscal 2024	%	Fiscal 2023	%	Fiscal 2022	%
Advance Pharma Intermediates	56,779.76	79.14	51,806.00	84.00	42,426.65	81.57
Specialty Chemicals	14,967.69	20.86	9,867.45	16.00	9,586.85	18.43
Total	**71,747.45**	**100%**	**61,673.45**	**100%**	**52,013.50**	**100%**

Manufacturing Facilities

We have three manufacturing units located in Gujarat at (i) GIDC, Sachin, Surat, Gujarat (ii) GIDC, Ankleshwar

Industrial Estate, Ankleshwar, Gujarat, and (iii) GIDC Industrial Estate, Jhagadia, Gujarat.

Further, our Subsidiary, Baba Fine Chemicals has a manufacturing unit located at Export Promotion Industrial Park, Site V, Industrial Area, Kasna, Greater Noida, Gautam Budh Nagar, Uttar Pradesh

Sachin Facility

Our Sachin Facility is a multipurpose facility equipped for production of APIs, spread over 8,250 sq. mts. with an installed reactor capacity of 144 KL. The Sachin Facility consists of one (1) production block which includes 13 separate product lines, 37 reactors, a zero liquid discharge based effluent plant; a soil biological treatment system ("**SBT System**") based on bioconversion process wherein fundamental action of nature namely, respiration, mineral weathering and photosynthesis are brought about in a controlled media containing selected micro and macro-organisms; an RO plant with a pre-treatment section consisting of pressure sand filter, activated carbon filter and micron filters followed by chemical dosing system such as Antiscalent, SMBS and HCL; and forced circulation type multiple effect evaporator ("**MEE**") with steam stripper of 60 KLD capacity consisting of steam stripper for removal of low volatiles from the concentrated waste water streams which is segregated at source which enables us to remain competitive in terms of the quality of our products.

Our existing infrastructure at our Sachin Facility enables us to carry out a range of chemical reactions required for production of advance pharma intermediates including acetal formation, arylation, acylation, alkylation, de-alkylation cleavage, condensation, de-carboxylation, esterification, cyclization, oxidation, Schiff base reaction, aldol condensation, pinner synthesis, among others.

Sachin Facility has been approved by US FDA for manufacture and supply of advanced pharmaceutical intermediates for APIs since 2016. The management systems of Sachin Facility have been certified by the Bureau Veritas Certification Holding SAS – UK Branch to be compliant with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 27001:2022 for designing, manufacturing and dispatching of pharmaceutical intermediates for bulk drugs & warehouse management and SA 8000:2014 for manufacture, supply of pharmaceutical intermediates, pharmaceutical excipients and speciality chemicals.

Ankleshwar Facility

The Ankleshwar Facility is a multipurpose facility equipped for production of APIs, spread over 10,375 sq. mts with an installed reactor capacity of 442KL. Our existing chemical manufacturing plant in Ankleshwar was relocated to the Jhagadia unit during Fiscal 2023. The Board of Directors of our Company in Fiscal 2024 approved the capex of ₹ 31,000.00 lakhs in order to build a brownfield plant in Ankleshwar, Gujarat while supporting the growth of advance pharmaceutical intermediates segment.

As of March 31, 2024, we have set up a state-of-the-art technology driven plant in Ankleshwar Unit which will focus on manufacture of advanced pharmaceutical intermediate business. Our Ankleshwar Unit has received environmental clearance and the facility has the total reactor capacity of 442 KL.

We have implemented an automation system called the Direct control systems (DCS) system in our manufacturing facility of Ankleshwar in order to reduce manpower intervention and achieve high operational efficiency. The DCS system works with high accuracy while providing quality processes, allowing us to save manpower and safer operation.

Jhagadia Facility

The Jhagadia Facility is spread over 56,698 sq. mts., with an installed reactor capacity of 512 KL. The Jhagadia Facility is a multipurpose facility, consisting of 31 stainless steel and 14 glass lined reactors and equipped with automated and dedicated lines for production of paraben, and other speciality chemicals. The Jhagadia Facility is equipped with state of art effluent treatment plant equipped with multiple effect evaporator, reverse osmosis for purification of waste and bioreactors for treatment of effluents and removal of organic load. Further, the Jhagadia Facility has 15,830 square meter free land available for future brownfield expansion. The Jhagadia Facility is compliant with ISO 9001:2015, ISO 14001:2015.

Noida Facility of our Subsidiary, Baba Fine Chemicals

The Noida Facility is spread over 999 sq. mts., with an installed reactor capacity of 1.80 KL. The Noida Facility is dedicated towards manufacturing of electronic grade photo resist chemical, consisting of seven (7) lab room with glass line capacity of 500 Liters and 14 glass assembly with capacity of 1,300 Liters. The Noida Facility is compliant with ISO 9001:2015.

R&D Facility

Our R&D facility located in Sachin, is spread over an aggregate built-up area of 2,200 sq. mtrs. and is also supported by an analytical development laboratory ("**ADL**") in relation to developmental activities, freezing specifications and developing the method of analysis for finished products, in process intermediates, KSMs and raw materials. This R&D facility employs equipment and systems such as modern fume hood systems, autoclave, vacuum tray dryers, high vacuum distillation assembly, large flasks & glass reactor assembly, and ADL is supported with analytical instruments like Liquid Chromatography Mass Spectrometry ("**LCMASS**"), Gas Chromatography Mass Spectrometry ("**GCMASS**"), HPLCs, GCs, UV spectrophotometer, ultrasonic bath, FTIR, auto-titrator, photo stability & stability chambers, digital polarimeter etc.

Warehouse

For the purposes of supporting the production facility subsequent to the capacity expansion, our Company has built a 1,500 MT warehouse facility ("**Warehouse I**") for storage of raw materials and packing materials which is spread over 2,812 sq. mtrs in the vicinity of our Sachin facility in compliance with the standards applicable to the companies engaged in pharmaceutical and good market practices and which also comprises of a quality control area for cold storage of raw materials. Considering that the storage of chemicals is significantly critical wherein materials with incompatible chemical properties should not be stored next to each other to avoid any reactive accident, the said risk is covered with allocation of dedicated storage space for water reactive chemicals and alkaline and acidic chemicals in the warehouse.

Our Company has also acquired on October 11, 2022 an industrial plot admeasuring 8,000 sq. mtrs at Plot No. 5538, in GIDC Sachin Industrial Area, Sachin, Surat which has been developed as a 800 MT warehouse facility ("**Warehouse II**") and catering to the incremental warehousing requirement for its Sachin Unit.

Capacity and Capacity Utilization

Our Company has three manufacturing facilities and our total annual reactor volume is 1,098 KL as of March 31, 2024.

Our installed reactor capacity as of March 31, 2024 and capacity utilisation of our products at our facilities for the last three Fiscals is set out in the table below:

Particulars	Capacity (KL) as of March 31, 2024	Capacity Utilisation#		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Sachin Facility (Unit 1)	144	72.50%	63.30%	55.70%
Ankleshwar Facility (Unit 2)**	442	-	-*	-*
Jhagadia Facility (Unit 3)	512	50.90%	46.80%	42.80%

* *Our Company in Fiscal 2024 approved the capex of ₹ 31,000.00 lakhs in order to build a brownfield plant in Ankleshwar Unit after the existing speciality chemicals manufacturing facility was moved to Jhagadia Facility.*
** *Ankleshwar Facility has three blocks with total reactor capacity of 442 KL. .*
#*Capacity utilization (%) has been calculated on the basis of actual reactor utilisation in the relevant period divided total available time 24 hours (3 shift) for 335 days available days.*

The installed reactor capacity of the Noida Facility of our Subsidiary, Baba Fine Chemicals is 1.80 KL and the facility's capacity utilisation was 45.00% in Fiscal 2024.

Utilities

Our manufacturing operations require a significant amount of power and water. Our power requirements are fulfilled through electricity connection from the state electricity board for a maximum contracted demand of 1,000 KvAH at Sachin facility, 1,010 KvAH at Ankleshwar Facility and 1,000 KvAH at Jhagadia Facility, and the state water board provides potable water for operating our Manufacturing Facilities. We have an in-house captive power generation plant and have entered into an arrangement with Gujarat Gas Company Limited for supply of natural gas.

In line with our Company's net-zero ambitions, we are making investments in renewable energy projects. This includes the planned installation of 15.80 MW solar power plant in coming years. This will reduce our emissions and help us to progress towards our target of achieving 100% of our current energy consumption from renewable energy sources.

Order processing and dispatch process

The process typically commences with our Company receiving the purchase order(s) from the customer(s) providing for, *inter-alia*, the product description, quantity, rate and the delivery address basis which our Company secures the raw materials from the approved vendors to manufacture the final product(s). The raw materials received are then subjected to an in-house sampling exercise and are evaluated on the basis of out-of-specification ("**OOS**") test results which include all the test results that fall outside the specifications or acceptance criteria established in drug applications or by the manufacturer. In case the raw materials do not qualify to be suitable for the product specification(s) received by our Company under the purchase orders, the same are rejected.

The manufacturing equipment is then cleansed for production and subsequently, the approved raw materials are processed for manufacturing as per the approved batch production and control record with in-process product sampling being done in parallel. This is followed by the final product sampling exercise and the products are evaluated on the basis of OOS test results. In case the final product(s) do not qualify to be suitable for the product specification(s) received by our Company under the purchase orders, the same are rejected. Thereafter, the approved product(s) are reviewed, and the batch of product is released finally leading to dispatch of the product(s) to the customer.

Research and Development

We are focused on undertaking dedicated R&D in areas, which we believe, have significant growth potential. We continually invest in R&D activities to stay ahead and create a differentiating factor vis-à-vis our competitors. We believe that our systematic approach to selection of molecules, which involves evaluation of technical, and commercial feasibility data, and customer feedback has resulted in the growth of our business operations. As part of our recognition towards R&D, we were felicitated at the 16th FGI Awards for Excellence (Research in Science & Technology) in 2021.

We have a dedicated in-house R&D facility located at GIDC Sachin and is also supported by the ADL equipped with in-house LCMASS, GCMASS, Stability Chamber etc., in relation to developmental activities, freezing specifications and developing the method of analysis for finished products, in process intermediates, KSMs and raw materials. We have applied for renewal of certification from the DSIR with respect to our R&D Facility.

Our Company is mainly focussed on development of advanced pharmaceutical intermediates either for molecules (i) under clinical trials; or (ii) launched and approved. Towards the end of catering to this strategy, our Company has divided its research team in the following four groups:

i. ***Group 1***: Group 1 focuses on developing molecule for NCE which are used in clinical trials. The requirement for such molecules is received from the customers of our Company who ensure guaranteed business to our Company in case of successful launching of the NCE and provide a long-term advantage to our business operations.

ii. ***Group 2*****:** Group 2 focuses on working for the products already launched and approved and ensuring the preparedness of our Company to serve the generic market and generic developers. This group works towards securing future business opportunities for use of the intermediates of our Company at the time of expiration of the patent rights.

iii. ***Group 3*****:** Group 3 works on the enquiries other than the focus areas of Group 1 and Group 2 and remains available for any trouble shooting from the production team in addition to catering to the ongoing requirements from other research companies.

iv. ***Group 4*****:** Group 4 focuses on the improvement of the processes developed by Group 1, Group 2 and Group 3 on an ongoing basis in addition to supporting the quality assurance department of our Company in relation to preparation of impurity and other samples for finalization of the intermediate master file which is submitted to the customer for preparation and filing of the DMF of their API.

As on March 31, 2024, our research team consists of a dedicated team of 118 people across various teams including R&D, regulatory affairs, quality control, quality assurance and analytical development laboratory ("**R&D Team**") and is well supported by equipment and facilities required for high quality research and scale-up tasks.

In addition, as on the date of this Preliminary Placement Document, our Company has been granted 10 process patents, two of our process patents are under publication and we have filed applications for three process patents(in respect of intermediates used in the manufacture of generic API across therapeutic segments.

We believe that our R&D has led, and will continue to lead to new, innovative processes that can increase the efficiencies of production including developing cost-effective manufacturing processes, as well as address opportunities that we have identified in the global market for our businesses. We have incurred an expenditure of ₹ 1,414.03 lakhs, ₹ 772.35 lakhs and ₹ 704.18 lakhs towards R&D activities during the Fiscals 2024, 2023 and 2022 representing 1.97%, 1.25%, and 1.35%, our revenue from operations in such periods, respectively.

Marketing and Selling Arrangements

While our products are sold directly to companies engaged in manufacturing of generic and regulated APIs and finished pharmaceutical products, in certain cases we utilize the services of distributors and selling and marketing agents for our overseas operations, to whom we pay a selling commission for their services. As of March 31, 2024, our sales and marketing team comprised 11 personnel for sale of our products to pharmaceutical and other companies. We also participate in international exhibitions to promote the sales of our products.

Ordinarily, in relation to our business, we enter into the following type of contracts:

i. ***Distributor Agreements/ Supply Contracts***: Our Company enters into distributor agreements with manufacturers of active pharmaceutical ingredients or intermediates for pharmaceutical synthesis for the purposes of marketing and distribution of our products in a specified territory, both on an exclusive and non-exclusive basis.

ii. ***Agreement to Supply Products to Final Customers***: Our Company enters into supply contracts with agents on an exclusive and non-exclusive basis to supply the Products of the Company to the final customers.

Contract Manufacturing Arrangements

Our Company enters into contract manufacturing arrangements and confidentiality agreements with contract manufacturers on a non-exclusive basis to convert the basic raw materials supplied by our Company into next level of intermediates and returns it to our Company which ultimately serves as raw material for us to manufacture of the final product.

Quality Control and Quality Assurance

We believe we have adopted uniform manufacturing standards across all our products to achieve standardized quality for all our markets. The provision of high-quality products is a key differentiator in our business, critical to our continued success and the maintenance of long-term relationships with our customers. We are committed to providing high quality products to our customers and to meet this commitment, we have implemented current good manufacturing practices across our manufacturing sites, encompassing all areas of business processes right from supply chain to product delivery. This enables us to maintain consistent quality, efficiency and product safety.

Quality certifications received by our Company includes:

Sachin Facility

Certification
Standard ISO 9001:2015 issued by Bureau Veritas Certification Holding SAS for Design, Manufacture and Dispatch of Pharmaceutical Intermediates for Bulk Drugs & Warehouse management
Standard ISO 14001:2015 issued by Bureau Veritas Certification Holding SAS for Design, Manufacture and Dispatch of Pharmaceutical Intermediates for Bulk Drugs & Warehouse management
Standard ISO 45001:2018 issued by Bureau Veritas Certification Holding SAS for Design, Manufacture and Dispatch of Pharmaceutical Intermediates for Bulk Drugs & Warehouse management
Standard ISO 27001:2022 issued by SGS India Private Limited for Information Security Management System applicable

Certification
for the operations of design & development, manufacture and dispatch of Pharmaceutical Intermediates and Fine Chemicals for Bulk Drugs, supported by the functions of IT Operations, Human Resources (HR), Administration, R&D, Finance & accounting, Sales & Marketing and Warehouse.
Standard SA 8000:2014 issued by Bureau Veritas Certification Holding SAS for Manufacture, Supply of Pharmaceutical Intermediates and Speciality chemicals
Goods Manufacturing Practices (GMP) – for Active Pharmaceutical Ingredients (ICHQ7 & Q9) for the manufacture and dispatch of intermediates for pharmaceutical applications issued by SGS India Private Limited

Ankleshwar Facility

Certification
Goods Manufacturing Practices (GMP) – for Active Pharmaceutical Ingredients (ICHQ7) for the manufacture and dispatch of intermediates for pharmaceutical applications issued by SGS India Private Limited

Jhagadia Facility

Certification
Standard ISO 9001:2015 issued by Bureau Veritas (India) Private Limited for Manufacture & Dispatch Of Bulk Drugs Intermediates And Fine Chemicals
Standard ISO 14001:2015 issued Bureau Veritas (India) Private Limited for Manufacture & Dispatch Of Bulk Drugs Intermediates And Fine Chemicals
Standard SA 8000:2014 issued by Bureau Veritas Certification Holding SAS for , Manufacture, Supply of Pharmaceutical Intermediates, Pharmaceutical Excipients and Specialty Chemicals
Star-K Kosher Certification issued by the Director of Supervision, Star-K Kosher in respect of certain of our products
Registration with Jamiat Ulama Halal Foundation India in respect of certain halal certified products

Noida Facility

Certification
Standard ISO 9001:2015 issued by QRO Certification LLP for Manufacture, Import / Export & Supply of Fine Chemicals

R&D Facility

Certification
Standard SA 8000:2014 issued by Bureau Veritas Certification Holding SAS for Design, Manufacture and Dispatch of Pharmaceutical Intermediates for Bulk Drugs

Warehouse - I

Certification
Standard SA 8000:2014 issued by Bureau Veritas Certification Holding SAS for Design, Manufacture and Dispatch of Pharmaceutical Intermediates for Bulk Drugs
Standard ISO 9001:2015 issued by Bureau Veritas Certification Holding SAS for Design, Manufacture and Dispatch of Pharmaceutical Intermediates for Bulk Drugs & Warehouse management
Standard ISO 14001:2015 issued by Bureau Veritas Certification Holding SAS for Design, Manufacture and Dispatch of Pharmaceutical Intermediates for Bulk Drugs & Warehouse management
Standard ISO 45001:2018 issued by Bureau Veritas Certification Holding SAS for Design, Manufacture and Dispatch of Pharmaceutical Intermediates for Bulk Drugs & Warehouse management
Standard ISO 27001:2022 issued by SGS India Private Limited for Information Security Management System applicable for the operations of design & development, manufacture and dispatch of Pharmaceutical Intermediates and Fine Chemicals for Bulk Drugs, supported by the functions of IT Operations, Human Resources (HR), Administration, R&D, Finance & accounting, Sales & Marketing and Warehouse.
Goods Manufacturing Practices (GMP) – for Active Pharmaceutical Ingredients (ICHQ7) for the manufacture and dispatch of intermediates for pharmaceutical applications issued by SGS India Private Limited

Our Customers

Besides exclusive supply agreements, our Company enters into technical agreements quality agreements and confidentiality agreements with its customers outlining the responsibilities of the parties with respect to the quality assurance of the products manufactured and/or supplied by our Company to its customers.

We have long-standing relationships with our key customers. As on March 31, 2024, we supply our products to over 500 customers, out of which over 30 of our customers have been customers since the past 10 years.

We conduct our business pursuant to term agreements as well as on a purchase order basis. Our business agreements typically include certain quality assurance requirements. See "*Risk Factors – Our technical agreements with various customers have various quality assurance compliances to be met by us. There can be no assurance that our Company shall be in compliance with the covenants under the technical agreements to the satisfaction of our customers or at all.* " on page 60.

We also conduct sale of our products on a purchase order basis where the terms of the sale are determined by mutual agreement and depend on factors such as volumes, competition and market share of the product. For the Fiscal 2024, Fiscal 2023 and Fiscal 2022, our top 10 customers contributed 56.81%, 54.10% and 53.81%, respectively, of our revenue from operations.

Raw Materials

The key raw materials that we use for our manufacturing operations include Para Hydroxy Benzoic Acid, Semicarbazide HCL, Meta Chloro Aniline,1-Bromo 3-Chloro Propane and Bis-(2-Chloethyl)Amine HCL. We identify and approve multiple vendors to source our key raw materials and we place purchase orders with them from time to time. We currently source 71.75% of our total raw materials from domestic vendors, 20.89% from China and the remaining from other overseas sources for Fiscal 2024.

We have also developed backward integration capabilities for key raw materials which helps us manufacture our raw materials up to basic chemical level which helps us minimise reliance on third party vendors.

Our Company spent ₹ 44,977.95 lakhs, ₹ 33,501.38 lakhs and ₹ 32,206.23 lakhs towards purchase of raw materials during the Fiscal 2024, Fiscal 2023 and Fiscal 2022 comprising of 62.69%, 54.32% and 61.92% of our revenue from operations for such periods, respectively.

Awards and Recognition

Our Company has received the following awards:

Calendar Year	Award
2024	"Gold Rating" accreditation by EcoVadis
2022	"Outstanding Business Leader-Male" by FGI (2022)
2022	"Outstanding work in Research and Development" by SGCCI (2022)
2021	"Excellence Research in Science & Technology" by FGI (2021)
2021	"Outstanding Entrepreneur in MSME Segment" by SGCCI (2021)
2021	"Safe & Secure Manufacturing Facility" by FIST (2021)
2017-18 and 2018-19	"Outstanding Export Performance" by Chemexcil (2017-18 and 2018-19)
2016-17	"Second Export Award'' by Chemexcil (2016-17)

Intellectual Property

Trademarks

Our Company has obtained registrations in respect of the following trademarks:

Trademark Application Number	Class	Date of Application	Trademark Type	User Detail	Goods and Service Details
3601894	1	July 29, 2017	WORD AMI ORGANICS	August 24, 2004	Chemicals and Intermediates for use in the medicinal, pharmaceuticals and Chemical Preparations
3601896	1	July 29, 2017	LOGO	December 10, 2004	Chemicals and Intermediates for use in the medicinal, pharmaceuticals and Chemical Preparations
3601897	5	July 29, 2017	LOGO	December 10, 2004	Medicinal and Pharmaceutical Preparations and Substances

Trademark Application Number	Class	Date of Application	Trademark Type	User Detail	Goods and Service Details
3601895	5	July 29, 2017	WORD AMI ORGANICS	August 24, 2004	Medicinal and Pharmaceutical Preparations and Substances
5121216	35	September 7, 2021	WORD AMI ORGANICS	August 24, 2004	Chemicals and Intermediates for use in the medicinal, pharmaceuticals and Chemical Preparations
5121232	35	September 7, 2021	LOGO	December 10, 2004	Advertising, business management, business administration, office function services, on-line marketing and trading, retailing, wholesaling, imports and exports of pharmaceutical and medical preparations, Chemicals and speciality chemicals, Intermediates for use in the Medicines, Pharmaceuticals and paraben formulations

Patents

The following application for patents have been made by our company, of which 10 have been granted, 2 patents are under publication and applications have been filed for 3 patents:

Particulars	Patent Application Number	Date of filing of application	Date of publication in the Journal
Process for preparation of 2, 4-Dimethylthiophenol	201721033560	September 21, 2017	July 12, 2019
Process for preparation of 4-Piperidone HCL Hydrate	202121011153	March 16, 2021	September 22, 2022
Process for the preparation of Lumateperone Intermediate	202421002551	January 12, 2024	N/A
Process for the preparation of Deucravacitinib Intermediate	202321005525	January 27, 2023	N/A
Process for the preparation of Pentoxifylline Intermediate (pct/ib2023/055301)	202221029543	May 23, 2022	N/A

Particulars	Patent Application Number	Date of filing of application	Date of grant
Process for preparation of 3- Morpholino-1-(4-(2-Oxopiperdidine -1YL)- Phenyl)-5,6- Dihydro Pyridine -2- One	201721033413	September 20, 2017	December 12, 2022
Process for preparation of 5-Halo-2, 3-Diphenylpyrazine	201721033559	September 21, 2017	September 14, 2022
Process for preparation of 4 (4-Aminophenyl) Morpholin-3-One	201721033412	September 20, 2017	December 27, 2021
Process for preparation of 4-Methylenepiperidine Hydrochloride	201821012075	March 30, 2018	September 26, 2023
Process for preparation of 2,3-Dihydro-1, 4-Benzodioxine-6-Carbaldehyde	201821017070	May 7, 2018	February 10, 2023
Process for preparation of 4-Isobutoxybenzylamine Acetate	201821012113	March 30, 2018	February 5, 2024
Process for the Direct Synthesis of Fedratinib Intermediate	202121028417	June 24, 2021	February 21, 2024
Process for preparation of lumateperone tosylate intermediate (benzyl, 3-methyl-2-oxo-2,3,9,10-tetrahydro-1H-pyrido[3',4':4,5]pyrrolo[1,2,3-de] quinoxaline-8(7H) carboxylate.)	202121011152	March 16, 2021	May 7, 2024
Process for the preparation of 2-(Piperidin-4-YL)-1H-Bbenzo[d]imidazole	202121022118	May 17, 2021	February 29, 2024
Process for preparation of 6- Methoycarbonyl-2-Oxindole	201721033571	September 21, 2017	February 1, 2024

Information Technology

Our IT systems are vital to our business and we have adopted an IT policy to assist us in our operations. The key functions of our IT team include establishing and maintaining enterprise information systems and infrastructure services to support our business requirements, maintaining secure enterprise operations through, among others, risk assessment, planning and mitigation policies, and identifying emerging technologies which may be beneficial to our operations. We are currently using an enterprise resource planning solution SAP, which assists us with various functions including managing our financial accounting, material management, sales and distribution and human resource functions.

Regulatory and Environmental Matters

Our intermediates are used in products that are sold by our customers in various markets and are subject to regulations by their respective government entities, including the WHO and the US-FDA. Each of these agencies requires us to adhere to laws and regulations governing the development, testing, manufacturing, labelling, marketing and distribution of our intermediates. We are subject to significant Indian national and state environmental laws and regulations, including regulations relating to the prevention and control of water pollution and air pollution, environmental protection, hazardous waste management and noise pollution, in addition to the analogous laws and regulations in the foreign jurisdictions in which we do business. These laws and regulations govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. We also handle hazardous materials in dedicated production areas and any failure to comply with the applicable laws and regulations may subject us to penalties and may also result in the closure of our facilities.

The management systems of our Sachin facility have been certified by (i) the Bureau Veritas Certification Holding SAS – UK Branch to be compliant with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, for designing, manufacturing and dispatching of pharmaceutical intermediates for bulk drugs & warehouse management and SA 8000:2014 for manufacture, supply of pharmaceutical intermediates, pharmaceutical excipients and speciality chemicals and (ii) the SGS India Private Limited to be compliant with ISO 27001:2022 for information security management system applicable for the operations of design & development, manufacture and dispatch of pharmaceutical intermediates and fine chemicals for bulk drugs, supported by the functions of it operations, human resources (HR), administration, R&D, finance & accounting, sales & marketing and warehouse. Similarly, our Jhagadia Facility is certified as compliant with ISO 9001:2015 and ISO 14001:2015 standards for Manufacture & Dispatch Of Bulk Drugs Intermediates And Fine Chemicals by Bureau Veritas (India) Private Limited. Further, our Company is also subject to regular customer audits basis which our Company undertakes suitable corrective measures during the ordinary course of its business and operations. Our Company also uses certain common solid/ hazardous waste disposal facilities for disposal of solid and hazardous waste being generated at our facilities.

Our Company has been awarded Gold Rating accreditation from EcoVadis in Fiscal 2024, recognizing our Company's outstanding commitment to sustainability.

Please see "*Risk Factors – We are subject to increasingly stringent environmental, health and safety ("EHS") laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations applicable to our manufacturing operations may adversely affect our business, results of operations and financial condition.*" on page 47.

Health and Safety

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an updated Quality, Environment, Health and Safety ("**QEHS**") Policy, that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facilities or under our management in addition to enhancing customer satisfaction and continual improvement in our management systems and performance.

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We also believe we are in compliance with applicable health and safety laws and regulations. We also believe that all our Manufacturing Facilities possess adequate effluent treatment processes and minimize any contamination of the surrounding environment or pollution. Our occupational health and safety management system at Sachin Facility has been certified to be in compliance with ISO 45001:2018 standards by the Bureau Veritas Certification Holding SAS – UK Branch until July 4, 2025. Our facility located at Ankleshwar Facility has been certified to be in compliance with ICH Q7 Good Manufacturing Practise Guide for Active Pharmaceutical Ingredients.

Similarly, our Jhagadia facility has been certified to be in compliance with ISO 9001:2015 and ISO 14001:2015 by Bureau Veritas (India) Private Limited.

Insurance

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangements.

Our principal types of coverage include insurance for (i) asset and inventory coverage; (ii) workmen compensation; (iii) consequential loss (fire) of profit; (iv) Directors' and Officers' insurance; (v) Money in safe and in transit; (vi) Public liability; (vii) Erection all risk insurance -commercial policy; (viii) Industrial all risks policy; (ix) Electronic equipment insurance policy and (x) marine cargo policy. Our insurance policies may not be sufficient to cover our economic loss. See "*Risk Factors – Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.*" on page 62.

Human resources

Our work force is a critical factor in maintaining quality and safety which strengthen our competitive position and our human resource policies focus on training and retaining our employees. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety.

We also hire contract labour for our facilities, from time to time and as of March 31, 2024, we have engaged 469 contract labourers. We believe we have good relations with our employees.

As of March 31, 2024, we had 676 full time employees in our Company.

Competition

We compete against domestic companies operating in our industry. Some of our competitors have (i) greater financial and other resources and better access to capital than we do, which may enable them to compete more effectively; and (ii) better geographical reach which gives them the ability to quote competitively as the transportation costs are limited. However, depending on various factors, and the extent of our presence in the relevant geographical region, we are able to leverage our experience, established relationships and familiarity with the industry to provide cost effective products than our competitors or offer a better value proposition.

Corporate Social Responsibility

We have adopted a Corporate Social Responsibility ("**CSR**") policy and have constituted a CSR Committee in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by Central Government and amendments thereto. Our CSR activities are primarily focused on initiatives relating to education, rural development, gender equality, healthcare, protecting national heritage and the environment sustainability, particularly in the geographical areas near our manufacturing facilities.

Our CSR activities are monitored by the CSR Committee of our Board. For details of the terms of reference of our CSR Committee, see "*Board of Directors and Senior Management*" on page 196. For the Fiscal 2024, we had spent an amount of ₹ 183.72 lakhs in CSR activities. For further details see section "*Financial Information*" on page 253.

Material Properties

S. No.	Facility	Property Description	Area (in sq. metres.)	Term
1	Sachin	Property situated at Plot No. 440/4, 5, 6, & 8206/B of Gujarat Industrial Development Corporation, Sachin	8,250	On GIDC lease for a period of 99 years from November 25, 1991 (for Plot No 440/4); on GIDC lease for a period of 99 years from November 26, 1992 (for Plot No 440/5); on GIDC lease for a period of 99 years from November 27, 1990 (for Plot No 440/6);on GIDC lease for a period of 99 years from September 5, 1989 (for Plot No. 8206/B)
2	Ankleshwar	Property situated at Plot No. 127/1 G.I.D.C. Industrial Estate, Ankleshwar.	10,375	On GIDC lease for a period of 99 years from June 10, 1977
3	Jhagadia	Property situated at Plot No. 910/1/B, G.I.D.C. Jhagadia.	56,698	On GIDC lease for a period of 99 years from November 4, 2011
4	R&D	Property situated at Shed no. C1B/469, Sachin Industrial Area/ Estate, Surat	2,200	On GIDC lease for a period of 99 years from Feb 3, 1990
5	Ware house-I	Property situated at 478 + 479 and 494+495 GIDC Sachin	2,812	On GIDC lease for a period of 99 years from July 9, 2002
b.	Ware house-II	5538 GIDC Sachin having area 8,000 sqm	8,000	On GIDC lease for a period of 99 years from January 17, 1986

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles of Association, our Company shall not have more than 15 Directors.

As of the date of this Preliminary Placement Document, our Board comprises eight Directors, comprising of one Executive Chairman and Managing Director, three Whole-Time Directors and four Non-Executive Independent Directors, including two women Non-Executive Independent Directors.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Sr. No.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
1.	**Nareshkumar Ramjibhai Patel** ***Address***: 26, Sai Baba Nagar Soc, Nr Katargam Fire Station, Katargam Surat 395 004, Gujarat, India ***Occupation:*** Business ***Nationality:*** Indian ***Term:*** For a period of five years with effect from May 1, 2021 till April 30, 2026 and liable to retire by rotation ***DIN***: 00906232	49	Executive Chairman and Managing Director
2.	**Chetankumar Chhaganlal Vaghasia** ***Address***: B-402, Bella De More, Near Happy Residency, VESU, Rundh, SVR College, Surat, 395 007, Gujarat, India ***Occupation:*** Business ***Nationality:*** Indian ***Term:*** For a period of five years with effect from May 1, 2021 till April 30, 2026 and liable to retire by rotation ***DIN***: 01375540	50	Whole-time Director
3.	**Virendra Nath Mishra** ***Address***: 401, Vatika Apartment, Near Shikar Residency, Piplod, Surat City, Surat 395 007, Gujarat, India ***Occupation:*** Service ***Nationality:*** Indian ***Term:*** For a period of five years with effect from April 1, 2021 till March 31, 2026 and liable to retire by rotation ***DIN***: 07815490	53	Whole-time Director
4.	**Ram Mohan Lokhande** ***Address***: C-902, R.K. Habitat, Behind Inox, Bharuch 392 001, Gujarat, India ***Occupation:*** Service ***Nationality:*** Indian	45	Whole-time Director

Sr. No.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
	Term: For a period of five years with effect from February 8, 2022 till February 7, 2027 and liable to retire by rotation ***DIN***: 08117035		
5.	**Girikrishna Suryakant Maniar** ***Address***: 102, Shree Vastu Pooja CHS, Pump House, Near Manish Park, Andheri (East), Mumbai 400 093, Maharashtra, India ***Occupation:*** Practicing cost accountant ***Nationality:*** Indian ***Term:*** For a period of five years with effect from April 23, 2023 till April 22, 2028 ***DIN***: 07515981	62	Non-Executive Independent Director
6.	**Richa Manoj Goyal** ***Address***: Build-D, Flat no. 902, Sangini Arise, Canal Road, NR. G.D. Goenka School, Bharthana, Surat 395 007, Gujarat, India ***Occupation:*** Practicing company secretary ***Nationality:*** Indian ***Term:*** For a period of five years with effect from April 1, 2021 till March 31, 2026 ***DIN***: 00159889	48	Non-Executive Independent Director
7.	**Hetal Madhukant Gandhi** ***Address***: B2/1203 Vivarea, Sane Guruji Marg, Near Jacob Circle, Mahalaxmi, Mumbai 400 011, Maharashtra, India ***Occupation:*** Service ***Nationality:*** Indian ***Term:*** For a period of five years with effect from April 28, 2021 till April 27, 2026 ***DIN***: 00106895	58	Non-Executive Independent Director
8.	**Anita Bandyopadhyay** ***Address***: 602, Shreeji Dham Co-op Housing Society, Gilbert Hill Road, Near Bhavans College, Andheri West, Andheri Railway Station, Mumbai 400 058, Maharashtra, India ***Occupation:*** Business consultancy ***Nationality:*** Indian ***Term:*** For a period of five years with effect from February 8, 2022 till February 7, 2027 ***DIN***: 08672071	55	Non-Executive Independent Director

Brief profiles of our Directors

Nareshkumar Ramjibhai Patel is the Executive Chairman and Managing Director of our Company. He has been associated with our Company since its incorporation and has extensive experience in the specialty chemicals manufacturing sector. He holds a bachelor’s degree in engineering (in chemical branch) from the Gujarat

University. He is responsible for research and development, marketing, secretarial and legal, finance and product implementation divisions of our Company.

Chetankumar Chhaganlal Vaghasia is a Whole-time Director of our Company. He has been associated with our Company since its incorporation and has extensive experience in the specialty chemicals manufacturing sector. He holds a diploma in man-made textile processing from the Mantra Education Institute, Surat. He is responsible for handling the human resource, logistics and dispatch, IT, procurement and administration divisions of our Company.

Virendra Nath Mishra is the Whole-time Director of our Company. He holds a bachelor's degree in science from the Veer Bahadur Singh Purvanchal University, Jaunpur and holds a master's degree in science (chemistry) from the Poorvanchal University, Jaunpur. Prior to joining our Company, he was associated with K.A. Malle Pharmaceuticals Limited and Surya Organics and Chemicals. He is responsible for handling the operations, production planning and inventory control, cost control, pilot plant divisions of our Company.

Ram Mohan Lokhande is the Whole-time Director of our Company. He holds a bachelor's degree in technology (chemical engineering) from the Regional Engineering College, Kakatiya University, Warangal. He also holds diploma in sugar technology (D.S.T) engineering from the State Board of Technical Education & Training, Andhra Pradesh, Hyderabad. Prior to joining our Company, he was associated with Macleods Pharmaceuticals Limited, Dr. Reddy's Laboratories Limited, Megafine Pharma (P) Limited, Glenmark Pharmaceuticals Limited, ZCL Chemicals Limited and Nicholas Piramal India Limited. He has over 17 years of experience in the pharmaceutical and chemical industry. He is responsible for handling the plant operations of all the factories of our Company, instruments and projects, production, technical support department, quality control and quality assurance divisions of our Company.

Girikrishna Suryakant Maniar is the Non-Executive Independent Director of our Company. He holds a bachelor's degree in science (chemistry) from the University of Bombay and is a fellow member of the Institute of Cost Accountants of India.

Richa Manoj Goyal is the Non-Executive Independent Director of our Company. She holds a bachelor's degree in commerce from the H.A. Commerce College and holds an LL.B. degree from the Gujarat University. She is a fellow member of the Institute of Company Secretaries of India. Currently, she is associated with the law firm 'Richa Goyal and Associates'.

Hetal Madhukant Gandhi is the Non-Executive Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Bombay and is an associate member of the Institute of Chartered Accountants of India. He has over 34 years of experience in the financial services industry. He is the co-founder and managing director of Tano India Advisors Private Limited.

Anita Bandyopadhyay is the Non-Executive Independent Director of our Company. She holds a bachelor's degree in arts from the University of Bombay and a master's degree in arts from the University of Calcutta. She also holds a degree of doctor of philosophy (arts) in applied psychology from the University of Calcutta.

Relationship with other Directors

None of our Directors are related to each other.

Terms of appointment of our Executive Directors

Each of the Executive Directors of our Company are entitled to the following remuneration and perquisites:

Nareshkumar Ramjibhai Patel

Nareshkumar Ramjibhai Patel has been associated with our Company as a Director since its incorporation. He was last re-appointed as the Managing Director and designated as the Executive Chairman of our Company pursuant to the Board resolution dated March 31, 2021, and the shareholders' resolution dated May 15, 2021 for a period of five years, with effect from May 1, 2021. Further, pursuant to the resolutions passed by our Board on August 25, 2023, and by our shareholders on September 25, 2023, Nareshkumar Ramjibhai Patel is entitled to the following remuneration and benefits:

(a) By way of salary, perquisites and allowances, aggregating to ₹ 41,00,000 per month with authority to the Board of Directors to revise the salary from time to time.

(b) Annual performance bonus or incentives upon availability of net profits based upon the audited/ unaudited financial statements of the Company during the year or half year and as may be decided by the Board from time to time, upon recommendation by Nomination and Remuneration Committee on an yearly/ half yearly review of the performance appraisal of Nareshkumar Ramjibhai Patel, subject to a ceiling of one month of gross salary last drawn.

    Provided however that the total remuneration payable to Nareshkumar Ramjibhai Patel including salary, perquisites, allowances, performance bonus/ incentives etc. shall be subject to the overall limit of 5% individually and 10 % of net profits of the Company, as per Section 197 of the act, for all Managing Director and Whole Time Directors taken together.

(c) In addition to above mentioned remuneration, Nareshkumar Ramjibhai Patel shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration:

    i. Company's contribution to provident fund and superannuation fund or annuity fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961;
    ii. Gratuity payable as per the rules of the Company;
    iii. Leave encashment at the end of the tenure;
    iv. The provision for use of Company's car with driver for official use; and
    v. Reimbursement of all reasonable expenses including travelling, business & entertainment expenses incurred bonafide in connection with business of the Company.

Chetankumar Chhaganlal Vaghasia

Chetankumar Chhaganlal Vaghasia is a Whole time Director of our Company. Pursuant to the resolutions passed by our Board on August 25, 2023, and by our shareholders on September 25, 2023, Chetankumar Chhaganlal Vaghasia is entitled to the following remuneration and benefits:

(a) By way of salary, perquisites and allowances, aggregating to ₹ 40,43,000 per month with authority to the Board of Directors to revise the salary from time to time.

(b) Annual performance bonus or incentives upon availability of net profits based upon the audited/ unaudited financial statements of the Company during the year or half year and as may be decided by the Board from time to time, upon recommendation by Nomination and Remuneration Committee on an yearly/ half yearly review of the performance appraisal of Chetankumar Chhaganlal Vaghasia, subject to a ceiling of one month of gross salary last drawn.

    Provided however that the total remuneration payable to Chetankumar Chhaganlal Vaghasia including salary, perquisites, allowances, performance bonus/ incentives etc. shall be subject to the overall limit of 5% individually and 10 % of net profits of the Company, as per Section 197 of the act, for all Managing Director and Whole Time Directors taken together.

(c) In addition to above mentioned remuneration, Chetankumar Chhaganlal Vaghasia shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration:

    i. Company's contribution to provident fund and superannuation fund or annuity fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961;
    ii. Gratuity payable as per the rules of the Company;
    iii. Leave encashment at the end of the tenure;
    iv. The provision for use of Company's car with driver for official use; and
    v. Reimbursement of all reasonable expenses including travelling, business & entertainment expenses incurred bonafide in connection with business of the Company.

Virendra Nath Mishra

Virendra Nath Mishra is a Whole time Director of our Company. Pursuant to the resolutions passed by our Board on August 25, 2023, and by our shareholders on September 25, 2023, Virendra Nath Mishra is entitled to the following remuneration and benefits:

(a) By way of salary, perquisites and allowances, aggregating to ₹ 11,55,000 per month with authority to the Board of Directors to revise the salary from time to time.

(b) Annual performance bonus or incentives upon availability of net profits based upon the audited/ unaudited financial statements of the Company during the year or half year and as may be decided by the Board from time to time, upon recommendation by Nomination and Remuneration Committee on a yearly/ half yearly review of the performance appraisal of Virendra Nath Mishra, subject to a ceiling of one month of gross salary last drawn.

    Provided however that the total remuneration payable to Virendra Nath Mishra including salary, perquisites, allowances, performance bonus/ incentives etc. shall be subject to the overall limit of 5% individually and 10 % of net profits of the Company, as per Section 197 of the act, for all Managing Director and Whole Time Directors taken together.

(c) In addition to above mentioned remuneration, Virendra Nath Mishra shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration:

    i. Company's contribution to provident fund and superannuation fund or annuity fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961;
    ii. Gratuity payable as per the rules of the Company;
    iii. Leave encashment at the end of the tenure;
    iv. The provision for use of Company's car with driver for official use; and
    v. Reimbursement of all reasonable expenses including travelling, business & entertainment expenses incurred bonafide in connection with business of the Company.

Ram Mohan Lokhande

Ram Mohan Lokhande is a Whole time Director of our Company. Pursuant to the resolutions passed by our Board on August 25, 2023, Ram Mohan Lokhande is entitled to the following remuneration and benefits:

(a) By way of salary, perquisites and allowances, aggregating to ₹ 11,07,000 per month with authority to the Board of Directors to revise the salary from time to time.

(b) Annual performance bonus or incentives upon availability of net profits and as may be decided by the Board from time to time, based upon the audited/ unaudited financial statements of the Company during the year or half year and based on performance evaluation and remuneration policy of the Company and upon recommendation by Nomination and Remuneration Committee on a yearly/ half yearly review of the performance appraisal of Ram Mohan Lokhande.

    Provided however that the total remuneration payable to Ram Mohan Lokhande including salary, perquisites, allowances, performance bonus/ incentives etc. shall be subject to the overall limit of ₹ 2 crores per annum, which shall be within the limits prescribed under schedule V of the Companies Act, 2013.

(c) In addition to above mentioned remuneration, Ram Mohan Lokhande shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration:

    i. Company's contribution to provident fund and superannuation fund or annuity fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961;
    ii. Gratuity payable as per the rules of the Company;
    iii. Leave encashment at the end of the tenure;
    iv. The provision for use of Company's car with driver for official use; and
    v. Reimbursement of all reasonable expenses including travelling, business & entertainment expenses incurred bonafide in connection with business of the Company.

Terms of appointment of our Non-Executive Independent Directors

Sitting fees

Our Non-Executive Independent Directors are entitled to receive sitting fees for attending meetings of our Board of Directors or any of its committees and reimbursements of expenses. Pursuant to the Board resolution dated April 28, 2021, our Non-Executive Independent Directors are entitled to sitting fees of ₹ 30,000 for attending each meeting of our Board and any other committee of our Board.

Commission

Pursuant to the Board resolution dated April 28, 2021 and Shareholders' resolution dated May 15, 2021, our Non-Executive Independent Directors are entitled to receive remuneration by way of an annual commission of fixed amount or upto certain percentage of net profit calculated under the provisions of Section 198 of the Companies Act, 2013, subject to the limits prescribed under Section 197 of the Companies Act, 2013, such that the total remuneration paid to our Non-Executive Independent Directors, during a financial year does not exceed one percent of the net profits of the Company for that financial year.

Remuneration paid to Executive Directors

The table below sets forth the details of the remuneration paid to our Executive Directors for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(in ₹ lakhs)

Sr. No.	Name	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Nareshkumar Ramjibhai Patel	480.30	468.60	405.50
2.	Chetankumar Chhaganlal Vaghasia	473.58	462.00	400.00
3.	Virendra Nath Mishra	135.30	132.00	85.50
4.	Ram Mohan Lokhande	130.18	121.28	16.50

Remuneration paid to Non-Executive Independent Directors

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our Non-Executive Independent Directors for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(in ₹ lakhs)

Sr. No.	Name	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Girikrishna Suryakant Maniar	20.00	20.00	12.00
2.	Richa Manoj Goyal	10.00	10.00	6.00
3.	Hetal Madhukant Gandhi	20.00	20.00	12.00
4.	Anita Bandyopadhyay	10.00	10.00	0.60

Shareholding of Directors

Except as disclosed below, none of our Directors hold Equity Shares in our Company as of the date of this Preliminary Placement Document:

Sr. No.	Name of the Director	Designation	Number of Equity Shares	Percentage (%) shareholding
1.	Nareshkumar Ramjibhai Patel	Executive Chairman & Managing Director	42,78,624	11.36
2.	Chetankumar Chhaganlal Vaghasia	Whole-time Director	31,83,500	8.45
3.	Virendra Nath Mishra	Whole-time Director	3,30,000	0.88

Borrowing powers of our Board

Pursuant to our Articles of Association, subject to the provisions of the Companies Act, 2013 and other applicable laws and pursuant to the resolution passed by the shareholders of our Company on May 14, 2024, our Board is authorised to borrow from time to time all such sums of money, may deem requisite for the purpose of the business (including but not limited to, for financing any capital or revenue requirements, new business ventures or prospects or other financial needs) of our Company and/or its subsidiaries, notwithstanding that moneys to be borrowed together with moneys already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, free reserves that is to say, reserves not set apart for any specific purposes and securities premium account of the Company, however, the total amount so borrowed including fund/ non fund based borrowings (other than temporary loans obtained from our Company's bankers in the ordinary course of business) outstanding at any point of time shall not exceed a sum of ₹ 50,000 lakhs.

Interest of our Directors

Our Directors may be deemed to be interested to the extent of their remuneration, sitting fees and commission, if any, payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses payable to them, and the Executive Directors of our Company may be deemed to be interested to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Except Nareshkumar Ramjibhai Patel and Chetankumar Chhaganlal Vaghasia, who are Promoters of our Company, none of our other Directors have any interest in the promotion of our Company.

Our Directors may also be regarded as interested in the Equity Shares held by them, if any, or held by or that which may be subscribed by or allotted to their relatives or the companies, firms or trusts, HUFs in which they are interested as directors, members, partners, karta, trustees or promoters. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares and any other benefits arising out of such holding.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

Except as provided in "*Related Party Transactions*" on page 93, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document, in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested.

Bonus or profit-sharing plan of the Directors

Except as disclosed in "– *Terms of Appointment of our Executive Directors*" on page 198, none of our Directors are party to any bonus or profit-sharing plan.

Service contracts with Directors

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of their employment.

Corporate governance

Our Company is in compliance with the requirements of the applicable law, including the Companies Act, 2013, the SEBI Listing Regulations, and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. In compliance with Section 152 of the Companies Act, 2013, not less than two thirds of the Directors (excluding Non-Executive Independent Directors) are liable to retire by rotation. Our Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

Sr. No.	Committee	Name and Designation of Members
1.	Audit Committee	i. Girikrishna Suryakant Maniar, Chairman ii. Hetal Madhukant Gandhi, Member iii. Richa Manoj Goyal, Member
2.	Nomination and Remuneration Committee	i. Hetal Madhukant Gandhi, Chairman ii. Girikrishna Suryakant Maniar, Member iii. Anita Bandyopadhyay, Member
3.	Stakeholders Relationship Committee	i. Richa Manoj Goyal, Chairperson ii. Nareshkumar Ramjibhai Patel, Member iii. Chetankumar Chhaganlal Vaghasia, Member
4.	Risk Management Committee	i. Nareshkumar Ramjibhai Patel, Chairman ii. Chetankumar Chhaganlal Vaghasia, Member iii. Richa Manoj Goyal, Member iv. Bhavin Navinchandra Shah, Member
5.	Corporate Social Responsibility Committee	i. Richa Manoj Goyal, Chairperson ii. Nareshkumar Ramjibhai Patel, Member iii. Chetankumar Chhaganlal Vaghasia, Member

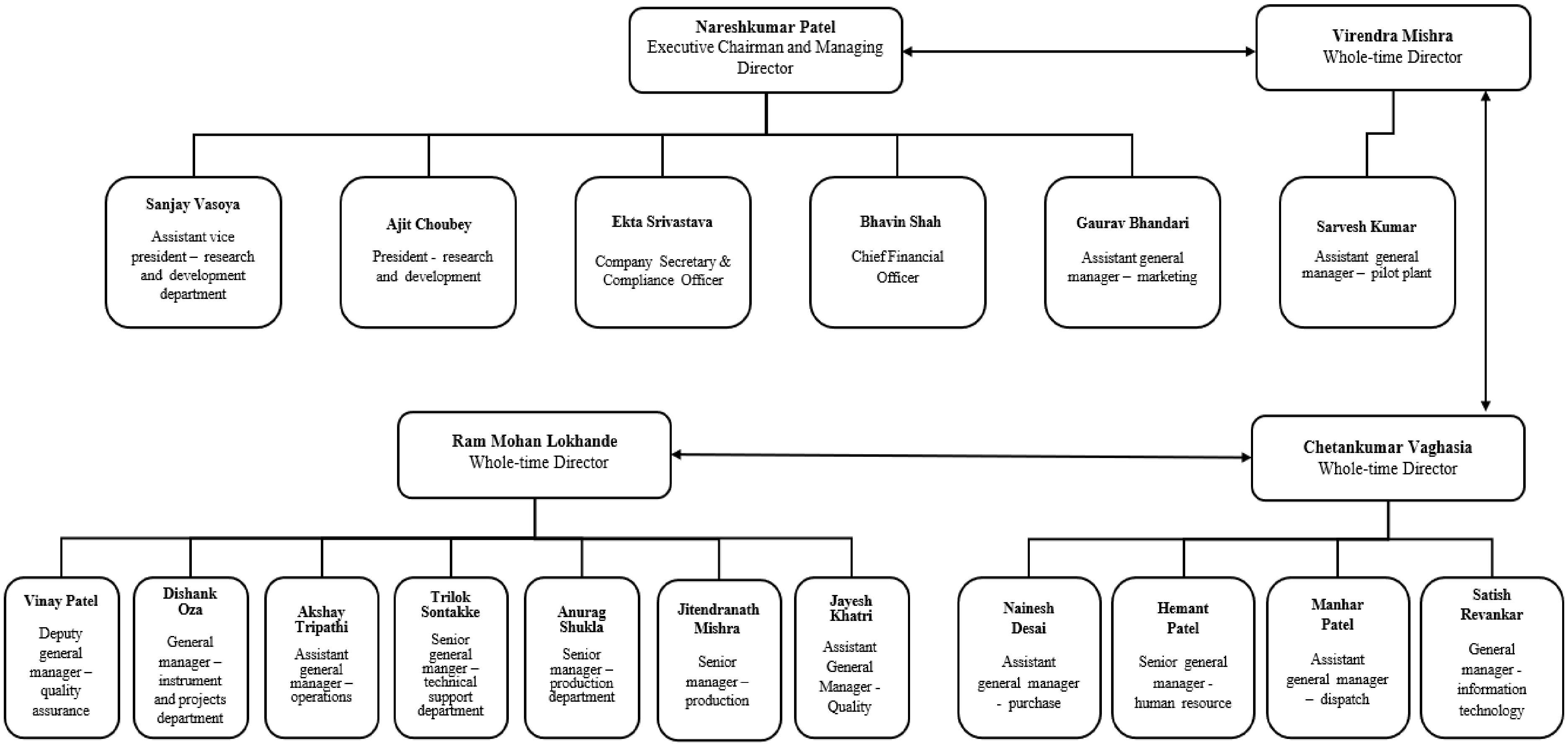
Prohibition by SEBI or other governmental authorities

Neither our Company, nor our Directors or Promoters are debarred from accessing capital markets under any order or direction made by SEBI or any other governmental authority.

None of the Directors of the companies with which they are or were associated as promoters, directors or persons in control have been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Organisation Chart

BOARD OF DIRECTORS



Key Managerial Personnel and Senior Management

In addition to the Executive Chairman and Managing Director and Whole Time Directors, the details of our Key Managerial Personnel in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set forth below:

Sr. No.	Name	Designation
Key Managerial Personnel		
1.	Bhavin Navinchandra Shah	Chief Financial Officer
2.	Ekta Kumari Srivastava	Company Secretary and Compliance Officer

In addition to the Chairman and Managing Director, Whole Time Directors and the Key Managerial Personnel, the details of our Senior Management in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set forth below:

Sr. No.	Name	Designation
Senior Management		
1.	Ajit Kumar Choubey	President technical – research and development
2.	Akshay Kumar Tripathi	Assistant general manager – operations
3.	Gaurav Pravin Bhandari	Assistant general manager – marketing
4.	Hemant Mahendrabhai Patel	Senior general manager – human resource
5.	Naineshkumar Rameshchandra Desai	Assistant general manager – purchase
6.	Sanjaykumar Lakhabhai Vasoya	Assistant vice president – research and development department
7.	Manharbhai Lallubhai Patel	Assistant general manager – dispatch
8.	Satish Shivanand Revankar	General manager – information technology
9.	Trilok Vasant Sontakke	Senior general manger – technical support department
10.	Dishank Oza	General manager – instrument and projects department
11.	Jayeshkumar Khatri	Assistant general manager – quality control
12.	Vinaykumar Hirabhai Patel	Deputy general manager – quality assurance
13.	Jitendranath Divakar Mishra	Senior manager – operations
14.	Anurag Shukla	Senior manager – operations
15.	Sarvesh Kumar	Assistant general manager – pilot plant

Relationship amongst our Key Managerial Personnel and Senior Management and Directors

None of our Key Managerial Personnel or members of Senior Management are related to each other or to the Directors of our Company.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Except as disclosed in "- *Terms of appointment of our Executive Directors*" on page 198 and bonus which our Key Managerial Personnel or Senior Management are entitled to in accordance with the terms of their appointment, our Company does not have any bonus or profit-sharing plan with the Key Managerial Personnel or Senior Management.

Service Contracts with Key Managerial Personnel and Senior Management

Our Company has not entered into any service contracts with our Key Managerial Personnel and Senior Management, which provide for benefits upon termination of their employment.

Interest of our Key Managerial Personnel and Senior Management

Other than as disclosed in the " – *Interest of our Directors*" on page 202, our Key Managerial Personnel and Senior Management do not have any interest in our Company other than to the extent of the remuneration, benefits or employee stock options held by them in our Company, reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them or their dependents in our Company, if any. Our Key Managerial Personnel and Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any.

Other than Satish Shivanand Revankar, all our Key Managerial Personnel and members of Senior Management are permanent employees of our Company.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel and members of Senior Management was selected as member of senior management.

Shareholding of our Key Managerial Personnel and Senior Management

Except for the shareholding of Nareshkumar Ramjibhai Patel, Chetankumar Chhaganlal Vaghasia and Virendra Nath Mishra as disclosed above in "–*Shareholding of Directors*", and Jitendranath Divakar Mishra who holds one Equity Share and Vinaykumar Hirabhai Patel who holds five Equity Shares, respectively, none of our other Key Managerial Personnel and Senior Management hold Equity Shares in our Company as of the date of this Preliminary Placement Document.

Other Confirmations

1. Other than disclosed in this Preliminary Placement Document, none of the Directors, Promoters, Key Managerial Personnel or Senior Management of our Company have any financial or other material interest in the Issue.

2. Our Promoters, Directors and Key Managerial Personnel or Senior Management will not participate in the Issue.

3. Neither our Company, nor any of our Directors or Promoters have been identified as a Wilful Defaulter or as a Fraudulent Borrower by any lending banks or financial institutions or consortiums, in terms of RBI master circular dated July 1, 2016, and SEBI ICDR Regulations.

4. None of our Directors or Promoters have been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

5. No change in control in our Company will occur consequent to the Issue.

6. No loans have been availed or extended by our Directors, Key Managerial Personnel or Senior Management from, or to, our Company or the Subsidiaries.

Policy on disclosures and internal procedure for prevention of insider trading

The SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three fiscals immediately preceding the date of this Preliminary Placement Document, see "*Related Party Transactions*" on page 93.

Employee stock option schemes

For details with respect to the employee stock option scheme 2023 of our Company, see "*Capital Structure – other confirmations"* on page 91.

ORGANISATIONAL STRUCTURE OF OUR COMPANY

Corporate history

Ami Organics Limited was initially formed as a partnership firm under the Partnership Act, 1932 as "Ami Organics" with effect from January 3, 2004 at Surat, Gujarat, India pursuant to a deed of partnership dated January 3, 2004 executed amongst our Promoters, along with others, as partners. The firm converted into a private limited company under the Companies Act 1956, under the name of "Ami Organics Private Limited" and a certificate of incorporation dated June 12, 2007 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into a public limited company, following which our Company's name was changed to "Ami Organics Limited", and a fresh certificate of incorporation was issued by the RoC on April 18, 2018. Our Company got listed on BSE and NSE on September 14, 2021.

Our Company's CIN is L24100GJ2007PLC051093. The Registered and Corporate Office of our Company is located at Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230, Gujarat, India.

Subsidiaries

As on date of this Preliminary Placement Document, our Company has two wholly-owned Subsidiaries, namely, Ami Organics Electrolytes Private Limited and Baba Advance Materials Limited, one Subsidiary Baba Fine Chemicals and Enchem Ami Organics Private Limited which is a step down subsidiary of Ami Organics Limited.

Holding company

As on date of this Preliminary Placement Document, our Company does not have any holding company.

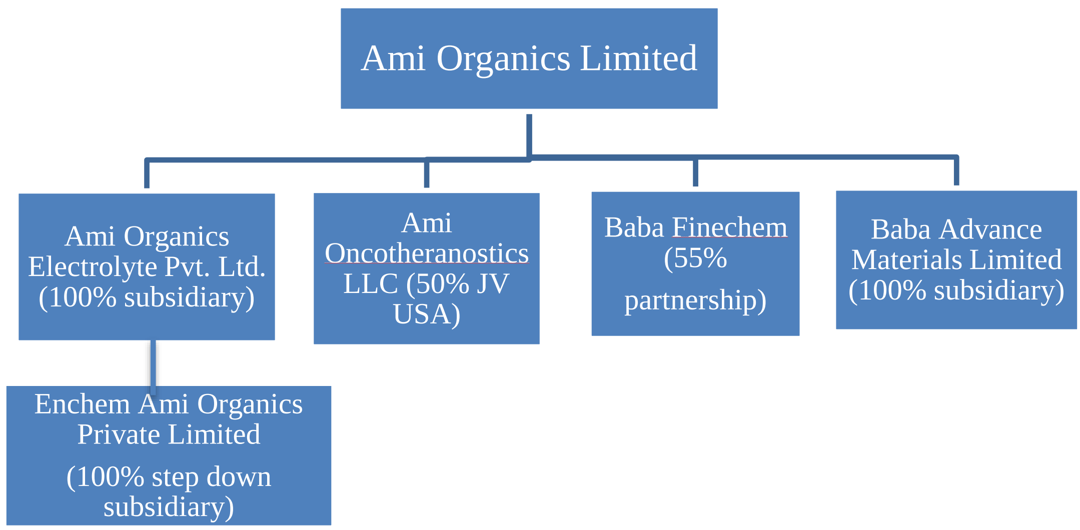
Associate company

As on the date of this Preliminary Placement Document, our Company does not have any associate companies.

Joint Ventures

As on the date of this Preliminary Placement Document, our Company has one joint venture, namely, Ami Onco-Theranostics, LLC.

The organisational structure of our Company as on date of this Preliminary Placement Document is as follows:



SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on June 14, 2024 is set forth below:

Table I – Summary Statement holding of Specified securities:

Category	Category of Shareholders	No. of Shareholders	No. of fully paid up equity shares held	Total no. of Shares held	Shareholding as a % of total no of shares (calculate as per SCRR, 1957) As a % of (A+B+C2)	No. of voting rights	Total as a % of Total Voting right	No. of Locked in Shares		No. of equity shares held in dematerialized form
								No. (a)	As a % of total Shares held (b)	
(A)	Promoter & Promoter Group	7	1,47,19,629	1,47,19,629	39.07	1,47,19,629	39.07	72,87,420	49.51	1,47,19,629
(B)	Public	91,638	2,29,60,126	2,29,60,126	60.93	2,29,60,126	60.93	8,08,992	3.52	2,29,60,126
(C)	Non-Promoter-Non- Public				0.00		0.00		0.00	
(C1)	Shares underlying DRs				0.00		0.00		0.00	
(C2)	Shares held by Employee Trusts				0.00		0.00		0.00	
	Total	**92,645**	**3,76,79,755**	**3,76,79,755**	**100.00**	**3,76,79,755**	**100.00**	**80,96,412**	**21.49**	**3,76,79,755**

Table II - Statement showing shareholding pattern of our Promoters and Promoter Group:

Category	Category of Shareholders	Entity type	No. of Shareholders	No. of fully paid-up equity shares held	Total no. of Shares held	Shareholding as a % of total no of shares (calculate as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Number of locked in shares		No. of equity shares held in dematerialized form
							Class e.g.: X	Total	Class e.g.: X	Total	
A(1)	**Indian**										
(a)	**Individuals/ Hindu Undivided Family**		**7**	**1,47,19,629**	**1,47,19,629**	**39.07**	**1,47,19,629**	**39.07**	**72,87,420**	**49.51**	**1,47,19,629**
	Nareshkumar Ramjibhai Patel	Promoter	1	42,78,624	42,78,624	11.36	42,78,624	11.36	18,21,855	42.58	42,78,624
	Sheetalben N Patel	Promoter	1	36,37,500	36,37,500	9.65	36,37,500	9.65	18,21,855	50.09	36,37,500
	Vaghasia Chetankumar Chhaganlal	Promoter	1	31,83,500	31,83,500	8.45	31,83,500	8.45	18,21,855	57.23	31,83,500
	Parulben Vaghasia	Promoter	1	29,37,500	29,37,500	7.80	29,37,500	7.80	18,21,855	62.02	29,37,500
	Bhanuben Chhaganbhai Vaghasia	Promoter Group	1	3,42,000	3,42,000	0.91	3,42,000	0.91	-	-	3,42,000
	Chhagan Ramjibhai Vaghasia	Promoter Group	1	3,40,500	3,40,500	0.90	3,40,500	0.90	-	-	3,40,500
	Gevriya Nileshkumar Bhikhubhai	Promoter Group	1	5	5	0.00	5	0.00	-	-	5
	Sub Total (A)(1)		**7**	**1,47,19,629**	**1,47,19,629**	**39.07**	**1,47,19,629**	**39.07**	**72,87,420**	**49.51**	**1,47,19,629**
A(2)	**Foreign**		-	-	-	-	-	-	-	-	-
	Total (A) = A(1)+ A(2)		**7**	**1,47,19,629**	**1,47,19,629**	**39.07**	**1,47,19,629**	**39.07**	0.00	**49.51**	**1,47,19,629**

Table III - Statement showing shareholding pattern of the public shareholder:

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	Total No of shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		Number of equity shares held in dematerialized form
								Class e.g.: X	Total	
B(1)	**Institutions (Domestic)**									
(a)	**Mutual Funds/**	11	**20,21,163**	**20,21,163**	**5.36**	**20,21,163**	**5.36**	-	-	**20,21,163**
	UTI - Healthcare Fund	1	4,27,454	4,27,454	1.13	4,27,454	1.13	-	-	4,27,454
	Bank Of India Small Cap Fund	1	4,26,230	4,26,230	1.13	4,26,230	1.13	-	-	4,26,230
	Tata Mutual Fund - Tata Elss Tax Saver Fund	1	3,83,100	3,83,100	1.02	3,83,100	1.02	-	-	3,83,100
(b)	**Alternative Investments Funds**	**14**	**11,83,417**	**11,83,417**	**3.14**	**11,83,417**	**3.14**	**1,22,580**	**10.36**	**11,83,417**
(c)	**Insurance Companies**	**3**	**7,64,105**	**7,64,105**	**2.03**	**7,64,105**	**2.03**	-	-	**7,64,105**
	Max Life Insurance Company Limited A/C - Ulif01311/02/08lifehighgr104 - High Growth Fund	1	5,65,868	5,65,868	1.50	5,65,868	1.50	-	-	5,65,868
(d)	**NBFCs registered with RBI**	1	136	136	0.00	136	0.00	-	-	136
	Sub-Total B(1)	**29**	**39,68,821**	**39,68,821**	**10.53**	**39,68,821**	**10.53**	**1,22,580**	**3.09**	**39,68,821**
B(2)	**Institutions (Foreign)**									
(a)	**Foreign Portfolio Investors Category-I**	**38**	**36,03,440**	**36,03,440**	**9.56**	**36,03,440**	**9.56**	**6,86,412**	**19.05**	**36,03,440**
	Government Pension Fund Global	1	10,92,000	10,92,000	2.90	10,92,000	2.90	-	-	10,92,000
	Malabar India Fund Limited	1	9,83,648	9,83,648	2.61	9,83,648	2.61	-	-	9,83,648
	Ashoka Whiteoak Icav - Ashoka Whiteoak India Opportunities Fund	1	4,03,226	4,03,226	1.07	4,03,226	1.07	4,03,226	100.00	4,03,226
(b)	**Foreign Portfolio Investors Category-II**	**7**	**76,585**	**76,585**	**0.20**	**76,585**	**0.20**	-	-	**76,585**
	Sub-Total B(2)	**45**	**36,80,025**	**36,80,025**	**9.77**	**36,80,025**	**9.77**	**6,86,412**	**18.65**	**36,80,025**
B(3)	**Central Government/ State Government(s)**	-	-	-	-	-	-	-	-	-
B(4)	**Non-Institutions**									
(a)	**Directors and their relatives (excluding independent directors and nominee directors)**	1	3,30,000	3,30,000	0.88	3,30,000	0.88	-	-	3,30,000
(b)	**Resident Individuals holding nominal share capital up to ₹2 lakhs**	87,406	**65,06,546**	**65,06,546**	**17.27**	**65,06,546**	**17.27**	-	-	**65,06,546**
(c)	**Resident Individuals holding nominal share capital in excess of ₹2 lakhs**	20	**41,79,727**	**41,79,727**	**11.09**	**41,79,727**	**11.09**	-	-	**41,79,727**
	Ashish Kacholia	1	7,54,974	7,54,974	2.00	7,54,974	2.00	-	-	7,54,974
	Dhwani Girishkumar Chovatia	1	13,69,516	13,69,516	3.63	13,69,516	3.63	-	-	13,69,516
	Vanaja Sundar Iyer	1	5,00,000	5,00,000	1.33	5,00,000	1.33	-	-	5,00,000
(d)	**Non-Resident Indians (NRIs)**	**1638**	**6,43,894**	**6,43,894**	**1.71**	**6,43,894**	**1.71**	-	-	**6,43,894**

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	Total No of shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		Number of equity shares held in dematerialized form
								Class e.g.: X	Total	
(e)	**Bodies Corporate**	**513**	**31,70,862**	**31,70,862**	**8.42**	**31,70,862**	**8.42**	**-**	**-**	**31,70,862**
	Plutus Wealth Management LLP	1	20,14,244	20,14,244	5.35	20,14,244	5.35	-	-	20,14,244
(f)	**Any other (Specify)**	**1986**	**4,80,251**	**4,80,251**	**1.27**	**4,80,251**	**1.27**	**-**	**-**	**4,80,251**
	Trusts	12	17,761	17,761	0.05	17,761	0.05	-	-	17,761
	Body Corp-Ltd Liability Partnership	85	1,08,107	1,08,107	0.29	1,08,107	0.29	-	-	1,08,107
	Hindu Undivided Family	1886	3,21,180	3,21,180	0.85	3,21,180	0.85	-	-	3,21,180
	Clearing Member	3	33,203	33,203	0.09	33,203	0.09	-	-	33,203
	Sub-Total B(4)	**91564**	**1,53,11,280**	**1,53,11,280**	**40.64**	**1,53,11,280**	**40.64**	**-**	**-**	**1,53,11,280**
	Total B=B(1)+B(2)+B(3)+B(4)	**91638**	**2,29,60,126**	**2,29,60,126**	**60.93**	**2,29,60,126**	**60.93**	**8,08,992**	**3.52**	**2,29,60,126**

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and Bidders are assumed to have apprised themselves of the same from our Company or the BRLM. Prospective Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officers, agents, employees, counsels, shareholders, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "Selling Restrictions" and "Purchaser Representations and Transfer Restrictions" on pages 228 and 234, respectively.

Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document and the Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 and other applicable provisions of the Companies Act, 2013 and rules issued thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India, may issue Equity Shares to Eligible QIBs, provided that certain conditions are met by us. Some of these conditions are set out below:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must *inter alia* specify that, (a) the allotment of the Equity Shares is proposed to be made pursuant to the QIP; and (b) the relevant date for the QIP;

- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the Promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of such issuer, which are proposed to be allotted through the Issue, are listed on the Stock Exchange, for a period of at least one year prior to the date of issuance of notice to our shareholders for convening the meeting to seek approval of the shareholders for the above-mentioned special resolution;

- invitation to apply in the Issue must be made through a private placement offer-cum-application (i.e., this Preliminary Placement Document) and an Application Form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;

- our Company shall have completed allotments with respect to any earlier offer or invitation made by our Company or has withdrawn or abandoned such invitation or offer made by our Company, except as permitted under the Companies Act;

- our Company shall not make any subsequent QIP until the expiry of two weeks from the date of this Issue;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document and the Application Form), our Company must prepare and record a list of Eligible QIBs to whom the Issue will be made. The Issue must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited. In accordance with the SEBI ICDR Regulations, securities will be issued and allotment shall be made only in dematerialized form to the allottees; and

- the Promoters and Directors of our Company are not Fugitive Economic Offenders.

At least 10% of the Equity Shares issued pursuant to this Issue to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The floor price of the equity shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchanges during the two weeks preceding the relevant date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of not more than 5% of the floor price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated April 12, 2024, and a special resolution passed by our Shareholders by way of postal ballot on May 14, 2024, have authorised our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price. The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as per the provisions under Regulation 176(4) of the SEBI ICDR Regulations.

The "Relevant Date" mentioned above in case of allotment of Equity Shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "stock exchange" means any of the recognised stock exchanges in India on which the Equity Shares of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date.

The Equity Shares must be Allotted within 365 days from the date of the shareholders' resolution approving the Issue and also within 60 days from the date of receipt of Bid Amount from the relevant Eligible QIBs failing which our Company shall refund the Bid Amount in accordance with applicable laws. For details of refund of Bid Amount, see "*– Pricing and Allocation – Designated Date and Allotment of Equity Shares*" on page 223.

The Equity Shares issued pursuant to the Issue must be issued on the basis of this Preliminary Placement Document and the Placement Document shall contain all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of Allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹ 25,000 lakhs; and

- five, where the issue size is greater than ₹ 25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "*–Bid Process - Application Form*" on page 219.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

Our Company has filed a draft of this Preliminary Placement Document with each of the Stock Exchanges and received the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to this Issue. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

The Issue has been authorised and approved by our Board on April 12, 2024 and a special resolution passed by our Shareholders by way of postal ballot on May 14, 2024.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States, in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales occur. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain other jurisdictions, see "*Selling Restrictions*" on page 228. See "*Purchaser Representations and Transfer Restrictions*" on page 234 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

Issue Procedure

1. On the Issue Opening Date, our Company and the BRLM shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIBs. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act and PAS Rules.

2. **The list of Eligible QIBs to whom this Preliminary Placement Document and the Application Form is delivered shall be determined by our Company in consultation with the BRLM. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to**

such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

3. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Bid Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Issue Period to the BRLM.

4. Bidders will be required to indicate the following in the Application Form:

   - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), phone number and bank account details;

   - number of Equity Shares Bid for;

   - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;

   - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;

   - Equity Shares held by the Bidder in our Company prior to the Issue;

   - it has agreed to certain other representations set forth in the Application Form and this Preliminary Placement Document; and

   - A representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S, and the applicable laws of the jurisdiction where those offers and sales are made, and it has agreed to certain other representations set forth in "*Representations by Investors*" on page 5 and "*Purchaser Representations and Transfer Restrictions*" on page 234 and certain other representations made in the Application Form.

   NOTE*: *Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

5. Eligible QIBs shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "*AMI ORGANICS LIMITED – ESCROW ACCOUNT QIP - 2024*" with the Escrow Bank, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final

listing and trading approvals from the Stock Exchanges, whichever is later, Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not Allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "– *Refunds*" on page 223.

6. Once a duly completed Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, on or before the Issue Closing Date, our Company shall, in consultation with BRLM determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the BRLM, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Successful Bidders. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the BRLM.**

8. The Bidder acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution passed by the Board or QIP Committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Bidders are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible QIBs

16. Only Eligible QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, and not otherwise restricted from participating in the Issue under the applicable law, will be considered as Eligible QIBs. However, with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

    - Eligible FPIs;
    - insurance companies registered with the Insurance Regulatory and Development Authority of India;
    - insurance funds set up and managed by army, navy or air force of the Union of India;
    - insurance funds set up and managed by the Department of Posts, India.
    - multilateral and bilateral development financial institutions eligible to invest in India;
    - Mutual Funds, VCFs, AIFs;
    - pension funds with minimum corpus of ₹ 25 crore registered with PFRDA;
    - provident funds with minimum corpus of ₹ 25 crore;
    - public financial institutions as defined under Section 2(72) of the Companies Act;
    - scheduled commercial banks;
    - state industrial development corporations;
    - systemically important non-banking financial companies;
    - the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and
    - subject to such QIB not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations.

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THE ISSUE THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF FEMA RULES. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND CONDITIONS AND RESTRICTIONS WHICH MAY BE SPECIFIED BY THE GOVERNMENT FROM TIME TO TIME, AND SUCH THAT THE SHAREHOLDING OF THE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCI'S ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) should not exceed 10% of post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding of each FPI or its investor group shall be below 10% of the total post issue paid-up Equity Share capital of our Company on a fully diluted basis. With effect from April 1, 2020, the aggregate limit for FPI investments is the sectoral cap applicable to our Company i.e. 100% on a fully diluted basis. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post -Issue paid-up capital of our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10% or more of the total post-Issue paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate permissible limit of all FPIs investments, with effect from April 1, 2020, is the sectoral cap applicable to the sector in which our Company operates.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of Offshore Derivative Instruments. Two or more subscribers of Offshore Derivative Instruments having a common beneficial owner shall be considered together as a single subscriber of the Offshore Derivative Instruments. In the event an investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, these investment restrictions shall apply on the aggregate of the FPI and Offshore Derivative Instruments investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed National Securities Depository Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The stock exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 228 and 234, respectively.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a promoter, or any person related to, the Promoters. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter group;
- veto rights; or

- a right to appoint any nominee director on the board of the issuer.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company, the BRLM and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: *Affiliates or associates of the BRLM who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, a Bidder will be deemed to have made all the representations, warranties, acknowledgements and agreements made under "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" *and "Purchaser Representations and Transfer Restrictions"* on pages 3, 5, 228 and 234, respectively, including as follows:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or members of the Promoter Group or persons related to the Promoters;

3. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoters;

4. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

5. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

6. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than the floor of a recognised Stock Exchange;

7. The Eligible QIB confirms that the Bidder is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Bidder further confirms that the holding of the Bidder, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Bidder;

8. The Eligible QIB confirms that its Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations;

9. The Eligible QIB agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Issue Period. The Bidder agrees that once a duly filled Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

10. The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLM. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

11. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that, disclosure of such details as "proposed Allottees" in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;

12. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    (a) QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Bidder, its subsidiary(ies) or holding company and any other Bidder; and

    (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

13. The Eligible QIB acknowledge that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;

14. The Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

15. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations; and

16. A representation that it is outside the United States, is acquiring the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and is not an affiliate of the Company or a person

acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

ELIGIBLE QIB MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN OR PAN ALLOTMENT LETTER, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BRLM, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLM TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BRLM, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the BRLM) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (as applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the BRLM either through electronic form or through physical delivery at either of the following address:

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India
Contact person: Prachee Dhuri
E-mail: aol.qip@jmfl.com
Telephone: +91 22 6630 3030/ 3262

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

All Application Forms shall be duly completed and Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Bank account for Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "*AMI ORGANICS LIMITED – ESCROW ACCOUNT QIP - 2024*" with the Escrow Bank, in terms of the Escrow Agreement. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in *"AMI ORGANICS LIMITED – ESCROW ACCOUNT QIP - 2024"* only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchanges during the two weeks preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of our Shareholders by way of a special resolution dated May 14, 2024 through postal ballot in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board (or a duly constituted committee thereof) decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the Placement Document with the Stock Exchanges.

Build-up of the Book

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the BRLM. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the BRLM.

Method of Allocation

Our Company shall determine the Allocation in consultation with the BRLM on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with the BRLM has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BRLM IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBs. ELIGIBLE QIBs MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BRLM AND ELIGIBLE QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLM ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the BRLM, in their sole and absolute discretion, shall decide the Successful Bidders. Our Company will dispatch a serially numbered CAN to all the Bidders pursuant to which the details of the Equity Shares Allocated to them (if any), the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board / its committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLM.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in "*Notice to Investors*" on page 3 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts with the Depository Participants, our Company will apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company from the Stock Exchanges and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act.

7. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in the Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

8. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the

proposed Allottees, and the percentage of their post-Issue shareholding in our Company is required to be disclosed in the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bidder has deposited the Bid Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN in the manner set out in the refund intimation which will be dispatched to the Bidder.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of Bid Amount, our Company shall repay the Bid Amount within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The Bid Amount to be refunded by us shall be refunded to the same bank account from which Bid Amount was remitted by the Bidders, as mentioned in the Application Form.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until receipt of notice from the BRLM, the final listing and trading approvals of the Stock Exchanges and our Company files the return of Allotment in connection with the Issue with the RoC, whichever is later.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted with the Company/BRLM as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. However, this requirement may not apply to certain Bidders who are exempted from the requirement of obtaining a PAN under the IT Act. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the BRLM, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLM in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, see "- *Bid Process*" and "- *Refunds*" on pages 219 and 223, respectively.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the BRLM shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT AND LOCK-UP

Placement Agreement

The BRLM has entered into the Placement Agreement dated June 18, 2024 with our Company, pursuant to which the BRLM has agreed, subject to certain conditions, to manage this Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act read with Rule 14 of the PAS Rules, to the extent applicable, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

This Preliminary Placement Document and the Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares offered pursuant to the Issue will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States, in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales occur. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain other jurisdictions, see "*Selling Restrictions*" on page 228. See "*Purchaser Representations and Transfer Restrictions*" on page 234 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Relationship with the BRLM

In connection with the Issue, the BRLM (or its affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be offered pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLM (or its affiliates) may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. The Affiliates of the BRLM may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of Offshore Derivative Instruments. For details, see "*Offshore Derivative Instruments*" on page 11.

From time to time, the BRLM, its affiliates and its associates have been engaged in or may in the future engage in transactions with and perform services, including but not limited to investment banking, advisory, commercial banking, trading services for our Company, its Subsidiaries, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the BRLM and its respective affiliates and associates.

Lock-up

Under the Placement Agreement, our Company undertakes that it will not for a period of 45 days from the date of Allotment under the Issue, without the prior written consent of the BRLM, directly or indirectly: (i) offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise approve the transfer or dispose of, any Equity Shares or any securities convertible into, or exercisable for Equity Shares (including, without limitation, securities convertible into, or exercisable or exchangeable for Equity Shares) and except any offer, issuance, grant, allotment made under the provision of Ami Organics Employees Stock Option Scheme 2023 ("**ESOS Policy 2023**"), or file any registration statement under the U.S. Securities Act with respect to any of the foregoing, or (ii) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into, or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (i) or (ii) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (iii) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, or (iv) publicly announce any intention to enter into any transaction falling within (i) to (iii) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (i) to (iii) above except any offer, issuance, grant, allotment made under the provision of ESOS Policy 2023.

Promoter's Lock-up

Under the Placement Agreement, to facilitate the BRLM to enter into the Agreement and continue its efforts in connection with the Issue and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Promoters have agreed that they will not without the prior written consent of the BRLMs, for a period of 45 days from the date of allotment under this Issue (the "**Lock-up Period**"), directly or indirectly:

a) sell, lend, pledge, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose off, directly or indirectly, any Promoter Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing (regardless of whether any of the transactions described in this clause (a) is to be settled by the delivery of the Promoter Equity Shares or such other securities, in cash or otherwise);

b) enter into any swap or other agreement or any transaction that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Promoter Equity Shares or any securities convertible into or exercisable or exchangeable for any of the Promoter and Equity Shares (regardless of whether any of the transactions described in this clause (b) is to be settled by the delivery of the Promoter Equity Shares or such other securities, in cash or otherwise); or

c) deposit any of the Promoter Equity Shares or any securities convertible into or exercisable or exchangeable for the Promoter Equity Shares or which carry the right to subscribe to or purchase the Promoter Equity Shares or which carry the right to subscribe to or purchase Equity Shares in depository receipt facilities or enter into any such transactions (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depository receipt facility; or

d) publicly announce any intention to enter into any transaction whether any such transaction described in a), b) or c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise;

provided however that the foregoing restrictions will not be applicable to (i) pledge or mortgage of the Equity Shares already existing on the date of this Agreement or transfer of such existing pledge or mortgage; and (ii) any inter group transfer made to any member of promoter group's , subject to compliance with applicable laws and subject to observance by the transferee promoter group's Entities of the foregoing restrictions on transfer of Promoter Shares until the expiry of the Lock-up Period.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

General

Except in India, no action has been taken or will be taken by our Company or the BRLM that would permit the offering of the Equity Shares in the Issue to occur in any jurisdiction, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares offered in this Issue may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Issue may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Persons who may come into possession of this Preliminary Placement Document or any other materials related to the Issue are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in the Issue will be deemed to have made representations, warranties, acknowledgments and agreements as described below and under "*Notice to Investors*", "*Representations by Investors*" and "*Purchaser Representations and Transfer Restrictions*", on pages 3, 5 and 234, respectively.

Republic of India

The Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder. This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares offered in the Issue may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be registered as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Bahrain

This Preliminary Placement Document may only be distributed to Accredited Investors as defined by the Central Bank of Bahrain and the Equity Shares offered in the Issue may be offered and sold only to Accredited Investors as defined by the Central Bank of Bahrain by way of private placement in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to purchase the Equity Shares in the Issue may be made to the public in the Kingdom of Bahrain and this Preliminary Placement Document may not be issued, passed to, or made available to the public generally. The Central Bank of Bahrain, the Bahrain Bourse and the Ministry of Industry, Commerce and Tourism of the Kingdom of Bahrain take no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document or the performance of the Equity Shares, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein.

Cayman Islands

No offer or invitation to subscribe for the Equity Shares offered in the Issue may be made to the public in the Cayman Islands.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "**Prospectus Regulation**"):

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Book Running Lead Manager for any such offer;
- or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Regulation. For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Book Running Lead Manager of such fact in writing and has received the consent of the Book Running Lead Manager in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation. In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Manager has been obtained to each such proposed offer or resale. Our Company, the Book Running Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

This Preliminary Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Preliminary Placement Document has not been, and will not be, registered as a "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) ("**CO**") nor has it been authorised by the Securities and Futures Commission ("**SFC**") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("**SFO**"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Preliminary Placement Document, they should obtain independent professional advice.

This Preliminary Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. This Preliminary Placement Document must not be issued, circulated or distributed in Hong Kong other than:

(a) to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("**Professional Investors**"); or
(b) in other circumstances which do not result in this Preliminary Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of this Preliminary Placement Document may issue, circulate or distribute this Preliminary Placement Document in Hong Kong or make or give a copy of this Preliminary Placement Document to any other person. No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

Japan

No securities registration statement in relation to the solicitations of the Equity Shares offered in the Issue in Japan (the "**Solicitations**") has been or will be filed pursuant to Article 4, Paragraph 1 of the Financial Instrument and

Exchange Law of Japan (the "**FIEL**"). The Solicitations shall only be made (i) to Qualified Institutional Investors and (ii) to no more than 49 persons (excluding any Qualified Institutional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue. Any Qualified Institutional Investors who acquire Equity Shares in the Issue (a) may not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Equity Shares to any person in Japan or to or for the benefit of any resident of Japan, including any corporation or other entity organised under the laws of Japan, except to Qualified Institutional Investors; and (b) shall deliver a notification indicating (a) and (b) herein to any transferee of the Equity Shares.

Capitalized terms used in this sub-section and not defined in this Preliminary Placement Document have the meanings given to those terms in the FIEL.

Kuwait

This Preliminary Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("**Kuwait Securities Laws**"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Preliminary Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Preliminary Placement Document does not constitute a public offering. This Preliminary Placement Document is for the exclusive use of the person to whom it has been given by the Book Running Lead Manager and is a private concern between the sender and the recipient.

Oman

This Preliminary Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Preliminary Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. This Preliminary Placement Document has not been approved by the Capital Market Authority of Oman (the "**CMA**") or any other regulatory body or authority in the Sultanate of Oman ("**Oman**"), nor has the Book Running Lead Manager received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. The Book Running Lead Manager is not a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. The Book Running Lead Manager does not advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products. The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman.

Nothing contained in this Preliminary Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Preliminary Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of the Equity Shares in the

State of Qatar.

By receiving this Preliminary Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the Book Running Lead Manager are not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar. No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the Book Running Lead Manager are not, by distributing this Preliminary Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar Financial Centre

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("**QFC**"), and accordingly should not be construed as such. This Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Preliminary Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

Singapore

This Preliminary Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") under the Securities and Futures Act (Chapter 289) of Singapore ("**SFA**"). Accordingly, the Equity Shares offered in the Issue may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Preliminary Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an "institutional investor" within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law. In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Korea (Republic of Korea)

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea ("**South Korea**") (the "**FISCMA**")) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder ("**Professional Investors**") and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

Switzerland

The offering of the Equity Shares offered in the Issue in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act ("**FinSA**") because such offering in Switzerland is directed only at investors classified as "professional clients" within the meaning of the FinSA and the Equity Shares offered in the Offer will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This document does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the Issue.

No key information document under article 58 of the FinSA or article 59(2) of the FinSA in respect of the Issue has been prepared and published. Accordingly, the Equity Shares offered in the Issue may not be offered to "private clients" within the meaning of the FinSA in Switzerland. Each person in Switzerland who acquires Equity Shares in the Issue shall be deemed to have represented to our Company and the Book Running Lead Manager that it is a "professional client" within the meaning of the FinSA and that it has not opted-in to be treated as a "private client" on the basis of article 5(5) of the FinSA. This document is not intended to constitute an advertising document within the meaning of article 68 of the FinSA and article 95 of the Swiss Federal Financial Services Ordinance. The Equity Shares do not constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes and are not licensed by the Swiss Financial Market Supervisory Authority ("**FINMA**") thereunder. Accordingly, neither the Equity Shares nor the Shareholders benefit from protection under the Swiss Federal Act on Collective Investment Schemes or supervision by FINMA.

United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, "**Promotion"**) of this Preliminary Placement Document or the Equity Shares may be made in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. The Promotion of this Preliminary Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, this Preliminary Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of this Preliminary Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of this Preliminary Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations). None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of this Preliminary Placement Document and nor does any such entity accept any liability for the contents of this Preliminary Placement Document.

Dubai International Financial Centre

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial

Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "**Markets Rules**") adopted by the Dubai Financial Services Authority (the "**DFSA**"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. This Preliminary Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this Preliminary Placement Document have the meaning given to those terms in the Markets Rules. The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or
(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Equity Shares shall require our Company or the Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Preliminary Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). This Preliminary Placement Document is directed only at relevant persons. Other persons should not act on this Preliminary Placement Document or any of its contents. This Preliminary Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in 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. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in "*Purchaser Representations and Transfer Restrictions*" on page 234. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described in "*Purchaser Representations and Transfer Restrictions*" on page 234.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares offered in the Issue within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

PURCHASER REPRESENTATIONS AND TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult their legal counsel prior to subscribing for Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, the Equity Shares Allotted in the Issue are not permitted to be sold for a period of one year from the date of Allotment, except on floor of the BSE or the NSE. Due to the following restrictions, investors are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Equity Shares, except if the resale of the Equity Shares is by way of a regular sale on the BSE or the NSE. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them.

The Equity Shares Allotted in the Issue are also subject to the resale restrictions in "*Selling Restrictions*" on page 228 and the following resale restrictions.

United States

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted and acknowledged to and agreed with our Company and the BRLM as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.

- It was outside the United States at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States when its buy order for the Equity Shares offered in the Issue was originated.

- It did not purchase the Equity Shares offered in the Issue as a result of any "directed selling efforts" (as defined in Regulation S).

- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or an available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.

- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.

- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees to indemnify and hold our Company and the BRLM harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.

- It acknowledges that our Company, the BRLM and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements.

Our Company, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company, or the BRLM or any of its affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and the NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Stock Exchanges Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SECC Regulations**"), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SECC Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act, and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations, SEBI Listing Regulations, as well as pursuant to the Listing Agreements. The SCRA and the SCRR empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further, the SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except exempted public sector undertakings) are required to maintain a minimum public shareholding at 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% (except exempted public sector undertakings) at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at four stages of the index movement, at 5%, 10%, 15% and 20%. The stock exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier. If any of these circuit breaker thresholds are reached, trading in all equity and equity derivatives markets nationwide is halted. The markets are required to re-open, after a circuit breaker threshold is hit, with a pre-open call auction session. The timing of the halt and the pre-open call auction session varies depending on the time of day and the circuit breaker breached.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise circuit breakers. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday.

Internet-based Securities Trading and Security Trading using Wireless Technology Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading ("**BOLT**") facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to inter alia prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to, *inter alia*, continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

SEBI Insider Trading Regulations

SEBI had earlier notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to prohibit and penalise insider trading in India. The regulations, among other things, prohibited an 'insider' from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, *inter alia*, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations. The SEBI Insider Trading Regulations also provide for disclosure obligations for promoters, employees, and directors, with respect to their shareholding in the company, and the changes therein.

Further, the board of directors or head(s) of the listed entities are required to maintain a structured digital database containing, inter alia, the nature of UPSI, the names of such persons who have shared the UPSI and the names of persons with whom such UPSI is shared under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of our Company is ₹ 50,00,00,000 comprising of 5,00,00,000 Equity Shares of face value of ₹ 10 each. As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of our Company is ₹ 37,67,97,550 comprising of 3,76,79,755 Equity Shares of face value of ₹ 10 each. The Equity Shares are listed on BSE and NSE.

Dividends

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders at the annual general meeting of its shareholders. The dividend on equity shares can be declared/paid only after declaration/payment of applicable dividend on preference shares. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal arrived at as laid down by the Companies Act, 2013. Further, under the Companies Act, 2013, a company is not permitted to declare any dividends unless carried over previous losses and depreciation not provided in previous year or years are set off against the profit of the company for the current year.

Further, as per the Companies Act read with the Companies (Declaration and Payment of Dividend) Rules, 2014, in the event of inadequacy or absence of profits in any year, a company may declare dividend out of free reserves, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year; provided, this shall not apply to a company, which has not declared any dividend in each of the three preceding financial years; (b) the total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of the paid up share capital of the company and free reserves of the company as per the most recent audited financial statement; (c) the amount so drawn shall be first utilised to set off the losses incurred by the company in the financial year in which the dividend is declared before any dividend in respect of equity shares is declared; and (d) the balance of reserves of the company after such withdrawal shall not fall below 15.00% of the company's paid up share capital as per the most recent audited financial statement of the company.

Under the Companies Act, 2013, dividends must be paid within 30 days from the date of its declaration. Where our Company has declared dividend, but which has not been paid or claimed within 30 days from the date of declaration, our Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of the unpaid or unclaimed dividend to the unpaid dividend account. All Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by our Company in the name of Investor Education and Protection Fund, established by the Central Government.

According to the Articles of Association, the Company in general meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of Section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company. Further, the Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

Capitalisation of profits

In addition to permitting dividends to be paid as described above, the Companies Act permits the Board, subject to the approval of the Shareholders of our Company, to distribute to the Shareholders, in the form of fully paid-up bonus shares, an amount transferred from the company's free reserves, securities premium account or the capital redemption reserve account. These bonus equity shares must be distributed to the Shareholders in proportion to the number of equity shares owned by them.

Bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/interest payments on fixed deposits or debt securities issued by it. Bonus shares shall not be issued in lieu of dividend.

According to the Articles of Association, the Company in general meeting may, upon the recommendation of the Board, resolves that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution and that such sum be accordingly set free for distribution in the manner specified in Clause 165(2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. A securities premium account, free reserves and capital redemption reserve account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus share.

Alteration of share capital

Under the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. According to Section 62(1)(a) of the Companies Act such new shares shall be offered to existing shareholders in proportion to the amount paid-up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer or as may be permitted by applicable law) within which the offer, if not accepted, will be deemed to have been declined. After such date, the board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person.

In accordance with the Articles of Association, the Company may in general meeting from time to time by ordinary resolution or special resolution as may be prescribed under any applicable provisions of the Companies Act, increase its capital by creation of new shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at general meeting of the Company in conformity with Section 47 of the Companies Act. Any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Issuance of Preference Shares

Subject to Section 55 of the Companies Act, any new shares may be issued as preference shares or convertible preference shares which are liable to be redeemed in any manner permissible under the Companies Act.

Subject to the provisions of the Companies Act and the Articles of Association, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

General meetings

There are two types of general meetings of shareholders: (i) AGM; and (ii) EGM. A company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the

AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM when necessary or at the request of a shareholder in accordance with the Companies Act. Written notice or notice via electronic mode means setting out the business to be transacted at the meeting must be given at least 21 days prior to the date set for the general meeting to the Shareholders. Shorter notice is permitted if consent is received from 95% of the Shareholders entitled to vote at such meeting. Such number of shareholders as required under the Companies Act, 2013 or applicable law personally present shall constitute quorum for a general meeting.

As per the provisions of the Companies Act and the Articles of Association, all the general meetings of the Company other than annual general meetings shall be called extra-ordinary general meetings. The Directors may, whenever they think fit, convene an extraordinary general meeting. If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed under the Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a general meeting, any Director or any two or more members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an extraordinary general meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be a provided in the Companies Act.

Voting rights

Subject to provisions of the Companies Act and in accordance with the Articles of Association, subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands, every member present in personal shall have one vote and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company. A member may exercise his vote at a meeting by electronic means in accordance with the Companies Act and shall vote only once. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Transfer and Transmission of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by the SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out in the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Our Company has entered into an agreement for such depository services with NSDL and CDSL. SEBI requires that our shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The registrar and transfer agent shall maintain a register in which every transfer or transmission of shares will be entered. In addition to complying with the Companies Act, 2013 and the other applicable laws, our Company is also required to comply with the provisions of the SEBI Listing Regulations for effecting the transfer of shares. In terms of the SEBI Listing Regulations, except in case of transmission or transposition of shares, requests for effecting transfer of shares shall not be processed unless the shares are held in the dematerialized form with a depository and that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. The Equity Shares shall be freely transferable, subject to applicable laws.

The executor or administrator of a deceased member or holders of a succession certificate or the legal representatives in respect of the Shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such members, and the Company shall not be bound to recognize such executors or administrators or holders of succession certificate or the legal representative unless such executors or administrators or legal representative shall have first obtained probate or letters of administration or succession certificate as the case may be from a duly constituted Court in the union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of probate or letters of administration or succession certificate and register Shares standing in the name of a deceased member, as a member. However, provisions of the Article are subject to Sections 72 of the Companies Act.

Winding up

Our Articles of Association provide that subject to the provisions of the Companies Act and the rules made thereunder, If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

TAXATION

STATEMENT ON SPECIAL TAX BENEFITS

To,

The Board of Directors
Ami Organics Limited
Plot no. 440/4, 5 & 6,
Road No. 82/A,
Sachin, Surat - 394 230
Gujarat, India

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg,
Prabhadevi Mumbai – 400 025,
Maharashtra, India

(JM Financial Limited is referred to as the - Book Running Lead Manager or "BRLM" in relation to the Issue)

Sub: Proposed Qualified Institutions Placement of equity shares of face value of ₹ 10 each (the "Equity Shares") by Ami Organics Limited (the "Company") in accordance with Sections 42 and 62(1)(c) of the Companies Act, 2013 (the "Act") read with Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") (the "Issue").

1. We, **"Maheshwari & Co."**, Chartered Accountants, statutory auditors of the Company, hereby confirm that the 'Statement of Special Tax Benefits', enclosed herewith as **Annexure A**, prepared by the Company and initialled by us and the Company (the "**Statement**"), provides the special tax benefits (under direct and indirect tax laws) available to the Company, to its shareholders pursuant to (i) the Income-tax Act, 1961, as amended and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.("**Taxation Laws**"), as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, available to the Company and its shareholders. There is no material subsidiary of the Company identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Several of such possible special tax benefits forming part of the Statement are dependent on the Company and/or its shareholders fulfilling applicable conditions prescribed within the relevant statutory provisions and accordingly, the ability of the Company and/or its shareholders to derive such possible special tax benefits is entirely dependent upon the lawful fulfilment of such conditions by the Company and/or its shareholders, as applicable.

2. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the Statement. The benefits discussed in the Statement cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement.

3. The special tax benefits discussed within the Statement are not exhaustive and are intended to provide an illustrative understanding to prospective investors with respect to the special tax benefits available to the Company and/or its shareholders 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 changing tax laws, each prospective investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

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

(i) Company and/or its shareholders will continue to obtain such special tax benefits in the future; or
(ii) conditions prescribed for availing such special tax benefits where applicable, have been/would be complied with.

5. The contents of the 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.

6. Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Taxation Laws and its interpretation, which are subject to change from time to time.

7. Our examination of the Statement has been carried out in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) as issued by the Institute of Chartered Accountants of India ("**ICAI**") and accordingly, we confirm that we have complied with ethical requirements stipulated within the Code of Ethics issued by the ICAI.

8. The enclosed statement is intended solely for your information and for inclusion in the Preliminary Placement Document/ Placement Document and any other material in connection with the Offer and is not used, referred to or distributed for any other purpose without our prior written consent.

For and on behalf of Maheshwari & Co.
Chartered Accountants
Firm Registration Number: 105834W
Peer Review Number: 014967
UDIN: 24172133BKAKXL7942

Vikas Asawa
Partner
Membership Number: 172133

Place: Mumbai
Date: June 18, 2024

ANNEXURE A

Statement of possible special tax benefits available to Ami Organics Limited ('the Company') and its Shareholders.

This statement of possible special income-tax benefits is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("**SEBI ICDR Regulations**").

1. **Special Income tax benefits available to the Company in India under the Income tax Act, 1961 ('Act')**

   Lower corporate tax rate on income of domestic companies – Section 115BAA of the Income-tax Act, 1961 ('the IT Act')

   - The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfillment of certain conditions. The option to apply this tax rate is available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised through filing of Form 10IC on the Income tax portal shall apply to subsequent assessment years. The concessional tax rate of 22% is subject to the company not availing any of the following deductions under the provisions of the IT Act:

     ▪ Section10AA: Tax holiday available to units in a Special Economic Zone
     ▪ Section 32(1) (iia): Additional depreciation;
     ▪ Section 32AD: Investment allowance.
     ▪ Section 33AB/3ABA: Tea coffee rubber development expenses/site restoration expenses
     ▪ Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
     ▪ Section 35AD: Deduction for capital expenditure incurred on specified businesses.
     ▪ Section 35CCC/35CCD: expenditure on agricultural extension /skill development
     ▪ Chapter VI-A except for the provisions of section 80JJAA and section 80M.

     The total income of a company availing the concessional rate of 25.168% (i.e., 22% along with surcharge of 10% and health and education cess of 4%) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the IT Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the IT Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also, cannot be claimed.

     The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

     Deductions in respect of specified expenditure

     In accordance with and subject to the fulfillment of conditions as laid out under section 35D of the IT Act, the company may be entitled to amortize preliminary expenditure, being specified expenditure incurred in connection with the issue for public subscription or such other expenditure as prescribed under section 35D of the IT Act, subject to the limit specified therein (viz maximum 5% of the cost of the project or 5% of the capital employed in the business of the company).

     The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the business commences or as the case may be, the previous year in which the extension of the undertaking is completed, or the new unit commences production or operation.

2. **Special Income tax benefits available to the Shareholders of Company under the Act.**

   There is no special tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act.

- Section 112A of the Act provides for concessional rate of tax on long term capital gain arising on transfer of equity shares with effect from April 1, 2019 (i.e., Assessment Year 2019-20) subject to conditions. Any long-term capital gain, exceeding INR 1,00,000 arising from the transfer of a long-term capital asset (i.e., capital asset held for the period of 12 months or more) being an Equity Share in a company wherein Securities Transaction Tax ('STT') is paid on both acquisition and transfer, income tax is charged at a rate of 10% without giving effect to indexation.

- Section 111A of the Act provides for concessional rate of tax @ 15% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of income exemption, where applicable) arising from the transfer of a short-term capital asset (i.e., capital asset held for the period of less than 12 months) being an Equity Share in a company or wherein STT is paid on both acquisition and transfer.

- In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident shareholder has fiscal domicile.

- Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

- Separately, any dividend income received by the shareholders would be subject to tax deduction at source by the company under section 194 @ 10%. However, in case of individual shareholders, this would apply only if dividend income exceeds ₹5,000. Further, dividend income is now taxable in the hands of the shareholders.

- Notes:

    1. We have not considered the general tax benefits available to the Company, or shareholders of the Company.

    2. The above is as per the Tax Laws as on date.

    3. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.

    4. This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.

3. **Special Tax Benefits under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Acts"), The Customs Act, 1962 ("Customs Act"), the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2021 including the relevant rules, notifications and circulars issued there under and Foreign Trade (Development Regulation) Act, 1992 ("FTDR Act"), applicable for the Financial Year 2021-22, presently in force in India.**

    Special tax benefits available to the Company

    There are special tax benefits available to the Company under the provisions of the Goods and Services Tax Act, 2017, the Customs Tariff Act, 1975, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union

Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

The company discharges GST on outward transactions wherever applicable and utilizes input tax credit for the purpose of discharging GST liability.

The company is also engaged in undertaking exports without payment of GST under a Letter of Undertaking ('LUT').

Special tax benefits available to Shareholders

The shareholders of the Company are also not eligible to any special tax benefits under the provisions of the Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

SPECIAL TAX BENEFITS UNDER THE FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 (READ WITH FOREIGN TRADE POLICY 2015-20)

1. **Remission of Duties and Taxes on Exported Products (RoDTEP)**

   The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme was announced by Government of India (GOI) on September 14, 2019 to boost exports by allowing reimbursement of taxes and duties, which are not exempted or refunded under any other scheme in accordance with World Trade Organization (WTO) norms. RoDTEP is a combination of the current Merchandise Export from India Scheme (MEIS) and Rebate of State and Central Taxes and Levies (RoSCTL) and will replace all these schemes once come in operations. At present, embedded duties and taxes, which are not refunded under any other scheme, range from 1-3%. Under the scheme, rebate of these taxes will be given in the form of duty credit/electronic scrip.

2. **Benefits of Duty Drawback scheme under Sections 75 of the Customs Act, 1962**

   As per section 75, Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such goods. Unlike drawback of a portion of the customs duty paid on imported goods, here the main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the amount of drawback payable on such goods.

For **Ami Organics Limited**

Virendra Nath Mishra
Whole Time Director
Place: Surat
Date: June 18, 2024

LEGAL PROCEEDINGS

We are involved in various legal proceedings from time to time, including those which arise in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, tax disputes, criminal proceedings, regulatory actions and civil proceedings, which are pending before various adjudicating forums.

As on the date of this Preliminary Placement Document, except as disclosed below, there is no outstanding legal proceeding which has been considered material in accordance with our Company's policy for determination of materiality of events and information for disclosure to stock exchanges framed in accordance with Regulation 30 of the SEBI Listing Regulations, as approved by the Board in its meeting held on May 24, 2018 and last amended on August 4, 2023.

*Additionally, for the purpose of identification of material litigation, pursuant to the terms of the approach approved by the Board in its meeting held on May 31, 2024, solely for the purpose of the Issue, our Company has disclosed in this section, to the extent applicable (i) all outstanding actions (including show-cause notices) initiated by any regulatory and/or statutory authorities such as SEBI or such similar authorities or stock exchanges, involving our Company and its Subsidiaries; (ii) all outstanding criminal proceedings (including first information reports) filed by and against our Company and its Subsidiaries; (iii) all outstanding civil proceedings, including arbitration proceedings involving (which includes cases filed by and against) our Company and its Subsidiaries, where the amount involved in such proceeding exceeds ₹ 339.91 lakhs i.e., 5% of the average of the absolute value of profit after tax, as per our Audited Consolidated Financial Statements for the last three years ("**Materiality Threshold**"); (iv) consolidated disclosure of all claims related to direct and indirect taxes (including show cause notices) involving our Company and its Subsidiaries; and (v) any other outstanding litigation/ arbitration proceedings involving our Company and its Subsidiaries, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company on a consolidated basis.*

Further, except as disclosed below and in the other sections of this Preliminary Placement Document, as on the date of this Preliminary Placement Document, (i) there are no inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 or any previous companies law, in the last three years immediately preceding the year of issue of the preliminary placement document against the Company and its subsidiary; and any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of issue of this Preliminary Placement Document for our Company and its subsidiary; (ii) there are no material frauds committed against the Company in the last three years, and if so, the action taken by our Company; (iii) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations;(iv) there are no defaults by our Company (on a consolidated basis) including therein the amount involved, duration of default and present status, in repayment of (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interests thereon and (d) any loan obtained from any bank or financial institution and interest thereon; (v) there are no defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there is no litigation or legal action (including regulatory actions), pending or taken, by any ministry or department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of issue of this Preliminary Placement Document and no directions have been issued by such ministry or department of the Government or statutory authority upon conclusion of such litigation or legal action, if any; (vii) none of our promoters or directors are declared as fugitive economic offender or wilful defaulter and (viii) there are no reservations, qualifications or adverse remarks of auditors in the last five Fiscal Years immediately preceding the year of circulation of this Preliminary Placement Document.

It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company and its Subsidiaries, from third parties (excluding those notices issued by statutory/regulatory authorities) shall, unless otherwise decided by the board of directors, not be considered as material until such time that the parties, as applicable, is impleaded as defendant in litigation proceedings before any judicial/ arbitral forum including any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

Litigation involving our Company

Criminal proceedings involving our Company

By our Company

Nil

Against our Company

Nil

Material civil proceedings involving our Company

By our Company

1. Our Company has filed an arbitration application against the New India Assurance Company Limited ("**Respondent**") before the Hon'ble High Court of Judicature at Bombay, regarding an insurance claim following a fire incident on February 26, 2021. The Company reported to the Respondent a loss of ₹ 11,93,64,163, but the Respondent approved only ₹ 7,62,23,946, which is significantly lesser than the surveyor's assessment of the loss of ₹ 10,28,52,941 due to an electrical short circuit which resulted in explosion of drier and fire incident. Despite accepting the partial payment under protest, the company claims it was coerced into signing a settlement agreement. The Hon'ble High Court of Judicature at Bombay *vide* its order dated April 23, 2024, appointed an arbitrator in the matter to resolve the dispute. The matter is currently pending.

Against our Company

Nil

Actions by Statutory or regulatory authorities involving our Company

Nil

Litigation involving our Subsidiaries

Criminal proceedings involving our Subsidiaries

By our Subsidiaries

Nil

Against our Subsidiaries

Nil

Material civil proceedings involving our Subsidiaries

Nil

Actions by Statutory or regulatory authorities involving our Subsidiaries

Nil

Material civil proceedings involving our Joint Venture

Ami Onco – Theranostics LLC ("**Ami Onco**") entered into a membership interest purchase agreement with MKing Holdings LLC ("**MKing**") on May 19, 2020, whereby Ami Onco sold its 51% interest in Skinstich LLC, a medical products provider, for a consideration of $1,000,000(approximately ₹ 833.70 lakhs). As part of the agreement, MKing executed a promissory note for $500,000 (approximately ₹ 416.85 lakhs) plus accrued interest in favor of Ami Onco on December 31, 2020. Despite the request for payment from MKing and sending of demand notice, MKing defaulted in rendering the payment. Consequently, Ami Onco filed a complaint against MKing before the Supreme Court of the State of New York, County of Richmond, on November 20, 2023, to recover monetary damages of $500,000 (approximately ₹ 416.85 lakhs), together with accrued interest and legal expenses. The matter is currently pending. (All amounts have been converted into INR in lakhs at 1 USD = ₹ 83.37, the exchange rate as of March 31, 2024. For details see "*Exchange Rates Information*" on page 23)

Litigation involving our Directors

Criminal proceedings involving our Directors

Nil

Material civil proceedings involving our Directors

Nil

Actions by Statutory or regulatory authorities involving our Directors

Nil

Litigation involving our Promoters

Criminal proceedings involving our Promoters

Nil

Material civil proceedings involving our Promoters

Nil

Actions by Statutory or regulatory authorities involving our Promoters

Nil

Inquiries, inspections, or investigations initiated or conducted under the Companies Act initiated or conducted in the last three years against our Company and its Subsidiaries

Nil

Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

Nil

Details of default, if any, by our Company and its Subsidiaries including therein the amount involved, duration of default and present status, in repayment of: (a)statutory dues; (b) debentures and interests thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon

Nil

Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder

Nil

Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations

Nil

Tax proceedings

We have set out below claims relating to direct and indirect taxes involving our Company and our Subsidiaries in a consolidated manner giving details of number of cases and total amount involved in such claims:

(₹ in lakhs)

Nature of case	Number of cases	Amount involved
Company		
Direct Tax	3	207.46*
Indirect Tax	1	Nil#
Total	**4**	**207.46**
Subsidiaries		
Direct Tax	NA	NA
Indirect Tax	NA	NA
Total	**NA**	**NA**

**To the extent quantifiable*

 # For one indirect tax matter pertaining to FY 2021-2022 order confirming reduction in refund by ₹ 236.00 lakhs against eligible input trade credit relating to public offer expenditure by making it ineligible under section 17(5) of CGST Act.

STATUTORY AUDITORS

In term of the provisions of Section 139 of the Companies Act, M/s Maheshwari & Co., Chartered Accountants, were re-appointed as the Statutory Auditors pursuant to a resolution adopted by our Shareholders at the AGM held on September 25, 2023, for a second term of five consecutive years.

The Audited Consolidated Financial Statements have been audited by our Statutory Auditors, M/s Maheshwari & Co., Chartered Accountants.

The peer review certificate of our Statutory Auditors is valid as of the date of this Preliminary Placement Document.

FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AMI ORGANICS LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **AMI ORGANICS LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2024, the consolidated statement of Profit and Loss (including Other Comprehensive Income), consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including material accounting policies and other explanatory information (hereinafter referred to as " the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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The key audit matters	How the matter was addressed in our audit
Capitalisation of Assets	
There are a number of areas where management judgement impacts the carrying value of property, plant and equipment, and their respective depreciation profiles. These include: – the decision to capitalise or expense costs; – the annual asset life review including the impact of changes in the strategy; and – the timeliness of the transfer from assets in the course of construction. Refer Note 1.9 - of the consolidated financial statements "Property, plant and equipment".	We tested controls in place over the property, plant and equipment cycle, evaluated the appropriateness of capitalisation policies, performed tests of details on costs capitalised and assessed the timeliness of the transfer of assets in the course of construction and the application of the asset life. In performing these substantive procedures, we assessed the judgements made by management including: – the nature of underlying costs capitalised; – the appropriateness of asset lives applied in the calculation of depreciation. Assessed the appropriateness of work in progress on balance sheet date by evaluating the underlying documentation to identify possible delays.
Inventories	
At March 31, 2024, Inventory of Finished Goods is disclosed in Note 11 – Inventories. In order to carry inventory at the lower of cost and net realisable value, management has identified overheads cost and made adjustments to the carrying value of these items, the calculation of which requires certain estimates and assumptions. These judgments include bifurcation of overhead cost on the Finish good, using factors existing at the reporting date. i.e., overheads are charged to the Finished goods.	Our procedures included the following to assess inventory cost: Assessing the reasonableness of the methodologies applied by management for consistency with prior years and our knowledge of industry practice. • Evaluating the assumptions and estimates applied to the methodologies – testing the identification of such inventories. – testing the accuracy of historical information and data trends. • Sample Testing the estimated future sales values, less estimated costs to sell against the carrying value of the inventories. • Recalculating the arithmetical accuracy of the computations.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statement by the management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the companies included in the Group are responsible for overseeing the Company's financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a

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material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

2. A. As required by Section 143(3) of the Act, based on our audit report we report that:

   a) We have sought and, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014..

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e) On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.

   f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

   a) The Consolidated financial statements disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its consolidated financial statements. Refer Note 40 to the consolidated financial statements.

   b) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards.

   c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, if any; and

   d) (i) The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

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Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii)The Management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e) According to information and explanations given to us:

(a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year, is in accordance with section 123 of the Act, as applicable.

(b) The Board of Directors of the Holding Company has proposed a final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

f) Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level to log any direct changes for the accounting software used for maintaining the books of account. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

C. As With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Holding Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/ payable to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Maheshwari & Co.
Chartered Accountants
Firm's Registration No.105834W

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

Vikas Asawa
Partner
Membership No. 172133
UDIN: 24172133BKAKUT1344

Place: Mumbai
Date: May 10, 2024

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AMI ORGANICS LIMITED FOR THE YEAR ENDED MARCH 31, 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2 (A)(g) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Ami Organics Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects...

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future years are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Maheshwari & Co.
Chartered Accountants
Firm's Registration No.105834W

MAHESHWARI & CO.
FRN : 105834W
MUMBAI
Chartered Accountants

Vikas Asawa
Partner
Membership No. 172133
UDIN: 24172133BKAKUT1344

Place: Mumbai
Date: May 10, 2024

AMI ORGANICS LIMITED
CIN: L24100GJ2007PLC051093
Registered office: 440/4 5 6, Road No 82A, Sachin GIDC, Surat, Gujarat - 394 230, India
Tel: +91 72279 77744; +91 75730 15366
Website: www.amiorganics.com Email: cs@amiorganics.com
Audited Consolidated Balance Sheet

Rs. in Lakhs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current Assets			
Property, Plant and Equipment	2	32,290.32	18,435.38
Capital work-in-progress	3	12,542.32	2,551.76
Right-of-Use Assets	4	3,715.21	3,741.91
Goodwill		5,680.09	2,032.29
Other Intangible assets	5	1,030.50	1,685.74
Intangible assets under development	6	-	427.78
Financial Assets			
Investments	7	19.53	165.07
Loans	8	-	22.06
Other financial assets	9	257.72	624.11
Other non-current assets	10	4,473.31	1,294.85
Total Non-current Assets		**60,009.00**	**30,980.95**
Current assets			
Inventories	11	15,673.41	11,917.30
Financial Assets			
Trade receivables	12	20,635.21	23,026.11
Cash and cash equivalents	13	2,970.44	3,053.26
Bank balances other than Cash and Cash equivalents	14	2,360.75	2,813.76
Loans	15	155.06	133.58
Current Tax Assets (Net)	16	250.97	322.09
Other current assets	17	7,535.49	4,446.79
Total Current Assets		**49,581.33**	**45,712.89**
Total Assets		**1,09,590.33**	**76,693.84**
EQUITY and LIABILITIES			
Equity			
Equity Share Capital	18	3,688.06	3,643.71
Other Equity	19	63,711.68	55,752.21
Non controlling interests		876.06	-
Total Equity		**68,275.80**	**59,395.92**
Non-current liabilities			
Financial Liabilities			
Borrowings	20	11,364.12	62.59
Provisions	21	131.60	68.14
Deferred tax liabilities net	22	1,301.80	882.58
Total Non-current liabilities		**12,797.52**	**1,013.31**
Current liabilities			
Financial Liabilities			
Borrowings.	23	10,300.54	297.44
Trade Payables	24		
a) Total outstanding dues of micro enterprises and small enterprises		2,135.47	7,651.11
b) Total outstanding dues of other than micro enterprises and small		11,325.41	6,553.66
Other current liabilities	25	3,435.99	643.39
Provisions	26	1,319.60	1,139.01
Total Current liabilities		**28,517.01**	**16,284.61**
Total liabilities		**41,314.53**	**17,297.92**
Total Equity and Liabilities		**1,09,590.33**	**76,693.84**

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date attached
For Maheshwari & Co.
Chartered Accountants
FRN: 105834W

Vikas Asawa
Partner
M.No: 172133

Place: Mumbai
Date: May 10, 2024

For and on behalf of Board of Directors of Ami Organics Limited

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232
Place: Seattle, USA

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540
Place: Surat

Bhavin N. Shah
Chief Financial Officer
PAN: AXXPS0017M
Place: Surat

Ekta Kumari Srivastava
Company Secretary
M No: A - 27323
Place: Surat

Date: May 10, 2024

MAHESHWARI & CO. FRN: 105834W MUMBAI Chartered Accountants

AMI ORGANICS LTD. SACHIN

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Audited Consolidated Statement of Profit & Loss

Rs. in Lakhs

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue From Operations	27	71,747.45	61,673.45
Other Income	28	749.09	431.98
Total Income		**72,496.54**	**62,105.43**
Expenses			
Cost of materials consumed	29	44,017.16	34,585.12
Changes in inventories of finished goods, Stock in Trade and work in progress	30	(2,848.34)	(1,495.59)
Employee benefits expense	31	6,311.44	4,883.61
Finance costs	32	594.03	241.23
Depreciation and amortization expense	33	1,605.52	1,234.24
Other expenses	34	11,418.21	11,439.64
Total Expenses		**61,098.02**	**50,888.25**
Profit/(loss) before exceptional items and tax		**11,398.52**	**11,217.18**
Exceptional items		(3,208.39)	-
Profit/(loss) before tax		**8,190.13**	**11,217.18**
Tax expense	35		
Current tax		2,901.53	2,637.72
Deferred tax		417.80	250.49
Total Tax expense		3,319.33	2,888.21
Profit/(loss) for the year		**4,870.80**	**8,328.97**
Other Comprehensive Income (OCI)			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit Obligation, net		(4.99)	16.83
(b) Items that will be reclassified to profit or loss:			
Exchange differences on translation of financial statements of foreign exchange		(717.37)	290.36
Other Comprehensive Income for the year		(722.36)	307.19
Total Comprehensive Income for the year		**4,148.44**	**8,636.16**
Profit / (Loss) attributable to			
Owners of the company		**4,277.30**	-
Non - controlling interest		**593.50**	-
Other comprehensive income attributable to			
Owners of the company		**(724.27)**	-
Non - controlling interest		**1.91**	-
Earnings per equity share (Face value of Rs.10 each)	36		
Basic (Rs.)		11.67	22.86
Diluted (Rs.)		11.66	22.86

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date attached
For **Maheshwari & Co.**
Chartered Accountants
FRN: 105834W

Vikas Asawa
Partner
M.No: 172133

MAHESHWARI & CO. FRN: 105834W MUMBAI Chartered Accountants

Place: Mumbai
Date: May 10, 2024

For and on behalf of Board of Directors of Ami Organics Limited

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232
Place: Seattle, USA

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540
Place: Surat

Bhavin N. Shah
Chief Financial Officer
PAN: AXXPS0017M
Place: Surat

Ekta Kumari
Ekta Kumari Srivastava
Company Secretary
M No: A - 27323
Place: Surat

Date: May 10, 2024

AMI ORGANICS LTD. SACHIN

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Audited Consolidated Statement of Cash Flow

Rs. in Lakhs

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit Before Tax		8190.13	11217.18
Adjustments for:			
Depreciation and amortisation		1605.52	1234.24
(Gain)/Loss on disposal of property, plant and equipment		(20.84)	74.66
Finance Cost		594.03	241.23
Interest Income		(219.58)	(217.89)
Employee Compensation Expenses		230.62	-
Dividend Income		-	(0.03)
Exchange Fluctuation on change on equity instruments		-	290.36
Unrealised (gain) / loss		(418.91)	(213.23)
Sundry Balances Written off		32.99	-
Provision for Impairment of Investment		3175.39	-
Operating profit before working capital changes		13169.35	12626.52
Adjustment for (increase) / decrease in operating assets			
(increase) / decrease in trade receivables		3000.27	(6,442.66)
(increase) / decrease in loans & advances		(246.69)	(90.24)
(increase) / decrease in other financial assets		345.65	461.62
(increase) / decrease in inventories		(3,508.19)	(700.21)
(increase) / decrease in other current assets		(2,841.71)	38.16
Adjustment for (increase) / decrease in operating liabilities			
Increase / (decrease) in trade payables		2359.61	2363.01
Increase / (decrease) in Other Liabilities		2487.60	180.75
Increase / (decrease) in Provisions		185.70	561.49
Cash generated from operations		14951.59	8998.44
Income tax paid (net)		(2,434.62)	(2,445.44)
Net cash (used)/generated by operating activities	(A)	12516.97	6553.00
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment (incl. Capital WIP & Intangible		(28,090.79)	(7,834.94)
Right of Use Asset		55.55	(1,805.35)
Purchase of Investment		(6,603.21)	6.24
Change in other non current assets		(3,432.51)	-
Dividend received		-	0.03
Investment in fixed deposit not considered as cash or cash equivalents		1302.53	6111.73
Interest received		229.08	217.89
Net cash (used in) / generated by investing activities	(B)	(36,539.35)	(3,304.40)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term borrowings		12967.37	-
Net Proceeds / (Repayment) from short term borrowings		8840.38	275.64
Finance cost		(594.03)	(241.23)
Withdrawal of Partners Capital		(1,478.88)	-
Dividend paid (Including tax on dividend)		(1,093.11)	(1,093.57)
Issue of Equity Shares		5185.41	-
Realisation on Final Settlement of IPO Expenses		115.22	-
Share Issue Expense		(6.00)	(165.84)
Net cash (used)/generated in financing activities	(C)	23936.36	(1,225.00)
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	(86.02)	2,023.60
Cash and cash equivalents at the beginning of the year		3053.26	1029.66
Exchange gain loss on Cash and cash equivalents		3.20	-
Cash and cash equivalents at the end of the year (Refer Note No. 13)		2,970.44	3053.26

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date attached
For Maheshwari & Co.
Chartered Accountants
FRN: 105834W

Vikas Asawa
Partner
M.No: 172133

MAHESHWARI & CO. Chartered Accountants FRN : 105834W MUMBAI

Place: Mumbai
Date: May 10, 2024

For and on behalf of Board of Directors of Ami Organics Limited

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232
Place: Seattle, USA

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540
Place: Surat

Bhavin N. Shah
Chief Financial Officer
PAN: AXXPS0017M
Place: Surat

Ekta Kumari

Ekta Kumari Srivastava
Company Secretary
M No: A - 27323
Place: Surat

Date: May 10, 2024

AMI ORGANICS LTD. SACHIN

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Audited Consolidated Statement of Changes in Equity

A. Equity Share Capital

Current reporting year — Rs. In Lakhs

Particulars	Amount
Balance as at April 1, 2023	3,643.71
Restated Balance as at April 1, 2023	-
Change in equity share capital during the year	44.35
As at March 31, 2024	**3,688.06**

Previous reporting year — Rs. In Lakhs

Particulars	Amount
Balance as at April 1, 2022	3,643.71
Restated Balance as at April 1, 2023	-
Changes in Equity Share Capital during the year	-
As at March 31, 2023	**3,643.71**

Note: During the year, the company issued 443,500/- equity shares on preferential basis with a face value of Rs. 10 each, fully paid at a price of Rs. 1,169/- per share.

B. Other Equity

Current reporting year — Rs. In Lakhs

Particulars	Reserves & Surplus				Exchange difference on translating the financial statements of a foreign operation	Total
	Capital Reserve	Securities premium	ESOP	Retained Earnings		
Balance as at April 1, 2023	200.02	27,276.85	-	27,557.97	717.38	55,752.22
Add: Profit/(Loss) during the year	-	5,297.88	230.62	4,277.30	(717.38)	9,088.42
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	-	-	-	(6.90)	-	(6.90)
Total Comprehensive Income/(Expense)	**200.02**	**32,574.73**	**230.62**	**31,814.10**	**-0.00**	**64,819.46**
Less: Dividend on Equity Shares (Incl. DDT)	-	-	-	(1,093.11)	-	(1,093.11)
Less: Withdrawal of profit from partnership interest	-	-	-	(2.83)	-	(2.83)
Add/(Less): Share Issue Expenses	-	(6.00)	-	-	-	(6.00)
Balance As at March 31, 2024	**200.02**	**32,568.73**	**230.62**	**30,718.16**	**-**	**63,717.52**

Previous reporting year — Rs. in Lakhs

Particulars	Reserves & Surplus				Exchange difference on translating the financial statements of a foreign operation	Total
	Capital Reserve	Securities premium	ESOP	Retained Earnings		
Balance as at April 1, 2022	200.02	27,656.61	-	20,300.04	427.02	48,583.69
Add: Profit/(Loss) during the year	-	-	-	8,334.27	-	8,334.27
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	-	-	-	16.83	290.36	307.20
Total Comprehensive Income/(Expense)	**200.02**	**27,656.61**	**-**	**28,651.15**	**717.38**	**57,225.16**
Less: Dividend on Equity Shares (Incl. DDT)	-	-	-	(1,093.17)	-	(1,093.17)
Add/(Less): Share issue Expenses	-	(379.77)	-	-	-	(379.77)
Balance As at March 31, 2023	**200.02**	**27,276.84**	**-**	**27,557.98**	**717.38**	**55,752.22**

Loss of Rs. 6.90/- lakhs as at March 31, 2024 (Gain of Rs. 16.83/- Lakh as at March 31, 2023) on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings.

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date attached
For Maheshwari & Co.
Chartered Accountants
FRN: 105834W

Vikas Asawa
Partner
M.No: 172133

MAHESHWARI & CO. FRN: 105834W MUMBAI Chartered Accountants

Place: Mumbai
Date: May 10, 2024

For and on behalf of Board of Directors of Ami Organics Limited

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DIN: 00906232
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Place: Surat

Ekta Kumari
Ekta Kumari Srivastava
Company Secretary
M No: A - 27323
Place: Surat

Date: May 10, 2024

AMI ORGANICS LTD SACHIN

AMI ORGANICS LIMITED
CIN: L24100GJ2007PLC051093
Notes to the Consolidated Financial statements including a summary of material accounting policies and other explanatory information

Company overview

Ami Organics Limited ("the Company") was originally formed as a partnership firm under the Partnership Act, 1932 in the name of "Ami Organics" pursuant to a deed of partnership dated January 3, 2004 with Promoters, among others, as partners. "Ami Organics" was then converted into private limited company under part IX of the Companies Act, 1956 under the name of "Ami Organics Private Limited" vide certificate of incorporation dated June 12, 2007 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to a resolution passed by our shareholders on April 5, 2018, Company was converted into a public limited company, following which Company's name was changed to "Ami Organics Limited", and a fresh certificate of incorporation was issued on April 18, 2018 having its registered office at Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat GJ 394230.

The Consolidated Financial statements comprise the Consolidated Financial statements of Ami Organics Limited ('the Company' or 'the holding Company' or "the parent") and its subsidiaries (collectively, 'the Group'), its associates and joint ventures as at and for the year ended March 31, 2024.

The Group is principally engaged in the businessof drugs intermediate chemicals and related activities.

The consolidated Financial statements were authorised for issue in accordance with the resolution of the Board of Directors on May 10, 2024.

1 **Summary of Material Accounting Policies**

a. Statement of compliance

The Consolidated Financial statements of the Group company comprise the balance sheet as of March 31, 2024 and March 31, 2023, the related statement of profit and loss (including other comprehensive income) for the year ended, the statement of changes in equity and the statement of cash flows for the year ended March 31, 2024 and March 31, 2023 and the Material accounting policies, and other explanatory information (together referred to as ' Consolidated Financial statements').

The Consolidated Financial statements has been prepared on a going-concern basis.

The Consolidated Financial statements of Group Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and other accounting principles generally accepted in India.

These Consolidated Financial statements do not reflect the effects of events that occurred after the respective dates of the board meeting held for the approval of the Consolidated Financial statements as at and for the year ended March 31, 2024, as mentioned above.

The accounting policies are applied consistently and presented in the Consolidated Financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

This note provides a list of the accounting policies adopted in the preparation of the Consolidated Financial statements. These policies have been consistently applied to all the year presented unless otherwise stated.

The Consolidated Financial statements have been prepared on an accrual basis under the historical cost convention except where the Ind AS requires a different accounting treatment.

b. Functional and presentation currency

These Consolidated Financial statements are presented in ₹, which is also functional currency of the Company. All amounts disclosed in the Consolidated Financial statements and notes have been rounded off to the nearest "lakhs" with two decimals, unless otherwise stated.

AMI ORGANICS LTD. ★ SACHIN ★

MAHESHWARI & CO. FRN : 105834W MUMBAI ★ Chartered Accountants ★

c. Historical cost convention

These Consolidated Financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for the following:

- certain financial assets and liabilities which are measured at fair value or amortised cost;
- defined benefit plans and
- share-based payments

d. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle, held primarily for the purpose of being traded, expected to be realized within 12 months after the reporting date; cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.
A liability is classified as current it is expected to be settled in the Company's normal operating cycle, it is held primarily for the purpose of being traded, it is due to be settled within 12 months after the reporting date, or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current only
The company has ascertained its operating cycle as twelve months for current and non-current classification of assets and liabilities.

e. Use of estimates

The preparation of Consolidated Financial statements in conformity with Ind AS requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenditure for the period and disclosures of contingent liabilities as at the Balance Sheet date. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.
This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation

Critical accounting estimates:

(a) Useful lives of Property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods

AMI ORGANICS LTD. ★ SACHIN ★

MAHESHWARI & CO. ★ FRN : 105834W MUMBAI ★ Chartered Accountants

(b) Income Taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods

(c) Deferred Taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period is reduced.

(d) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period

(f) Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(g) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

Accounting Policies

The accounting policies set out below have been applied consistently to the year presented in the Consolidated Financial statements.

AMI ORGANICS LTD. ★ SACHIN ★

MAHESHWARI & CO. ★ FRN : 105834W MUMBAI ★ Chartered Accountants

1.1 Basis of Prepration

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") as amended thereafter and other relevant provision of the Act.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and
- Defined Benefit Plans
- Equity settled Share Based Payments
- Consideration for business combination (including contingent consideration).
- Assets and Liabilities acquired in business combination.

The Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise. The consolidated financial statements are presented in Indian Rupees [' ₹'] or ['₹'] which is also the Company's functional currency and all values are rounded to the nearest crores, except when otherwise indicated. Wherever an amount is represented as '0' (zero), it construes a value less than rupees one lakhs.

1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, (collectively, 'the Group') and the Group's interest in associate and joint ventures as at and for the year ended March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee

i) Subsidiary companies

Subsidiary companies are all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are consolidated from the date control commences untill the date control ceases. The Group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are one or more changes to elements of control described above.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Financial Statements of the Parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary, to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively.

Subsidiaries are entities controlled by the Group. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control and until the date the Group ceases to control the subsidiary.

ii) Associate companies

Associate companies are all entities over which the Group has significant influence, but not control or joint control. Investments in associate companies are accounted for using the equity method of accounting {see (iv) below}.

iii) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest in a joint venture company and a joint operation.

Joint venture company:

Interest in joint venture company is accounted for using the equity method {see (iv) below}.

Joint operation:

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operation and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Consolidated Financial Statements under the appropriate headings.

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iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit | loss and other comprehensive income of the entity.

Dividends received or receivable from the associate companies and joint venture company are recognised as a reduction in the carrying amount of the investment.

When the Group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies

1.3 (a) Revenue recognition

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from services, including those embedded in contract for sale of goods, namely, freight and insurance services mainly in case of export sales, is recognised upon completion of services.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

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(b) Other income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.4 Inventories

(a) Raw materials - is valued at the lower of cost or net realisable value. The cost is determined on FIFO /specific identification basis.

(b) Finished goods - valued at the lower of cost or net realisable value. The cost of material is determined on FIFO/ specific identification basis.

(c) Work-in-progress - valued at material cost including appropriate production overhead.

(d) Stores and spares - valued at the lower of cost or net realisable value. Cost is determined on FIFO basis.

(e) Due allowances - made for slow / non-moving, defective and obsolete inventories based on estimates made by the Company.

1.5 Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated Financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (note 44)

Financial instruments (including those carried at amortised cost) (note 44)

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1.6 Foreign currency transactions and translation

i) Functional and presentation currency:

Items included in the Consolidated Financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Consolidated Financial statements of the Company are presented in Indian currency, which is also the functional currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Consolidated Statement of Profit and Loss are on a net basis within other income.

Non-monetary items that are measured at fair value and denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

1.7 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity .

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.8 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in books of account but its existence is disclosed in Consolidated Financial statements.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.9 a) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment that are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as 'capital work-in-progress'.

Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss.

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Depreciation and amortisation

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

The depreciation on tangible assets is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Estimated Useful Life
Plant and machinery	20 years
Office equipment	5 years
Computers/Servers	3/6 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years
Computer Software's (Perpetual)	3 Years

The useful life has been determined based on technical evaluation done by the Management/experts, which are different from the useful life prescribed in Part C of Schedule II of the Act in order to reflect actual use of the assets. The residual values ,useful life and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss when the asset is derecognised.

1.10 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by future events not wholly within the control of the entity.

Contingent assets require disclosure only. If the realisation of income is virtually certain, the related asset is not a contingent asset and recognition is require

1.11 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset. unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

1.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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1.13 Financial instruments

Initial recognition

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

Subsequent measurement

(A) Non derivative financial instruments

(i) Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

(iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

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(a) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period

(b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(B) Derivative financial instruments

The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

The company have derivative financial assets/financial liabilities which are not designated as hedges;

Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

1.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Other borrowing costs are expensed in the period in which they are incurred.

1.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

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1.16 Employee Benefits

i) Defined contribution plans (Provident Fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

ii) Defined benefit plans (Gratuity)

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Consolidated Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it becomes due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Consolidated Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.17 Lease

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset, ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

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At the commencement date, lease liability is measured at the present value of the lease payments to be paid during the non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

1.18 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

1.19 Research and Development expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible assets is recognised as an expense when it is incurred. Items of Property, Plant and Equipment and acquired Intangible assets are used for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible assets.

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AMI ORGANICS LIMITED
CIN: L24100GJ2007PLC051093
Notes to the Consolidated Financial statements including a summary of material accounting policies and other explanatory information

Note:2 Property, Plant and Equipment

Rs. in Lakhs

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total
Gross Cost as at April 1, 2023	6,026.30	14,708.12	1,291.08	290.83	264.34	380.58	22,961.24
Addition	2,194.83	11,101.21	461.46	576.89	8.31	297.95	14,640.65
Disposals/Adjustment	8.16	0.70	(0.02)	0.19	-	-	9.03
Cost as at March 31, 2024	**8,212.96**	**25,808.62**	**1,752.56**	**867.54**	**272.65**	**678.53**	**37,592.86**
Accumulated depreciation as at April 1, 2023	646.38	2,458.02	183.52	85.35	179.62	219.14	3,772.02
Depreciation charge for the year	187.59	1,043.55	126.83	48.26	26.08	98.21	1,530.51
Reversal on disposal/Adjustments	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2024	**833.96**	**3,501.56**	**310.34**	**133.61**	**205.70**	**317.35**	**5,302.54**
Net Carrying Amount as at March 31, 2024	**7,379.00**	**22,307.06**	**1,442.21**	**733.93**	**66.95**	**361.18**	**32,290.32**
Gross Cost as at April 1, 2022	5,453.41	11,747.59	514.06	224.39	222.79	283.96	18,446.20
Addition	523.31	2,363.08	715.95	50.98	35.06	93.47	3,781.86
Disposals/Adjustment	0.71	19.60	0.33	-	-	-	20.64
Cost as at March 31, 2023	**5,976.01**	**14,091.07**	**1,229.68**	**275.37**	**257.85**	**377.43**	**22,207.41**
Accumulated depreciation as at April 1, 2022	492.72	1,656.08	109.99	57.73	139.01	146.38	2,601.92
Depreciation charge for the year	153.66	801.94	73.53	27.62	40.61	72.76	1,170.11
Reversal on disposal/Adjustments	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	**646.38**	**2,458.02**	**183.52**	**85.35**	**179.62**	**219.14**	**3,772.03**
Net Carrying Amount as at March 31, 2023	**5,329.63**	**11,633.05**	**1,046.17**	**190.02**	**78.24**	**158.29**	**18,435.38**

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3 Capital work in progress

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	2,551.76	189.16
Add: Addition during the year	22,401.15	2,448.28
Less: Capitalised during the year	(12,410.59)	(85.68)
Closing Balance	**12,542.32**	**2,551.76**

4.1 Capital Work-in-Progress Ageing Schedule

Current reporting year

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				As at
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	March 31, 2024
Projects in progress	12,542.32	-	-	-	12,542.32
Projects temporarily suspended	-	-	-	-	-

Previous reporting year

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				As at
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	March 31, 2023
Projects in progress	2,362.60	189.16	-	-	2,551.76
Projects temporarily suspended	-	-	-	-	-

4 Right of Use Assets

Rs. in Lakhs

Particulars	Amount
Gross block as at April 1, 2023 (at cost)	3,872.01
Addition	-
Disposals	-
Adjustment	-
Cost as at March 31, 2024	**3,872.01**
Accumulated amortisation as at April 1, 2023	97.37
Ammortization charge for the year	59.43
Reversal on Disposal of assets	-
Accumulated amortisation as at March 31, 2024	156.80
Net Carrying Amount as at March 31, 2024	**3,715.21**
Gross block as at April 1, 2022 (at cost)	1,992.58
Addition	1,846.70
Disposals	-
Adjustment	-
Cost as at March 31, 2023	**3,839.28**
Accumulated amortisation as at April 1, 2022	56.01
Ammortization charge for the year	41.36
Reversal on Disposal of assets	-
Accumulated amortisation as at March 31, 2023	97.37
Net Carrying Amount as at March 31, 2023	3,741.91

Note - Gross block as on April 1, 2023 is restated by including Right of use Assets of Baba Fine Chemicals

5 Other Intangible assets

Rs. in Lakhs

Particulars	Licensing and Patent	Process Technology	Software	Trademark	Amount
Cost as at April 1, 2023	1,653.88	-	26.81	9.28	1,689.97
Addition	-	1,009.29	4.92	-	1,014.21
Cost as at March 31, 2024	**1,653.88**	**1,009.29**	**31.73**	**9.28**	**2,704.18**
Accumulated amortisation as at April 1, 2023	-	-	1.66	2.57	4.23
Ammortization charge for the year	1,653.88	5.58	9.52	0.47	1,669.45
Accumulated amortisation as at March 31, 2024	**1,653.88**	**5.58**	**11.18**	**3.04**	**1,673.68**
Net Carrying Amount as at March 31, 2024	-	**1,003.71**	**20.55**	**6.24**	**1,030.50**
Cost as at April 1, 2022	805.87	-	-	9.28	815.15
Addition	848.01	-	26.81	-	874.82
Cost as at March 31, 2023	**1,653.88**	-	**26.81**	**9.28**	**1,689.97**
Accumulated ammortisation as at April 1, 2022	-	-	-	2.10	2.10
Ammortization charge for the year	-	-	1.66	0.47	2.13
Accumulated amortisation as at March 31, 2023	-	-	**1.66**	**2.57**	**4.23**
Net Carrying Amount as at March 31, 2023	**1,653.88**	-	**25.15**	**6.71**	**1,685.74**

6 Intangible assets under development

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	427.78	106.89
Add: Addition during the year	586.43	320.89
Less: Capitalised during the year	(1,014.21)	-
Closing Balance	-	**427.78**

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6.1 Intangible assets under development ageing Schedule

Current reporting year

Rs. In Lakhs

Particulars	CWIP Amount in CWIP for a period of				As at
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	March 31, 2024
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Previous reporting year

Rs. in Lakhs

Particulars	CWIP Amount in CWIP for a period of				As at
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	March 31, 2023
Projects in progress	320.89	106.48	0.05	0.36	427.78
Projects temporarily suspended	-	-	-	-	-

7 Investments - non current

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in others at cost (refer note 7.1)	19.53	165.07
Total	**19.53**	**165.07**

7.1 Details of Investments

Rs. In Lakhs

Name of Entity	No of Shares	As at March 31, 2024	No of Shares	As at March 31, 2023
Globe Enviro Care Limited, Unquoted	74,171.00	10.46	74,171.00	10.46
Sachin Industrial Co. Operative Society, Unquoted	3,009.00	0.35	3,009.00	0.35
Prodigy Biotech Inc, Unquoted	-	-	6,05,000.00	145.54
Narmada Cleantech Limited, Unquoted	82,176.00	8.60	82,176.00	8.60
Bharuch Enviro Infrastructure Limited, Unquoted	1,260.00	0.13	1,260.00	0.13
Total		**19.53**		**165.07**

Aggregate details of Investment

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate market value as at the end of the year	19.53	165.07
Market value of quoted investments	-	-
Market value of Un-quoted investments	19.53	165.07

8 Loans - non current financial assets

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Loans- Other	-	22.06
Total	-	**22.06**

9 Other financial assets - non current

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	134.34	402.84
Other receivables	55.09	52.42
Surplus of Investment over liability	68.29	168.85
Total	**257.72**	**624.11**

Investment in Key Man Insurance is Measured at Surrender value to the extent details are available, in cases where details are not available regarding Surrender value or Fund NAV, same has been taken at cost of Premium.

10 Other non current assets

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Advances for Capital Expenditure	4,473.31	1,294.85
Total	**4,473.31**	**1,294.85**

11 Inventories

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	7,716.97	6,756.18
Work-in-progress	2,455.06	1,711.94
Finished goods	5,185.81	2,832.67
Packing Material	315.57	616.51
Total	**15,673.41**	**11,917.30**

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12 Trade Receivables

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good*	20,635.21	23,026.11
Total	**20,635.21**	**23,026.11**

*Note: Refer Note 12.a for Details of Hypothication/Mortgage.

Trade Receivables Ageing schedule

Current reporting year

Rs. in Lakhs

Particulars	Undue Considered	wing periods from due date of payment					As at March 31, 2024
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
-considered good	19,318.07	1,053.73	254.59	10.36	6.16	2.87	20,645.78
-which have significant increase in credit risk	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
-considered good	-	-	-	-	-	-	-
-which have significant increase in credit risk	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-
Sub Total	**19,318.07**	**1,053.73**	**254.59**	**10.36**	**6.16**	**2.87**	**20,645.78**
Provision for Expected Credit Loss							(10.57)
Total							**20,635.21**

Previous reporting year

Rs. in Lakhs

Particulars	Undue Considered	wing periods from due date of payment					As at March 31, 2023
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
-considered good	19,579.16	3,203.39	228.23	7.91	9.72	1.74	23,030.09
-which have significant increase in credit risk	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							-
-considered good	-	-	-	-	-	-	-
-which have significant increase in credit risk	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-
Sub Total	**19,579.16**	**4,227.22**	**76.51**	**13.77**	**4.98**	-	**23,030.09**
Provision for Expected Credit Loss							(3.98)
Total							**23,026.10**

*Note: Refer Note 12.a for Details of Hypothication/Mortgage.

12.a Details of Hypothecation / Mortgage

Notes	Particular	Maturity	Term of Repayment	Interest Rate
a)	**Secured**			
	Cash credit loan from banks repayable on demand Including Letter of Credit & Bank Guarantee	Short-term	Repayable on demand	(March 31, 2024, 7.90 - 8.25%)
	Term loan - Plant and machinery	Long-term	Upto 5 Years	(March 31, 2024, 7.90 - 8.50%)
	Vehicle Loans	Long-term	Upto 3 Years	(March 31, 2024, 7.90 - 10%)
b)	**Security details:** Working capital loans repayable on demand from banks is secured by hypothecation of tangible current assets, namely, inventories and book debts of Sachin Facility of the Company and also secured by second and subservient charge on immovable assets (440/4 , 5538 , 8206/B , 440/6 , 440/5 , GIDC, Sachin) , (Plot no 127/1 ANKLESHWAR INDUSTRIAL AREA/ESTATE) and Movable Assets of Sachin Facility of the Company .			

13 Cash and cash equivalents

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks in current account	2,954.97	3,045.66
Cash on hand	15.47	7.60
Total	**2,970.44**	**3,053.26**

14 Bank balances other than Cash and cash equivalents

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Bank deposits with original maturity of 3-12 months	2,360.75	2,813.76
Total	**2,360.75**	**2,813.76**

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15 Loans - current financial assets

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Loans and Advances		
Loans to employees	155.06	133.58
Total	**155.06**	**133.58**

16 Current Tax Assets, net

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax Assets, net	250.97	322.09
Total	**250.97**	**322.09**

17 Other current assets

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with government authorities	6,676.43	1,634.08
Advances to suppliers	415.53	2,017.84
Prepaid expenses	242.49	455.59
Other Receivable	201.04	339.27
Total	**7,535.49**	**4,446.79**

18 Equity Share Capital

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital		
5,00,00,000 (PY - 5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
Issued, subscribed & fully paid up		
3,68,80,562 (PY - 3,64,37,062) Equity Shares of Rs. 10 each	3,688.06	3,643.71
Total	**3,688.06**	**3,643.71**

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of Share Capital

Rs. in Lakhs

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	3,64,37,062	3,643.71	3,64,37,062	3,643.71
Issued during the year	4,43,500	44.35	-	-
Closing balance	**3,68,80,562**	**3,688.06**	**3,64,37,062**	**3,643.71**

Equity Share holder holding more than 5%

Name of Share Holder	As at March 31, 2024		As at March 31, 2023	
	No of Shares	% of Shareholding	No of Shares	% of Shareholding
Nareshkumar R. Patel	42,78,624	11.60%	40,03,710	10.99%
Sheetalben N Patel	36,37,500	9.86%	36,37,500	9.98%
Chetankumar C. Vaghasia	31,83,500	8.63%	30,97,500	8.50%
Plutus Wealth Management LLP	30,00,000	8.13%	30,00,000	8.23%
Parulben Chetanbhai Vaghasiya	29,37,500	7.96%	29,37,500	8.06%

Shares held by promoters at March 31, 2024

Name of Promotor	Class of shares	No. of Shares	% of total shares	% Change during the year
Nareshkumar R. Patel	Equity	42,78,624	11.60%	6.87%
Sheetalben N Patel	Equity	36,37,500	9.86%	0.00%
Parulben Chetanbhai Vaghasia	Equity	29,37,500	7.96%	0.00%
Chetankumar C. Vaghasia	Equity	31,83,500	8.63%	2.78%

Shares held by promoters at March 31, 2023

Name of Promotor	Class of shares	No of Shares	% of total shares	% Change during the year
Nareshkumar R. Patel	Equity	40,03,710	10.99%	0.00%
Sheetalben N Patel	Equity	36,37,500	9.98%	-0.82%
Parulben Chetanbhai Vaghasia	Equity	29,37,500	8.06%	0.00%
Chetankumar C. Vaghasia	Equity	30,97,500	8.50%	-0.82%

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18a Information regarding issue of issue of shares in the last five years

The Company has not issued any shares without payment being received in cash.

Equity shares issued as bonus shares

2,10,00,000/- equity shares of Rs. 10 each as fully paid bonus shares in the ratio of two (2) Equity Shares for each Equity Share held by a shareholder.

Preferential allotment

16,58,374/- equity shares of Rs. 10 each as fully at a price of RS. 603/- per share
4,43,500/- equity shares of Rs. 10 each as fully at a price of RS. 1,169/- per share

IPO

32,78,688/- equity shares of Rs. 10 each as fully at a price of RS. 610/- per share

18b Employee Stock Option Plan (ESOP)

During the year the Company has introduced share based incentives to eligible employees of the company under " Employee Stock Option Scheme ("ESOS 2023"). Whereby maximum number of shares under plan shall not exceed 3,64,370 (Three Lakh Sixty Four Thousend Three Hundred and Seventy) equity share. The options would vest on achievement of defined performance parameters as determined by Board/ Nomination and Remuneration committee. The performance parameters are based on operating performance metrics of the company as decided by Board/ Nomination and Remuneration committee. Each of the performance parameters will be distinct for the purpose of calculation of the quantity of the shares to vest based on performance. The instruments generally vests within one years from grant date. Each option carries with a right to purchase one equity share of the Company at exercise price determined by Nomination and Remuneration committee at the time of grant. During the year company granted 30,000 options to eligible employees.

19 Other Equity

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve	200.02	200.02
Securities premium	32,568.73	27,276.84
Retained Earnings	30,712.31	27,557.97
Employee shares based payment reserve	230.62	-
FEFR reserve	-	717.38
Total	**63,711.68**	**55,752.21**

Purpose of Reserve stated as follows:

Securities premium : Securities premium is used to record the premium on issue of shares. The reserve to be utilized in accordance with the provisions of the Companies Act, 2013.

Capital reserve : Capital reserve that indicates the cash on hand that can be used for future expenses or to offset any capital losses. It is derived from the accumulated capital surplus of a company and is created out of its profit.

Retained earnings : Retained earnings represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the provisions of the Companies Act, 2013.

Employees stock option reserve: The fair value of the equity-settled share-based payment transactions is recognized in statement of profit and loss with corresponding credit to Employees stock option reserve

Movement of Other Equity

Rs. in Lakhs

Particulars		As at March 31, 2024	As at March 31, 2023
Capital Reserve			
Opening Balance		200.02	200.02
Closing Balance	(a)	**200.02**	**200.02**
Securities premium			
Opening Balance		27,276.85	27,656.62
Add: Issue of Equity Shares		5,297.88	-
Add/(Less): Share issue Expenses		(6.00)	(379.77)
Closing Balance	(b)	**32,568.73**	**27,276.84**
Retained Earnings			
Balance at the beginning of the year		27,543.70	20,322.72
Add: Profit/(Loss) during the year		4,277.30	8,334.27
Other comprehensive income/ (loss) for the year (net of tax)			
Less: Appropriation			
Dividend on Equity Shares (Incl. DDT)		(1,093.11)	(1,093.17)
Withdrawal of profit from partnership interest		(2.83)	-
Balance at the end of the year	(c)	**30,725.06**	**27,563.82**
ESOP			
Employee shares based payment reserve	(d)	**230.62**	-
Equity Instrument through OCI			
Opening Balance of FEFR reserve		717.38	427.02
Addition during the year (net of tax)		-	290.36
FEFR reserve reversal		(717.38)	-
Closing Balance of FEFR reserve	(e)	-	**717.38**
Other items of OCI			
Total (a+b+c+d+e)		**63,724.43**	**55,040.68**

20 Borrowings - non current financial liabilities

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Term loans from Bank	11,364.12	62.59
Total	**11,364.12**	**62.59**

20a. Terms of Repayment

Sr No	Name of Lender	Amount	Details	Security
1	Vehicle Loans	19.92	Vehicle Loan	Secured by Hypothecation on Particular Vehicle
2	Team Loans	11,344.20	Term loan - Plant & Machinery	Secured by Hypothecation on Particular Asset
Total		**11,364.12**		

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21 Provisions - non current

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits, non current	131.60	68.14
Total	**131.60**	**68.14**

22 Deferred tax liabilities, net

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities, net	1,301.80	882.58
Total	**1,301.80**	**882.58**

23 Borrowings - current financial liabilities

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Current maturities of Long term borrowing*	3,041.83	20.38
Secured cash credit**	7,258.71	-
Secured Loans repayable on demand from Banks	-	277.06
Total	**10,300.54**	**297.44**

***Note: Refer Note 20.a for Details of Hypothecation/Mortgage.**
****Note: Refer Note 12.a for Details of Hypothecation/Mortgage.**

Particulars of Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
Axis Bank EPC Loan	Repo Rate + 2.5%	Secured against Fix Deposite with Axis Bank Limited

24 Trade Payables - current

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of Micro Enterprise and small enterprise	2,135.47	7,651.11
Total outstanding dues of Creditor of other than Micro Enterprise and small enterprise	11,325.41	6,553.66
Total	**13,460.88**	**14,204.77**

Trade Payables ageing schedule March 31, 2024

Rs. in Lakhs

Particulars	Undue	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1,129.33	1,006.14	-	-	-	2,135.47
Others	8,221.61	3,103.79	-	-	-	11,325.41
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	**9,350.95**	**4,109.93**	-	-	-	**13,460.88**

Trade Payables ageing schedule March 31, 2023

Rs. in Lakhs

Particulars	Undue	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	6,560.51	1,090.60	-	-	-	7,651.11
Others	2,933.13	3,620.53	-	-	-	6,553.66
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	**9,493.64**	**4,711.13**	-	-	-	**14,204.77**

25 Other current liabilities

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	290.35	279.79
Provision for expenses	323.14	363.60
Creditors for Capex	2,822.50	-
Total	**3,435.99**	**643.39**

26 Provisions - current

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits, current	30.84	10.36
Provision for Expenses	1,288.76	1,128.65
Total	**1,319.60**	**1,139.01**

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27 Revenue From Operations — Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Sale of products		
Domestic	31,332.15	24,869.15
International	39,969.02	36,436.58
Other operating revenues	446.28	367.72
Total	**71,747.45**	**61,673.45**

28 Other Income — Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Interest income	213.15	217.89
Net gain on foreign currency translation	418.91	213.23
Profit on sales of fixed assets	20.84	-
Other non operationg income	96.19	0.86
Total	**749.09**	**431.98**

29 Cost of materials consumed — Rs. In Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Raw Material consumed		
Opening stock	6,756.18	7,839.92
Purchases	44,977.95	33,501.38
Less: Closing stock	7,716.97	6,756.18
Total	**44,017.16**	**34,585.12**

30 Changes in inventories of finished goods, Stock in Trade and work in progress — Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Opening stock		
Finished Goods	3,080.59	1,938.57
Work-In-Progress	1,711.94	1,110.45
Less: Closing Stock		
Finished Goods	5,185.81	2,832.67
Work-In-Progress	2,455.06	1,711.94
Total	**(2,848.34)**	**(1,495.59)**

31 Employee benefits expense — Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Salaries and wages	5,635.27	4,335.69
Contribution to provident and other fund	315.37	270.11
Staff welfare expenses	360.80	277.81
Total	**6,311.44**	**4,883.61**

32 Finance costs — Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Interest expenses	594.03	241.23
Total	**594.03**	**241.23**

33 Depreciation and amortization expense — Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Depreciation on Property, Plant and Equipments	1,530.51	1,190.76
Amortisation of Intangible Assets	15.57	2.13
Amortisation of Right of Use Assets	59.44	41.35
Total	**1,605.52**	**1,234.24**

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34 Other expenses

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Commission	520.88	768.27
Consumption of stores and spare parts	453.91	461.63
Insurance	328.59	284.98
Power and fuel	2,582.37	2,228.49
Professional fees	366.69	276.23
Provision for bad and doubtful debts	6.59	2.26
Rent	27.70	37.64
Rates and taxes	59.83	31.39
Selling & Distribution Expenses	501.05	305.97
Travelling Expenses	267.58	151.56
Auditor's Remuneration		
Audit Fees	8.00	7.50
Limited Review fees	10.00	7.50
Communication Expenses	4.85	4.52
Conversion and plant operation charges	1,026.56	862.57
Directors' commission (other than the Executive Directors)	39.90	39.30
Directors Sitting Fees	20.10	20.70
Expenditure on Corporate Social Responsibility initiatives	183.66	139.43
Freight, clearing and forwarding charges	966.41	1,574.29
Job Work Charges	2,804.54	2,954.14
R&D Testing	-	27.25
Loss on assets sold, discarded or demolished	-	74.66
Printing and Stationery	44.51	34.84
Repairs and Maintenance	423.51	392.85
Security Expenses	119.39	96.91
Royalty Expenses	26.36	-
Miscellaneous Expenses	625.23	654.76
Total	**11,418.21**	**11,439.64**

35 Tax expenses

Rs. In Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Current tax	2,901.53	2,637.72
Deferred tax	417.80	250.49
Total	**3,319.33**	**2,888.21**

36 Earning per share

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Profit for the year	4,870.80	8,328.97
Profit attributable to equity shareholders	4,277.30	8,328.97
Weighted average number of Equity Shares	3,66,66,082	3,64,37,062
Earnings per share basic (Rs)	11.67	22.86
Earnings per share diluted (Rs)	11.66	22.86
Face value per equity share (Rs)	10	10

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37 Defined Contribution Plan

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Employers Contribution to Provident Fund	237.72	195.59
Employers Contribution to Employee State Insurance	5.99	7.54
Employers Contribution to Labour Welfare Fund	0.18	0.03

38 Defined Benefit Plans

The Company has a funded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.2,000,000.

Changes in the present value of the defined benefit obligation in respect of Gratuity (funded)

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Defined Benefit Obligation at beginning of the year	419.62	342.82
Current Service Cost	72.61	62.36
Interest Cost	29.35	22.93
Actuarial (Gain) / Loss	25.95	(3.44)
Benefits Paid	(24.24)	(5.06)
Defined Benefit Obligation at year end	523.29	419.62

Changes in the fair value of plan assets

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Fair value of plan assets as at the beginning of the year	564.15	548.83
Expected return on plan assets	59.27	14.85
Contributions	0.49	0.47
Fair value of plan assets as at the end of the year	**623.91**	**564.15**

Reconciliation of present value of defined benefit obligation and fair value of assets

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Present value obligation as at the end of the year	523.29	419.62
Fair value of plan assets as at the end of the year	(623.91)	(588.47)
Funded status/(deficit) or Unfunded net liability	(100.62)	(168.85)
Unfunded net liability recognized in balance sheet	-	-
Amount classified as:		
Short term provision	(90.07)	(79.52)
Long term provision	(10.55)	(89.33)

Expenses recognized in Profit and Loss Account

Particulars	For year ended March 31, 2024	For Year ended 31 March 2023
Current service cost	72.61	62.36
Interest cost	(13.21)	(16.46)
Deficit in acquisition cost recovered	-	-
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognized during the year	-	-
Total expense recognised in Profit and Loss	**59.40**	**45.90**

Actuarial assumptions

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Discount Rate	7.20%	7.40%
Expected Rate of increase in Compensation Level	7.00%	7.00%
Expected Rate of return on Plan assets	0.00%	0.00%
Mortality Rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Retirement Rate	60 Year	60 Year
Average Attained Age	7.50	7.43
Withdrawal Rate	As Per Foot Note 2	As Per Foot Note 2

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*Withdrawal Rates

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Withdrawal Rates	Age 25 & Below : 20 % p.a.	Age 25 & Below : 20 % p.a.
	25 to 35 : 15 % p.a.	25 to 35 : 15 % p.a.
	35 to 45 : 10 % p.a.	35 to 45 : 10 % p.a.
	45 to 55 : 5 % p.a.	45 to 55 : 5 % p.a.
	55 & above : 2 % p.a.	55 & above : 2 % p.a.

Sensitivity Analysis

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Discount rate Sensitivity		
Increase by 0.5%	505.80	405.63
Decrease by 0.5%	541.94	434.51
Salary growth rate Sensitivity		
Increase by 0.5%	535.38	429.62
Decrease by 0.5%	511.34	409.47
Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	524.40	420.49
W.R. x 90%	521.86	418.56

Expected Cash Flows	For year ended March 31, 2024	For year ended March 31, 2023
Year 1	53.41	45.98
Year 2	80.85	28.97
Year 3	60.91	71.28
Year 4	45.92	52.93
Year 5	48.54	35.79
Year 6 to 10	206.15	174.15
Total Expected benefit payments	**495.77**	**409.10**

39 Auditor's Remuneration

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For Year ended 31 March 2023
Payments to auditor as		
- Auditor	8.00	7.50
- for Limited Review	10.00	7.50
Total	**18.00**	**15.00**

40 Contingent Liabilities and Commitments

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Claims against the Company not acknowledged as debt		
- Income tax demands	207.46	269.56
Total	**207.46**	**269.56**

For AY 2012-13 order demanding Rs. 2,04,67,975/- has been raised for which auditee has filed appeal with CIT (Appeal), of which Rs. 40,93,595 paid by challan and entire demand amount has been settled by adjusting refund of other years.
For AY 2013-14 order demanding Rs. 1,86,50,740/- has been raised for which auditee has filed appeal with CIT (Appeal).
For AY 2015-16 order demanding Rs. 77,37,954/- has been raised for which auditee has filed appeal with CIT (Appeal), of which Rs. 15,47,590/- paid by challan.

Capital Commitments

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Estimated amount of contracts remaining to be executed and not provided for (net of advances)	9,491.97	-
Total	**9,491.97**	**-**

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41 Micro and Small Enterprise

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Amount Due to Supplier	2,135.47	7,651.11
Principal amount paid beyond appointed date	-	-
Interest due and payable for the year	-	-
Interest accrued and remaining unpaid	-	-
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year.	-	-
Further interest remaining due and payable for earlier years.	34.00	58.89

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

42 Segment Reporting

Business Segment

In accordance with IND AS 108 "Operating segment" - The Company used to present the segment information identified on the basis of internal report used by the Company to allocate resources to the segment and assess their performance. The Board of Directors of the Company is collectively the Chief Operating Decision Maker (CODM) of the Company.

The chief operating decision maker monitors the operating results of its segment separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated on the basis on profit and loss.

Additional Information by Geographies

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue from Sale of Products by Geographical Market		
In India	31,332.15	24,869.10
Outside India	39,969.02	36,436.58
Total	**71,301.17**	**61,305.68**
Carrying Amount of Segment Assets		
In India	95,084.75	59,295.51
Outside India	14,254.61	16,328.56
Total	**1,09,339.36**	**75,624.07**
Addition to Property, Plant and Equipment		
In India	14,640.65	3,781.83
Outside India	-	-
Total	**14,640.65**	**3,781.83**

43 Related Party Disclosure

(I) List of Related Parties

Enterprises in which relative of key management personnel have significant influence

-Hare Krishna Bath Fittings LLP
-Alkoxide Fine Chem Private Limited
-Globe BioCare
- Photolitec LLC
-Prodigy Biotech Inc

Independent Director

-Girikrishna S. Maniar
-Hetal M. Gandhi
-Richa M. Goyal
-Dr. Anita Bandyopadhyay

Key Managerial Personnel

-Nareshkumar R. Patel (Chairman and managing Director)
-Chetankumar C. Vaghasia (Whole Time Director)
-Virendra Nath Mishra (Whole Time Director)
-Ram Mohan Lokhande (Whole Time Director)
-Abhishek H Patel (Chief Financial Officer till 31.05.2022)
-Bhavin N Shah (Chief Financial Officer wef 01.06.2022)
-Ekta Kumari Srivastava (Company Secretary)

Relative of KMP

-Shitalben Patel - Wife of Nareshkumar R. Patel
-Parulben C. Vaghasia - Wife of Chetankumar C. Vaghasia
-Chhagan R Vaghasia - Father of Chetankumar C. Vaghasia
-Bhanuben C Vaghasia - Mother of Chetankumar C. Vaghasia
-Avinash Kumar - Brother of Ekta Kumari Srivastava
-Urvashi shah - Wife of Bhavin N Shah

Partner in Subsidiary

-Rakesh Gupta

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AMI ORGANICS LIMITED
CIN: L24100GJ2007PLC051093
Notes to the Consolidated Financial statements including a summary of material accounting policies and other explanatory information

(ii) Related Party Transactions

The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' and the same have been relied upon by the auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year /previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

Rs. in Lakhs

Particulars	Relationship	For year ended March 31, 2024	For Year ended 31 March 2023
Remuneration & Allowance to KMP		**1,302.89**	**1,243.78**
- Nareshkumar R. Patel (CMD)	Key Managerial Personnel	480.30	468.60
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	473.58	462.00
- Virendra Nath Mishra (WTD)	Key Managerial Personnel	135.30	132.00
- Ram Mohan Lokhande (WTD)	Key Managerial Personnel	130.18	121.28
- Abhishek H Patel (CFO till 31.05.2022)	Key Managerial Personnel	-	6.00
- Bhavin N Shah (CFO wef 01.06.2022)	Key Managerial Personnel	69.09	41.67
- Ekta Kumari Srivastava (CS)	Key Managerial Personnel	14.44	12.24
Dividend Paid		**440.66**	**467.66**
- Nareshkumar R. Patel (CMD)	Key Managerial Personnel	120.11	120.11
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	92.93	92.93
- Virendra Nath Mishra (WTD)	Key Managerial Personnel	9.90	18.90
- Shitalben Patel	Relative of KMP	109.13	118.13
- Parulben C. Vaghasia	Relative of KMP	88.13	97.13
- Chhagan R Vaghasia	Relative of KMP	10.22	10.22
- Bhanuben R Vaghasia	Relative of KMP	10.26	10.26
- Urvashi Bhavin Shah	Relative of KMP	*0.00	-
Sitting Fee		**20.10**	**20.70**
- Girikrishna S. Maniar	Independent Director	5.70	5.70
- Hetal M. Gandhi	Independent Director	4.80	5.10
- Richa M. Goyal	Independent Director	6.00	6.60
- Dr. Anita Bandyopadhyay	Independent Director	3.60	3.30
Commission		**39.90**	**39.30**
- Girikrishna S. Maniar	Independent Director	14.30	14.30
- Hetal M. Gandhi	Independent Director	15.20	14.90
- Richa M. Goyal	Independent Director	4.00	3.40
- Dr. Anita Bandyopadhyay	Independent Director	6.40	6.70
Advance Against Sale of Immovable Property		-	**0.50**
- Ekta Kumari Srivastava (CS)	Key Managerial Personnel	-	0.50
Sale of Immovable Property		**28.50**	-
- Ekta Kumari Srivastava (CS)	Key Managerial Personnel	28.50	-
Remuneration & Allowance to Relative of KMP		**7.48**	**1.90**
- Avinash Kumar	Relative of KMP	7.48	1.90
Profit Share from Baba Fine Chemicals		**593.50**	-
- Rakesh Gupta	Partner in Partnership Firm	593.50	-
Purchase of Bath Accessories		-	**0.99**
- Hare Krishna Bath Fittings LLP	Enterprises in which relative of key management personnel have significant influence	-	0.99
Purchase of raw Material		**62.24**	**83.41**
- Alkoxide Fine Chem Private Limited	Enterprises in which relative of key management personnel have significant influence	62.24	83.41
Parking Rent		**23.10**	**23.61**
- Globe BioCare	Enterprises in which relative of key management personnel have significant influence	23.10	23.61

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ODI disivestment receipt		166.12	-
- Prodigy INC	ODI Investee entity	166.12	-
Service Fees Reimbursement		49.74	-
- Photolitec LLC	Second party of joint venture Ami Oncotheranostics LLC	49.74	-
Transfer of Key Man Insurance Policy to Company at Surrender Value		-	51.88
- Nareshkumar R. Patel (CMD)	Key Managerial Personnel	-	28.53
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	-	23.34

* Less than Rs. 1000

Balances of Related Party Outstanding at the end of year — Rs. in Lakhs

Particular	For year ended March 31, 2024	For Year ended 31 March 2023
Advance received against Sale	-	0.50
Trade Payable	50.83	57.47
Loan Given	242.75	21.00
Interest Receivable against Loan Given	7.16	0.73
Rent Receivable	1.20	-
Trade Receivable	731.60	-
Total	**1,033.54**	**79.70**

44 Financial Instrument

A. Financial Assets and Liabilities

Financial Instrument by Category

The carrying value and fair value of financial instrument by categories as of March 31, 2024 were as follows: Rs. in Lakhs

Particulars	As at March 31, 2024			As at March 31, 2023		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Assets Measured at 31 March 2023						
Investments	19.53	-	-	165.07	-	-
Cash and cash equivalent	2,970.44	-	-	3,053.26	-	-
Other bank balances	2,360.75	-	-	2,813.76	-	-
Loans	155.06	-	-	133.57	-	-
Trade receivables	20,635.21			23,026.11		
Other financial assets	257.72	-	-	624.11	-	-
Total	**26,398.71**	-	-	**29,815.88**	-	-
Liabilities Measured at March 31, 2023						
Borrowings	21,664.66	-	-	360.03	-	-
Trade payables	13,460.88	-	-	14,204.77	-	-
Total	**35,125.54**	-	-	**14,564.80**	-	-

*Excludes investments (in equity shares) in subsidiary, joint venture and associate companies, entities which are carried at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures".

Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

Financial Risk Management - Objectives and Policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

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Carrying Amount of Financial Assets and Liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

Rs. in Lakhs

Particulars	For year ended March 31, 2024	For Year ended 31 March 2023
Financial assets		
Cash and cash equivalent	2,970.44	3,053.26
Bank balances other than above	2,360.75	2,813.76
Trade receivables	20,635.21	23,026.11
Loans	155.06	133.57
Other assets	12,008.80	5,741.64
Other financial assets	257.72	624.11
At end of the year	**38,387.98**	**35,392.45**
Financial liabilities		
Borrowings	21,664.66	360.03
Trade payables	13,460.88	14,204.77
At end of the year	**35,125.54**	**14,564.80**

B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate are disclosed in the respective notes to the financial statements of the Company. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

(i) Exposure to Interest Rate Risk

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowing bearing fixed rate of interest	38.06	58.80
Borrowing bearing variable rate of interest	21,626.60	301.23
Total	21,664.66	360.03

(ii) Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Rate - Increase by 50 basis points	(108.13)	(1.39)
Interest Rate - Decrease by 50 basis points	108.13	1.39

(b) Foreign Currency Risk

The Company operates internationally and the major portion of business is transacted in USD & EURO. The Company has Sales, Purchase, (etc.) in foreign currency. Consequently, the Company is exposed to foreign exchange risk.

Foreign exchange exposure is partially balanced by purchasing in goods, commodities and services in the respective currencies.

The company evaluate exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign currency exposures not specifically covered by natural hedge and forward exchange contracts as at year end are as follows:

(i) Exposure to Foreign Currency Risk

Rs. in Lakhs

Particulars	As at March 31, 2024	Current year Amount in Rs.	As at March 31, 2023	Previous year Amount in Rs.
USD	32.90	2,741.75	93.39	7,598.97
EUR	85.05	7,663.58	41.77	3,617.38
Total	117.95	10,405.33	135.16	11,216.35

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(ii) Sensitivity Analysis

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
/USD - Increase by 1%	(27.42)	(75.99)
/USD - Decrease by 1%	27.42	75.99
/EUR - Increase by 1%	(76.64)	(36.17)
/EUR - Decrease by 1%	76.64	36.17

C. Credit Risk

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

As disclosed in Note 13, cash and cash equivalents balances generally represent short term deposits with a less than 90-day maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 90-360 days. But some customers take a longer period to settle the amounts.

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Low Credit Risk		
Cash and Cash Equivalents	2,970.44	3,053.26
Bank balances other than above	2,360.75	2,813.76
Loans	155.06	133.58
Trade Receivables	20,635.21	23,026.11
Other financial assets	257.72	624.11
Investments	19.53	3,345.28
Total	26,398.71	32,996.10

D. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 and 31 March 2023 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

Financing Arrangements:

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Expiring within one year		
- CC/EPC Facility	13,000.00	277.06

Note:

Axis Bank EPC Loan Secured against Fix Deposit with Axis Bank Limited

E. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total Borrowings	21,664.66	360.03
Trade Payables	13,460.88	14,204.77
Less: Cash and cash equivalents	(2,970.44)	(3,053.26)
Net Debts (A)	32,155.10	11,511.54
Total Equity	68,275.80	59,395.92
Total Debt plus Equity (B)	1,00,430.90	70,907.46
Capital Gearing Ratio (B/A)	32.02%	16.23%

Note:

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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45 Income Tax

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Current income tax:		
Current income tax charge	2,901.53	2,637.72
Deferred tax: Relating to origination and reversal of temporary differences (Net)	417.80	250.49
Total	**3,319.33**	**1,950.43**

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entity in India on taxable profits under the Indian tax law. The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized as follow:

Reconciliation of Income Tax Provision

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before income tax	8,190.13	11,217.18
Rate of Income tax	25.17%	25.17%
Computed expected tax expenses	25.17%	25.18%
Additional allowances for tax purpose	0.61%	0.42%
Expenses not allowed for tax purposes	13.03%	0.41%
Other items	2.85%	-
Depreciation As per Companies Act 2013	5.35%	2.77%
Depreciation As per Income Tax Act	-11.59%	-5.26%
Total	**35.42%**	**23.51%**

Applicable statutory tax rate for financial year 2023-24 is 25.17% (Previous year 2022-23 is 25.17%)

Applicable rate for Baba Fine Chemicals for financial year 2023-24 is 34.944%

46 Company has filed all charges within due dates with ROC

47a The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

47b **Dividends**

During the year, the Company has paid a Final dividend of Rs. 3.00 per share in respect of the year ended March 31, 2023 which was proposed by the Board of Directors on May 13, 2023, and was subsequently approved by the shareholders at the Annual General Meeting, held on Sep 25, 2023, which has resulted in a cash outflow of Rs. 1093.11 Lakh. Dividends are declared based on profits available for the distribution.

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47 Ratio Analysis

Particulars	Numerator/Denominator	UoM	As at March 31, 2024	As at March 31, 2023	Change in %	Remark for Deviation
(a) Current Ratio	Current Assets / Current Liabilities	Times	1.20	2.89	-58.47%	Due to increased short-term borrowing
(b) Debt-Equity Ratio	Total Debts / Equity	Times	0.32	0.01	5443.78%	Due to decrease in one time Exceptional time due to increase in Share
(c) Debt Service Coverage Ratio	Earning available for Debt Service / Interest + Instalments	Times	2.86	436.21	-99.34%	Due to increased debt obligations and interest expenses during the period.
(d) Return on Equity Ratio	Profit after Tax / Average Shareholder's Equity	Percentage	6.50%	15.47%	-57.99%	Due to Decrease in Net Profit during the year
(e) Inventory turnover ratio	Total Turnover / Average Inventories	Times	5.20	5.33	-2.46%	Due to increase in Inventory
(f) Trade receivables turnover ratio	Total Turnover / Average Account Receivable	Times	3.29	3.13	5.00%	-
(g) Trade payables turnover ratio	Total Purchases / Average Account Payable	Times	3.25	2.57	26.52%	Due to increase in purchase and eduction in Trade Payable during the year
(h) Net capital turnover ratio	Total Turnover / Net Working Capital	Times	3.41	2.01	69.46%	Due to increase in Turnover and decrease in Working capital
(i) Net profit ratio	Net Profit / Total Turnover	Percentage	5.72%	14.00%	-59.13%	Due to Exceptional item (Impairment of Investment)
(j) Return on Capital employed	Net Profit / Capital Employed	Percentage	10.83%	18.97%	-42.88%	There is decrease in Net Profit during the year Exceptional Item (Impairment of Investment) and there is increase in capital

48 CSR Expenditure

Rs. in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Amount required to be spent by the company during the year	183.61	132.12
Amount of expenditure incurred	183.72	137.21
Shortfall at the end of the year/(Excess)	(0.10)	(5.09)
Excess spent of previous year	(5.09)	-
Total of shortfall/(Excess)	(5.19)	-

Nature of CSR activities

Total CSR Contribution during the year is Rs. 183.72 Lakhs towards Promotion of Education, Enviornmental sustainability, health and medical and Rural Development and sports.

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49 Additional Information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements as on March 31, 2024

Details of Investees - Subsidiaries and Joint Venture

Particulars	Principal place of 'business	percentage of holding As at 31st March	percentage of holding As at 31st March 2023
Investment in Subsidiary Company			
Baba Advance Materials Limited	India	100%	-
Ami Organics Electrolytes Private Limited	India	100%	100%
Baba Fine Chemical	India	55%	-
Investment in Joint venture			
Ami Oncotheranostics LLC*	USA	50%	50%

*The Company had fully impaired the existing investment in the joint venture - Ami Oncotheranostics LLC, as it was presumed that revenue generation from Ami Oncotheranostics will take significant time considering the inherent nature of its research activity, longer gestation period and uncertain success rate. However, the Joint Venture status of Company remains unchanged. The same had been shown as exceptional item in the profit and loss statement for the year ended March 31, 2024.

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. in Lakhs	As % of consolidated (profit) or loss	Rs. in Lakhs	As % of consolidated other comprehensive income	Rs. in Lakhs	As % of total comprehensive income	Rs. in Lakhs
Direct Subsidary- Indian								
Ami Organics Limited	98.88	67,511.54	89.69	4,368.49	1.28	(9.24)	105.08	4,359.25
Baba Advance Materials Limited	0.02	16.07	0.31	15.07	-	-	0.36	15.07
Ami Organics Electrolytes Private Limited	(0.09)	(63.77)	(0.92)	(44.65)	-	-	(1.08)	(44.65)
Baba Fine Chemical	2.85	1,947.05	27.08	1,318.89	(0.59)	4.25	31.89	1,323.14
Consolidated Adjustment	(1.66)	(1,135.09)	(16.16)	(787.00)	99.31	(717.37)	(36.26)	(1,504.37)
Total	**100.00**	**68,275.80**	**100.00**	**4,870.80**	**100.00**	**(722.36)**	**100.00**	**4,148.44**

Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements as on March 31, 2023

Name of the entity in the group	Net Assets, i.e., total assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. in Lakhs	As % of consolidated (profit) or loss	Rs. in Lakhs	As % of consolidated other comprehensive income	Rs. in Lakhs	As % of total comprehensive income	Rs. in Lakhs
Direct Subsidary- Indian								
Ami Organics Limited	98.79	58,678.55	100.06	8,334.26	5.48	16.83	96.70	8,351.09
Ami Organics Electrolytes Private Limited	(0.03)	(19.12)	(0.24)	(20.12)	-	-	(0.23)	(20.12)
Consolidated Adjustment	1.24	736.49	0.18	14.83	94.52	290.36	3.53	305.19
Total	**100.00**	**59,395.92**	**100.00**	**8,328.97**	**100.00**	**307.19**	**100.00**	**8,636.16**

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50 Additional regulatory Information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) Wilful defaulter

The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority

(iii) Borrowings secured against current assets

The Company having Working capital loans repayable on demand from banks is secured by hypothecation of tangible current assets, namely, inventories and book debts of Sachin Facility of the Company and also secured by second and subservient charge on immovable assets (440/4 , 5538 , 8206/B , 440/6 , 440/5 , GIDC, Sachin) , (Plot no 127/1 ANKLESHWAR INDUSTRIAL AREA/ESTATE) and Movable Assets of Sachin Facility of the Company

(iv) Relationship with struck off companies

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial period/year.

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous period/year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial period/year

(x) Valuation of PPE, Intangible asset and investment property

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year

(xi) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company

(xii) Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

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AMI ORGANICS LIMITED

CIN: L24100GJ2007PLC051093

Notes to the Financial Statement including a summary of material accounting policies and other explanatory information

(xiii) Utilisation of borrowings availed from bank and financial Institutions

The Company has outstanding secured term borrowings from banks amounting to Rs. 14,386.03/- Lakhs as of the balance sheet date, which have been utilized for the purchase for which it has been taken.

51 Subsequent Events

As of the balance sheet date, there are contracts amounting to Rs. 13,965.28 lakhs that remain to be executed and have not yet been provided for. An advance of Rs. 4,473.31 lakhs has been paid for these contracts.

52 In the opinion of the Management, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

53 Balances in the accounts of Trade Receivables, Loans and Advances, Trade Payables and Other Current Liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

The estimates at March 31, 2024 and March 31, 2023 are consistent with those made for the same dates in accordance with Ind As (after adjustments to reflect any differences in accounting policies).

54 There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS)–36 'Impairment of Assets.

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

55 Previous years figure have been regrouped/rearranged wherever necessary, to correspond with the current year classification / disclosures.

56 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of material accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2024.

Signature to Notes "1 to 56"

For **Maheshwari & Co.**
Chartered Accountants
FRN: 105834W

MAHESHWARI & CO. Chartered Accountants FRN 105834W MUMBAI

Vikas Asawa
Partner
M.No: 172133

Place: Mumbai
Date: May 10, 2024

For and on behalf of Board of Directors of Ami Organics Limited

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232
Place: Seattle, USA
Date: May 10, 2024

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540

Bhavin N. Shah
Chief Financial Officer
PAN: AXXPS0017M

Ekta Kumari

Ekta Kumari Srivastava
Company Secretary
M No: A - 27323

Place: Surat
Date: May 10, 2024

AMI ORGANICS LTD. SACHIN

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AMI ORGANICS LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **AMI ORGANICS LIMITED (CIN-L24100GJ2007PLC051093)** (hereinafter referred to as "the Parent Company") and its wholly owned subsidiary **AMI ORGANICS ELECTROLYTES PRIVATE LIMITED (CIN-U24290GJ2022PTC133444)**, (the Parent Company and subsidiary company together referred to as "Group") and jointly controlled entity **AMI ONCOTHERANOSTICS LLC**, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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The key audit matters	How our audit addressed the key audit matter
Capitalization of Assets	
There are a number of areas where management judgement impacts the carrying value of property, plant and equipment, and their respective depreciation profiles. These include: – the decision to capitalize or expense costs; – the annual asset life review including the impact of changes in the strategy; and – the timeliness of the transfer from assets in the course of construction. Refer Note 1.9- of the Consolidated financial statements "Property, plant and equipment".	We tested controls in place over the property, plant and equipment cycle, evaluated the appropriateness of capitalization policies, performed tests of details on costs capitalised and assessed the timeliness of the transfer of assets in the course of construction and the application of the asset life. In performing these substantive procedures, we assessed the judgements made by management including: – the nature of underlying costs capitalised; – the appropriateness of asset lives applied in the calculation of depreciation. Assessed the appropriateness of work in progress on balance sheet date by evaluating the underlying documentation to identify possible delays.
Inventories	
At 31 March 2023, Inventory of Finished Goods is disclosed in note 11 – Inventories. In order to carry inventory at the lower of cost and net realisable value, management has identified overheads cost and made adjustments to the carrying value of these items, the calculation of which requires certain estimates and assumptions. These judgments include bifurcation of overhead cost on the Finish good, using factors existing at the reporting date. i.e. overheads is charged to the Finished goods.	Our procedures included the following to assess inventory cost: Assessing the reasonableness of the methodologies applied by management for consistency with prior years and our knowledge of industry practice. • Evaluating the assumptions and estimates applied to the methodologies – testing the identification of such inventories; – testing the accuracy of historical information and data trends; • Sample Testing the estimated future sales values, less estimated costs to sell against the carrying value of the inventories. • Recalculating the arithmetical accuracy of the computations.

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Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud

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or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit report we report that:

   a) We have sought and, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

   e) On the basis of written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A";** and

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements.

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Chartered Accountants

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, if any; and

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such joint venture to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b)The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. According to information and explanations given to us:

(a) The final dividend proposed in the previous year, declared and paid by the Parent Company during the year, is in accordance with section 123 of the Act, as applicable.

(b) The Board of Directors of the Company has proposed a final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

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2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Maheshwari & Co.
Chartered Accountants
Firm's Registration No.105834W

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Pawan Gattani
Partner
Membership No. 144734
UDIN: 23144734BGRHZA6640

Place: Surat
Date: May 13, 2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of **AMI ORGANICS LIMITED** ("the Holding Company") as of 31 March 2023, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its Joint Ventures, which are incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanation given to us, the Group has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Maheshwari & Co.
Chartered Accountants
Firm's Registration No.105834W

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

Pawan Gattani
Partner
Membership No. 144734
UDIN: 23144734BGRHZA6640

Place: Surat
Date: May 13, 2023

AMI ORGANICS LIMITED

CIN: L24100GJ2007PLC051093

Registered office: 440/4 5 6, Road No 82A, Sachin GIDC, Surat, Gujarat - 394 230, India

Tel: +91 72279 77744; +91 75730 15366

Website: www.amiorganics.com Email: cs@amiorganics.com

Consolidated Balance Sheet as at March 31, 2023

Rs. in Lakhs

Particulars	Note No	As at March 31, 2023 Audited	As at March 31, 2022 Audited
ASSETS			
Non Current Assets			
Property, Plant and Equipment	2	18,435.38	15,844.31
Right-of-Use Assets	3	3,741.91	1,936.57
Capital work-in-progress	4	2,551.76	189.16
Goodwill		2,032.29	1,859.56
Other Intangible assets	5	1,685.74	813.05
Intangible assets under development	6	427.78	106.89
Financial Assets			
Investments	7	165.07	171.31
Loans	8	22.06	-
Other financial assets	9	624.11	1,085.73
Other non-current assets	10	-	924.57
Total Non-current Assets		**29,686.10**	**22,931.15**
Current assets			
Inventories	11	11,917.30	11,217.09
Financial Assets			
Trade receivables	12	23,026.11	16,370.22
Cash and cash equivalents	13	3,053.26	1,029.66
Bank balances other than Cash and Cash equivalents	14	2,813.76	8,925.49
Loans	15	133.58	65.39
Current Tax Assets (Net)	16	322.09	494.06
Other current assets	17	5,741.64	4,855.23
Total Current Assets		**47,007.74**	**42,957.14**
Total Assets		**76,693.84**	**65,888.29**
EQUITY and LIABILITIES			
Equity			
Equity Share Capital	18	3,643.71	3,643.71
Other Equity	19	55,752.21	48,583.69
Total Equity		**59,395.92**	**52,227.40**
Non-current liabilities			
Financial Liabilities			
Borrowings	20	62.59	58.81
Provisions	21	68.14	43.60
Deferred tax liabilities net	22	882.58	626.43
Total Non-current liabilities		**1,013.31**	**728.84**
Current liabilities			
Financial Liabilities			
Borrowings	23	297.44	25.60
Trade Payables	24		
Total outstanding dues of micro enterprises and small enterprises		7,651.11	1,508.05
Total outstanding dues of other than micro enterprises and small enterprises		6,553.66	10,333.71
Other current liabilities	25	643.39	462.64
Provisions	26	1,139.01	602.05
Total Current liabilities		**16,284.61**	**12,932.05**
Total liabilities		**17,297.92**	**13,660.89**
Total Equity and Liabilities		**76,693.84**	**65,888.29**

The accompanying notes form an integral part of the Consolidated financial statements

For Maheshwari & Co.
Chartered Accountants
FRN: 105834W

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

Pawan Gattani
Partner
M.No: 144734
Place: Surat
Date: May 13, 2023

For and on behalf of Board of Directors,
AMI ORGANICS LIMITED

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540

Bhavin Shah
Chief Financial Officer
PAN: AXXPS0017M

Ekta Kumari
Ekta Kumari
Company Secretary
M No: A - 27323
Place: Surat
Date: May 13, 2023

AMI ORGANICS LTD. SACHIN

AMI ORGANICS LIMITED

CIN: L24100GJ2007PLC051093

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Consolidated Statement of Profit & Loss March 31, 2023

Rs. in Lakhs

Particulars	Note No	For The Year ended March 31, 2023 Audited	For The Year ended March 31, 2022 Audited
Income			
Revenue From Operations	27	61,673.45	52,013.50
Other Income	28	431.98	276.23
Total Income		**62,105.43**	**52,289.73**
Expenses			
Cost of materials consumed	29	34,585.12	28,233.30
Changes in inventories of finished goods, Stock in Trade and work in	30	(1,495.59)	(949.67)
Employee benefits expense	31	4,883.61	4,136.64
Finance costs	32	241.23	640.73
Depreciation and amortization expense	33	1,234.24	1,008.02
Other expenses	34	11,439.64	10,075.67
Total Expenses		**50,888.25**	**43,144.69**
Profit/(loss) before tax		**11,217.18**	**9,145.04**
Tax expense	35		
Current tax		2,637.72	1,672.15
Deferred tax		250.49	278.28
Total Tax expense		2,888.21	1,950.43
Profit/(loss) after tax for the year		**8,328.97**	**7,194.61**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined employee benefit plans,net		16.83	60.35
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of financial statements of foreign operations,net		290.36	128.79
Total Other Comprehensive Income		**307.19**	**189.14**
Total Comprehensive Income for the year		**8,636.16**	**7,383.75**
Earnings per equity share	36		
Basic		22.86	21.03
Diluted		22.86	21.03

The accompanying notes form an integral part of the Consolidated financial statements

For Maheshwari & Co.
Chartered Accountants
FRN: 105834W

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

Pawan Gattani
Partner
M.No: 144734
Place: Surat
Date: May 13, 2023

For and on behalf of Board of Directors,
AMI ORGANICS LIMITED

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540

Bhavin Shah
Chief Financial Officer
PAN: AXXPS0017M

Ekta Kumari

Ekta Kumari
Company Secretary
M No: A - 27323
Place: Surat
Date: May 13, 2023

AMI ORGANICS LTD. SACHIN

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Consolidated Statement of Cash Flow for the year ended March 31, 2023

Rs. In Lakhs

Particulars		For The Year Ended 31 March 2023	For The Year Ended 31 March 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit Before Tax		11,217.18	9,145.04
Adjustments for:			
Depreciation and amortisation		1,234.24	1,008.02
(Gain)/Loss on disposal of property, plant and equipment		74.66	-
Finance Cost		241.23	544.91
Interest Income		(217.89)	(258.17)
Dividend Income		(0.03)	-
Exchange Fluctuation on change on equity instruments		290.36	128.79
Unrealised (gain) / loss		(213.23)	(59.24)
Operating profit before working capital changes		12,626.52	10,509.35
Adjustment for (increase) / decrease in operating assets			
Trade receivables		(6,442.66)	(4,145.50)
Loans & Advances		(90.24)	(31.95)
Other financial assets		461.62	(815.13)
Inventories		(700.21)	(5,180.78)
Other assets		38.16	(1,655.48)
Adjustment for (increase) / decrease in operating liabilities			
Trade payables		2,363.01	3,267.88
Other Liabilities		180.75	(1,053.33)
Provisions		561.49	192.84
Cash generated from operations		8,998.44	1,087.91
Income tax paid (net)		(2,445.44)	(2,281.38)
Net cash (used)/generated by operating activities	**(A)**	**6,553.00**	**(1,193.47)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Bank deposits Withdrawn/(Placed)		6,111.73	(8,925.49)
Purchase of property, plant and equipment (Incl. Capital WIP & Intangible Assets)		(7,834.94)	(3,375.81)
Right of Use Asset		(1,805.35)	-
Redemption/(Purchase) of other Investment		6.24	(28.45)
Dividend received		0.03	-
Interest received		217.89	258.18
Net cash (used in) / generated by investing activities	**(B)**	**(3,304.40)**	**(12,071.57)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term borrowings		275.64	(13,579.16)
Finance cost		(241.23)	(544.91)
Dividend paid (including tax on dividend)		(1,093.57)	-
Issue of Equity Shares		-	29,999.99
Share Issue Expense		(165.84)	(1,849.67)
Net cash (used)/generated in financing activities	**(C)**	**(1,225.00)**	**14,026.25**
Net increase / (decrease) in cash and cash equivalents		2,023.60	761.20
Cash and cash equivalents at the beginning of the year		1,029.66	268.46
Exchange gain loss on Cash and cash equivalents		-	-
Cash and cash equivalents at the end of the year		**3,053.26**	**1,029.66**

For Maheshwari & Co.
Chartered Accountants
FRN: 105834W

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

Pawan Gattani
Partner
M.No: 144734
Place: Surat
Date: May 13, 2023

For and on behalf of Board of Directors,
AMI ORGANICS LIMITED

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540

Bhavin Shah
Chief Financial Officer
PAN: AXXPS0017M

Ekta Kumari

Ekta Kumari
Company Secretary
M No: A - 27323
Place: Surat
Date: May 13, 2023

AMI ORGANICS LTD. SACHIN

AMI ORGANICS LIMITED
CIN: L24100GJ2007PLC051093
Registered office: 440/4 5 6, Road No 82A, Sachin GIDC, Surat, Gujarat - 394 230, India
Tel: +91 72279 77744; +91 75730 15366
Website: www.amiorganics.com Email: cs@amiorganics.com

Statement of change in Equity for the year ended March 31, 2023

A. Equity Share Capital

Current reporting year

Rs. in Lakhs

Particulars	Amount
As at 1 April, 2022	3,643.71
Changes in Equity Share Capital due to Prior Period Errors	-
Restated Balance as at 1 April, 2022	3,643.71
Changes in Equity Share Capital during the year	-
As at 31 March, 2023	**3,643.71**

Previous reporting year

Rs. in Lakhs

Particulars	Amount
As at 1 April, 2021	3,150.00
Changes in Equity Share Capital due to Prior Period Errors	-
Restated Balance as at 1 April, 2021	3,150.00
Changes in Equity Share Capital during the year	493.71
As at 31 March, 2022	**3,643.71**

B. Other Equity

Current reporting year 31 March 2023

Rs. in Lakhs

Particulars	Reserves & Surplus			Other Item of OCI (Acturial gains and losses)	Equity Instrument through OCI	Total
	Capital Reserve	Securities premium	Retained Earnings			
Balance as at 1 April, 2022	200.02	27,656.61	20,322.72	(22.68)	427.02	48,583.69
Changes in Accounting Policy or Prior Period Errors	-	-	-	-		-
Restated balance as at 1 April, 2022	200.02	27,656.61	20,322.72	(22.68)	427.02	48,583.69
Add: Profit/(Loss) during the year	-	-	8,334.26	-		8,334.26
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	-	-	-	16.83	290.36	307.19
Total Comprehensive Income/(Expense)	**200.02**	**27,656.61**	**28,656.98**	**(5.85)**	**717.38**	**57,225.14**
Less: Dividend on Equity Shares (incl. DDT)	-	-	(1,093.17)	-		(1,093.17)
Add: Transfer from P&L	-	-	-	-		-
Add: Issue of Equity Shares	-	-	-	-		-
Add/(Less): Share Issue Expenses	-	(379.77)	-	-		(379.77)
Balance As at 31 March, 2023	**200.02**	**27,276.85**	**27,563.82**	**(5.85)**	**717.38**	**55,752.21**

Other Equity

Previous reporting year 31 March 2022

Rs. in Lakhs

Particulars	Reserves & Surplus			Other Item of OCI (Acturial gains and losses)	Equity Instrument through OCI	Total
	Capital Reserve	Securities premium	Retained Earnings			
Balance as at 1 April, 2021	-	-	13,128.11	(83.03)	298.23	13,343.31
Changes in Accounting Policy or Prior Period Errors	-	-	-	-		-
Restated balance as at 1 April, 2021	-	-	13,128.11	(83.03)	298.23	13,343.31
Net profit/(loss) during the year	-	-	7,194.61	-		7,194.61
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)	-	-	-	60.35	128.79	189.14
Total Comprehensive Income/(Expense)	**-**	**-**	**20,322.72**	**(22.68)**	**427.02**	**20,727.06**
Dividend on Equity Shares (incl. DDT)	-	-	-	-		-
Add: Transfer from P&L	200.02	-	-	-		200.02
Add: Issue of Equity Shares	-	27,656.61	-	-		27,656.61
Balance As at 31 March, 2022	**200.02**	**27,656.61**	**20,322.72**	**(22.68)**	**427.02**	**48,583.69**

The accompanying notes form an integral part of the Consolidated financial statements

For Maheshwari & Co.
Chartered Accountants
FRN: 105834W

MAHESHWARI & CO. ★ FRN : 105834W MUMBAI ★ Chartered Accountants

Pawan Gattani
Partner
M.No: 144734
Place: Surat
Date: May 13, 2023

For and on behalf of Board of Directors,
AMI ORGANICS LIMITED

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540

Bhavin Shah
Chief Financial Officer
PAN: AXXPS0017M

Ekta Kumari

Ekta Kumari
Company Secretary
M No: A - 27323
Place: Surat
Date: May 13, 2023

AMI ORGANICS LTD. ★ SACHIN ★

Company overview
Ami Organics Limited ("the Company") was originally formed as a partnership firm under the Partnership Act, 1932 in the name of "Ami Organics" pursuant to a deed of partnership dated January 3, 2004 with Promoters, among others, as partners. "Ami Organics" was then converted into private limited company under part IX of the Companies Act, 1956 under the name of "Ami Organics Private Limited" vide certificate of incorporation dated June 12, 2007 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to a resolution passed by our shareholders on April 5, 2018, Company was converted into a public limited company, following which Company's name was changed to "Ami Organics Limited", and a fresh certificate of incorporation was issued on April 18, 2018 having its registered office at Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat GJ 394230. The Company is engaged in business of drugs intermediate chemicals and related activities.
The Consolidated Financial Statements are approved by the company's Board of Directors on May 13, 2023.

1 Significant accounting policies
Statement of compliance
Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

1.1 Basis of preparation of financial statements
The separate financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:
• Financial instruments – measured at fair value;
• Plan assets under defined benefit plans – measured at fair value
• Employee share-based payments – measured at fair value
• In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

1.2 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

it is held primarily for the purpose of being traded;
• It is expected to be realised within 12 months after the reporting date; or
• It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
• All other assets are classified as non-current.
• A liability is classified as current when it satisfies any of the following criteria:
• It is expected to be settled in the Company's normal operating cycle;
• It is held primarily for the purpose of being traded
• It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only
The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Consolidated Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Crore, unless otherwise stated.

1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

The areas involving critical estimates or judgments are:
Valuation of financial instruments

AMI ORGANICS LTD. ★ SACHIN ★

MAHESHWARI & CO. FRN : 105834W MUMBAI ★ Chartered Accountants ★

Useful life of property, plant and equipment
Defined benefit obligation
Provisions
Recoverability of trade receivables
Recognition of revenue and allocation of transaction price
Current tax expense and current tax payable
Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

Summary of significant accounting policies
A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

1.4 Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (note 45)
Financial instruments (including those carried at amortised cost) (note 45)

1.5 Revenue recognition

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from services, including those embedded in contract for sale of goods, namely, freight and insurance services mainly in case of export sales, is recognised upon completion of services.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

AMI ORGANICS LTD. * SACHIN *

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

Other Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.6 Inventories:

i) Raw materials - is valued at the lower of cost or net realisable value. The cost is determined on FIFO /specific identification basis.

ii) Finished goods - valued at the lower of cost or net realisable value. The cost of material is determined on FIFO/specific identification basis.

iii) Work-in-progress is valued at material cost including appropriate production overhead.

iv) Stores and spares are valued at the lower of cost or net realisable value. Cost is determined on FIFO basis.

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

1.7 Foreign currency transactions and translation

i) **Functional and presentation currency:**

Items included in the Consolidated Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Consolidated Financial Statements of the Company are presented in Indian currency, which is also the functional currency of the Company.

ii) **Transactions and balances:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Consolidated Statement of Profit and Loss are on a net basis within other income.

Non-monetary items that are measured at fair value and denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

1.8 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.90 **a) Property, plant and equipment**

Property, plant and equipment are stated at cost net of accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment that are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as 'capital work-in-progress'.

Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss.

The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration. Computer software cost is amortised over a period of three years using the straight-line method.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product/patent.

Depreciation and amortisation

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

The depreciation on tangible assets is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Estimated Useful Life
Plant and machinery	20 years
Office equipment	5 years
Computers/Servers	3/6 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years
Computer Softwares (Perpetual)	3 Years

The useful life has been determined based on technical evaluation done by the Management/experts, which are different from the useful life prescribed in Part C of Schedule II of the Act in order to reflect actual use of the assets. The residual values ,useful life and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

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Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss when the asset is derecognised.

1.10 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in books of account but its existence is disclosed in financial statements.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.11 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by future events not wholly within the control of the entity.

Contingent assets require disclosure only. If the realisation of income is virtually certain, the related asset is not a contingent asset and recognition is require

1.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset. unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

1.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

1.14 Financial instruments

Initial recognition

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

Subsequent measurement

(A) Non derivative financial instruments

(i) Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

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(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

(iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

(a) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period

(b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(B) Derivative financial instruments

The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

The company have derivative financial assets/financial liabilities which are not designated as hedges;

Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

1.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Other borrowing costs are expensed in the period in which they are incurred.

1.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

1.17 Employee Benefits

i) Defined contribution plans (Provident Fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

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ii) Defined benefit plans (Gratuity)

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Consolidated Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it becomes due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Consolidated Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.18 Lease

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset, ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, lease liability is measured at the present value of the lease payments to be paid during the non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

1.19 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

1.20 Research and Development expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible assets is recognised as an expense when it is incurred. Items of Property, Plant and Equipment and acquired Intangible assets are used for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible assets.

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1.21 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements-This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors-This amendment has introduced a definition of 'accounting estimates 'and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 – Income Taxes- This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.The Company has evaluated the amendment and there is no impact on its financial statement.

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Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2023

Note:2 Property, Plant and Equipment

Current reporting year

Rs. in Lakhs

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total
Cost as at 1 April 2022	5,453.41	11,747.59	514.06	224.39	222.79	283.96	18,446.20
Addition	523.31	2,363.08	715.95	50.98	35.06	93.47	3,781.86
Disposals/Adjustment	0.71	19.60	0.33	-	-	-	20.64
Cost as at 31 March 2023	**5,976.01**	**14,091.07**	**1,229.68**	**275.37**	**257.85**	**377.43**	**22,207.41**
Accumulated depreciation as at 1 April 2022	492.72	1,656.08	109.99	57.73	139.01	146.38	2,601.92
Depreciation charge for the year	153.66	801.94	73.53	27.62	40.61	72.76	1,170.11
Reversal on disposal/Adjustments	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2023	**646.38**	**2,458.02**	**183.52**	**85.35**	**179.62**	**219.14**	**3,772.03**
Net Carrying Amount as at 31 March 2023	**5,329.63**	**11,633.05**	**1,046.17**	**190.02**	**78.24**	**158.29**	**18,435.38**

Previous reporting year

Rs. in Lakhs

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total
Cost as at 1 April 2021	5,060.87	9,949.67	348.80	120.00	210.62	179.64	15,869.60
Addition	392.54	1,797.92	165.26	104.39	12.17	104.32	2,576.60
Disposals/Adjustment	-	-	-	-	-	-	-
Cost as at 31 March 2022	**5,453.41**	**11,747.59**	**514.06**	**224.39**	**222.79**	**283.96**	**18,446.20**
Accumulated depreciation as at 1 April 2021	332.00	1,008.00	77.00	37.00	100.00	98.00	1,652.00
Depreciation charge for the year	160.72	648.08	32.99	20.73	39.01	48.38	949.92
Reversal on disposal/Adjustments	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2022	**492.72**	**1,656.08**	**109.99**	**57.73**	**139.01**	**146.38**	**2,601.92**
Net Carrying Amount as at 31 March 2022	**4,960.69**	**10,091.51**	**404.07**	**166.66**	**83.78**	**137.58**	**15,844.31**

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3 Right of Use Assets

Rs. in Lakhs

Particulars	As at 31 March 2023
Cost as at 1 April 2022	1,992.58
Addition	1,846.70
Disposals	-
Adjustment	-
Cost as at 31 March 2023	3,839.28
Accumulated ammortisation as at 1 April 2022	56.01
Ammortization charge for the year	41.35
Reversal on Disposal of assets	-
Accumulated ammortisation as at 31 March 2023	97.36
Net Carrying Amount as at 31 March 2023	3,741.91

Particulars	As at 31 March 2022
Cost as at 1 April 2021	1,992.58
Addition	-
Disposals	-
Adjustment	-
Cost as at 31 March 2022	1,992.58
Accumulated ammortisation as at 1 April 2021	-
Ammortization charge for the year	56.01
Reversal on Disposal of assets	-
Accumulated ammortisation as at 31 March 2022	56.01
Net Carrying Amount as at 31 March 2022	1,936.57

4 Capital work in progress

Rs. in Lakhs

Particulars	As at 31-03-2023	As at 31-03-2022
Opening Balance	189.16	-
Add: Addition during the year	2,448.28	189.16
Less: Capitalised during the year	85.69	-
Closing Balance	2,551.76	189.16

4.1 Capital Work-in-Progress Ageing Schedule

Current reporting year 31 March, 2023

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				As at 31 March 2023
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	2,362.60	189.16	-	-	2,551.76
Projects temporarily suspended	-	-	-	-	-

Previous reporting year 31 March, 2022

Rs. in Lakhs

Particulars	Amount in CWIP for a period of				As at 31 March 2022
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	189.16	-	-	-	189.16
Projects temporarily suspended	-	-	-	-	-

5 Other Intangible assets

Rs. in Lakhs

Particulars	Licensing and Patent	Software	Trademark	As at 31 March 2023
Cost as at 1 April 2022	805.87	-	9.28	815.15
Addition	848.01	26.81	-	874.82
Disposals	-	-	-	-
Adjustment	-	-	-	-
Cost as at 31 March 2023	1,653.88	26.81	9.28	1,689.97
Accumulated ammortisation as at 1 April 2022	-	-	2.10	2.10
Ammortization charge for the year	-	1.66	0.47	2.13
Reversal on Disposal of assets	-	-	-	-
Accumulated ammortisation as at 31 March 2023	-	1.66	2.57	4.23
Net Carrying Amount as at 31 March 2023	1,653.88	25.15	6.71	1,685.74

Particulars	Licensing and Patent	Trademark	As at 31 March 2022
Cost as at 1 April 2021	776.79	0.75	777.54
Addition	29.08	8.53	37.61
Disposals	-	-	-
Adjustment	-	-	-
Cost as at 31 March 2022	805.87	9.28	815.15
Accumulated ammortisation as at 1 April 2021	-	-	-
Ammortization charge for the year	-	2.10	2.10
Reversal on Disposal of assets	-	-	-
Accumulated ammortisation as at 31 March 2022	-	2.10	2.10
Net Carrying Amount as at 31 March 2022	805.87	7.18	813.05

6 Intangible assets under development

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance	106.89	-
Add: Addition during the year	320.89	109.49
Less: Capitalised during the year	-	2.60
Closing Balance	427.78	106.89

6.1 Intangible assets under development ageing Schedule

Current reporting year 31 March, 2023

Rs. in Lakhs

Particulars	CWIP Amount in CWIP for a period of				As at 31 March 2023
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	320.89	106.48	0.05	0.36	427.78
Projects temporarily suspended	-	-	-	-	-

Previous reporting year 31 March, 2022

Rs. in Lakhs

Particulars	CWIP Amount in CWIP for a period of				As at 31 March 2022
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	89.48	2.66	0.36	14.40	106.89
Projects temporarily suspended	-	-	-	-	-

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7 Investments - non current

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in others at cost (refer note 7.1)	165.07	171.31
Total	165.07	171.31

7.1 Details of Investments

Rs. in Lakhs

Name of Entity	No of Shares	As at 31 March 2023	No of Shares	As at 31 March 2022
Globe Enviro Care Limited, Unquoted	74,171.00	10.46	74,171.00	10.46
Sachin Industrial Co. Operative Society, Unquoted	3,009.00	0.35	3,006.00	0.33
Prodigy Biotech Inc, Unquoted	6,05,000.00	145.54	6,05,000.00	151.80
Narmada Cleantech Limited, Unquoted	82,176.00	8.60	82,176.00	8.60
Bharuch Enviro Infrastructure Limited, Unquoted	1,260.00	0.13	1,260.00	0.13
Total		165.07		171.31

Aggregate details of Investment

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Aggregate market value as at the end of the year	165.07	171.31
Market value of quoted investments	-	-
Market value of Un-quoted Investments	166.07	171.31

8 Loans - non current financial assets

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Loans to related parties	21.73	-
Loans to employees	0.33	
Total	22.06	-

9 Other financial assets - non current

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	402.84	778.05
Other receivables	52.42	101.67
Surplus of Investment over liability	168.85	206.01
Total	624.11	1,085.73

Investment in Key Man Insurance is Measured at Surrender value to the extent details are available, in cases where details are not available regarding Surrender value or Fund NAV, same has been taken at cost of Premium.

10 Other non current assets

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Advances other than capital advances	-	644.79
Prepaid expenses	-	279.78
Total	-	924.57

11 Inventories

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials	6,756.18	7,839.92
Work-in-progress	1,711.94	1,110.45
Finished goods	2,832.67	1,938.57
Packing Material	616.51	328.15
Total	11,917.30	11,217.09

12 Trade Receivables

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good*	23,026.11	16,370.22
Total	23,026.11	16,370.22

*Note: Refer Note 12.a for Details of Hypothication/Mortgage.

Trade Receivables Ageing schedule
Current reporting year 31 March, 2023

Rs. in Lakhs

Particulars	Not Due	Outstanding for following periods from due date of payment					As at 31 March 2023
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
-considered good	19,579.16	3,203.33	228.23	7.91	9.72	1.74	23,030.09
-which have significant increase in credit risk		-	-	-	-	-	-
-credit impaired		-	-	-	-	-	-
Disputed Trade receivables							
-considered good		-	-	-	-	-	-
-which have significant increase in credit risk		-	-	-	-	-	-
-credit impaired		-	-	-	-	-	-
Sub Total	19,579.16	3,203.33	228.23	7.91	9.72	1.74	23,030.09
Provision for Expected Credit Loss							(3.98)
Total							23,026.11

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Previous reporting year 31 March, 2022

Rs. In Lakhs

Particulars	Not Due	Outstanding for following periods from due date of payment					As at 31 March 2022
		Less then 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
-considered good	12,049.47	4,227.22	76.51	13.77	4.98	-	16,371.95
-which have significant increase in credit risk		-	-	-	-	-	-
-credit impaired		-	-	-	-	-	-
Disputed Trade receivables							-
-considered good		-	-	-	-	-	-
-which have significant increase in credit risk		-	-	-	-	-	-
-credit impaired		-	-	-	-	-	-
Sub Total	12,049.47	4,227.22	76.51	13.77	4.98	-	16,371.95
Provision for Expected Credit Loss							(1.73)
Total							16,370.22

*Note: Refer Note 12.a for Details of Hypothication/Mortgage.

12.a Details of Hypothecation / Mortgage

Notes	Particular	Maturity	Term of Repayment	Interest Rate
a)	**Secured**			
	Cash credit loan from banks repayable on demand including Letter of Credit & Bank Guarantee	Short-term	Repayable on demand	Repo + 2.00% (31 March 2023, 7.9%)
	Vehicle Loans	Long-term	Upto 3 Years	7.90 % to 10.00%
b)	Security details: Working capital loans repayable on demand from banks is secured by hypothecation of tangible current assets, namely, inventories and book debts of Sachin Facility of the Company and also secured by second and subservient charge on immovable assets (Plot No. 440/5, 6 , 8206/B located in Sachin GIDC) & Movable Assets of Sachin Facility of the Company .			

13 Cash and cash equivalents

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with Banks	3,045.66	1,012.96
Cash on hand	7.60	16.70
Total	3,053.26	1,029.66

14 Bank balances other than Cash and cash equivalents

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits with original maturity of 3-12 months	2,813.76	8,925.49
Total	2,813.76	8,925.49

15 Loans - current financial assets

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	-	18.98
Loans to employees	133.58	46.41
Total	133.58	65.39

16 Current Tax Assets, net

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Current Tax Assets, net	322.09	494.06
Total	322.09	494.06

17 Other current assets

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with government authorities	1,634.08	1,566.94
Advances to suppliers	2,017.84	934.45
Prepaid expenses	455.59	63.96
Advances for Capital Expenditure	1,294.85	1,244.40
Other Receivable	339.27	1,045.48
Total	5,741.63	4,855.23

For Previous Year, The fire took place on 26/02/2021 damaging the company's property, plant and equipment and also raw material, packing material and stores and consumables resulting into loss amounting to Rs.1074.93 Lakhs. These assets are fully secured through insurance. The company has initially recognised insurance receivable of Rs.1074.93 Lakhs against such loss and reduced the same to Rs.1045.48 Lakhs after adjusting salvage value of Rs.29.45 Lakhs for left over. Out of which Rs. 762.24 Lakhs has been received from insurance company and balance is provided to profit and loss account under protest.

18 Equity Share Capital

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised Share Capital		
5,00,00,000 (PY - 5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
Issued, subscribed & fully paid up		
3,64,37,062 (PY - 3,64,37,062) Equity Shares of Rs. 10 each	3,643.71	3,643.71
Total	3,643.71	3,643.71

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Out of total 3,64,37,062 shares, the company has issued 16,58,374 & 32,78,688 Equity shares fully paid were issued on preferential basis and Intial Public offer respectively.

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of Share Capital

Rs. In Lakhs

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	3,64,37,062.00	3,643.71	3,15,00,000.00	3,150.00
Issued during the year	-	-	49,37,062.00	493.71
Deletion	-	-	-	-
Closing balance	3,64,37,062.00	3,643.71	3,64,37,062.00	3,643.71

Equity Share holder holding more than 5%

Name of Share Holder	As at 31 March 2023		As at 31 March 2022	
	No of Shares	% of Shareholding	No of Shares	% of Shareholding
Nareshkumar R. Patel	40,03,710	10.99%	40,03,710	10.99%
Sheetalben N Patel	36,37,500	9.98%	39,37,500	10.81%
Chetankumar C. Vaghasia	30,97,500	8.50%	30,97,500	8.50%
Paruiben Chetanbhai Vaghasiya	29,37,500	8.06%	32,37,500	8.89%
Dhwani Girishkumar Chovatia	25,20,000	6.92%	25,20,000	6.92%
Girishkumar Limbabhai Chovatia	30,95,430	8.50%	30,95,430	8.50%
Kiranben Girishbhai Chovatiya	20,40,000	5.60%	30,40,000	8.34%

Shares held by promoters at 31 March 2023

Name of Promotor	Class of shares	No. of Shares	% of total shares	% Change during the year
Nareshkumar R. Patel	Equity	40,03,710	10.99%	0.00%
Sheetalben N Patel	Equity	36,37,500	9.98%	-0.82%
Paruiben Chetanbhai Vaghasia	Equity	29,37,500	8.06%	0.00%
Chetankumar C. Vaghasia	Equity	30,97,500	8.50%	-0.82%

Shares held by promoters at 31 March 2022

Name of Promotor	Class of shares	No of Shares	% of total shares	% Change during the year
Nareshkumar R. Patel	Equity	40,03,710	10.99%	0.00%
Sheetalben N Patel	Equity	39,37,500	10.81%	0.00%
Paruiben Chetanbhai Vaghasia	Equity	32,37,500	8.89%	-17.78%
Chetankumar C. Vaghasia	Equity	30,97,500	8.50%	0.00%

19 Other Equity

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Reserve	200.02	200.02
Securities premium	27,276.85	27,656.62
Retained Earnings	27,563.82	20,322.72
Other Items of OCI	711.52	404.34
Total	55,752.21	48,583.69

Movement of Other Equity

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Reserve		
Opening Balance	200.02	-
Add: Transfer from P&L	-	200.02
Less: Deletion	-	-
(Add)/Less: Adjustment	-	-
Closing Balance	200.02	200.02
Securities premium		
Opening Balance	27,656.62	-
Add: Issue of Equity Shares	-	27,656.62
Less: Deletion	-	-
Add/(Less): Share Issue Expenses	(379.77)	-
Closing Balance	27,276.85	27,656.62
Retained Earnings		
Balance at the beginning of the year	20,322.72	13,128.11
Add: Profit/(Loss) during the year	8,334.27	7,194.61
Less: Appropriation		
Transfer to General Reserve	-	-
Dividend on Equity Shares (Incl. DDT)	(1,093.17)	-
Dividend on Preference Shares (Incl. DDT)	-	-
Remeasurement Gain/(Loss) of defined Benefit Plan(net of tax)		-
Balance at the end of the year	27,563.82	20,322.72
Other Items of OCI		
Opening Balance	404.34	215.20
Addition during the year (net of tax)	307.19	189.14
Less: Deletion	-	-
Add/(Less): Adjustment		-
Closing Balance	711.52	404.34
Total	55,752.21	48,583.69

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Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2023

20 Borrowings - non current financial liabilities

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Secured Term loans from Bank	62.59	58.80
Total	62.59	58.80

Terms of Repayment

Sr No	Name of Lender	Amount	Details	Security
1	Axis Bank - Auto Loan	0.84	Vehicle Loan	Secured by Hypothication on Particular Vehicle
2	HDFC Eicher Pro Loan No.-	8.22		
3	HDFC Eicher Pro Loan No.-	8.22		
4	HDFC Bolero Pick Up Loan No.	3.93		
5	HDFC Ambulance Magic Loan	3.98		
6	HDFC Ambulance Magic Loan	3.97		
7	HDFC Aura Auto Car Loan	2.84		
8	HDFC Kia Car Loan	6.42		
	Total	38.42		

21 Provisions - non current

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits	68.14	43.60
Total	68.14	43.60

22 Deferred tax liabilities, net

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities, net	882.58	626.43
Total	882.58	626.43

23 Borrowings - current financial liabilities

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Secured Current maturities of Long term borrowing	20.38	-
Secured Loans repayable on demand from Banks	277.06	25.60
Total	297.44	25.60

Particulars of Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
Axis Bank EPC Loan	Repo Rate + 2.5%	Secured against Fix Deposite with Axis Bank Limited

24 Trade Payables - current

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of Micro Enterprise and small enterprise	7,651.11	1,508.05
Total outstanding dues of Creditor of other than Micro Enterprise and small enterprise	6,553.66	10,333.71
Total	14,204.77	11,841.76

Trade Payables ageing schedule as at 31 March 2023

Rs. in Lakhs

Particulars	Not Due	Outstanding for following periods from due date of payment				As at 31 March 2023
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	6,560.51	1,090.60	-	-	-	7,651.11
(ii) Others	2,933.13	3,620.53	-	-	-	6,553.66
(iii) Disputed dues- MSME		-	-	-	-	-
(iv) Disputed dues- Others		-	-	-	-	-
Total	9,493.64	4,711.13	-	-	-	14,204.77

Trade Payables ageing schedule as at 31 March 2022

Rs. in Lakhs

Particulars	Not Due	Outstanding for following periods from due date of payment				As at 31 March 2022
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	981.64	526.42	-	-	-	1,508.05
Others	8,217.89	2,115.20	0.33	0.28	-	10,333.71
Disputed dues- MSME		-	-	-	-	-
Disputed dues- Others		-	-	-	-	-
Total	9,199.53	2,641.61	0.33	0.28	-	11,841.76

25 Other current liabilities

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues	279.79	258.96
Others Payables	363.60	203.69
Total	643.39	462.65

26 Provisions - current

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits	10.36	-
Provision for Expenses	1,128.65	602.05
Total	1,139.01	602.05

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27 Revenue From Operations

Rs. in Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Sale of products	61,305.68	51,818.77
Other operating revenues	367.72	194.73
Total	**61,673.40**	**52,013.50**

28 Other Income

Rs. in Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Interest income	217.89	258.18
Net gain on foreign currency translation	213.23	13.17
Other non operationg income	0.86	4.88
Total	**431.98**	**276.23**

29 Cost of materials consumed

Rs. in Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Raw Material consumed		
Opening stock	7,839.92	3,866.99
Purchases	33,501.38	32,206.23
Less: Closing stock	6,756.18	7,839.92
Total	**34,585.12**	**28,233.30**

30 Changes in inventories of finished goods, Stock in Trade and work in progress

Rs. in Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Opening stock		
Finished Goods	1,938.57	1,226.27
Work-in-Progress	1,110.45	873.08
Less: Closing Stock		
Finished Goods	2,832.67	1,938.57
Work-in-Progress	1,711.94	1,110.45
Total	**(1,495.59)**	**(949.67)**

31 Employee benefits expense

Rs. in Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Salaries and wages	4,335.69	3,872.90
Contribution to provident and other fund	270.11	148.21
Staff welfare expenses	277.81	115.53
Total	**4,883.61**	**4,136.64**

32 Finance costs

Rs. in Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Interest expenses	241.23	640.73
Total	**241.23**	**640.73**

33 Depreciation and amortization expense

Rs. in Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Depreciation on Property, Plant and Equipments	1,190.76	949.91
Amortisation of Intangible Assets	2.13	2.10
Amortisation of Right of Use Assets	41.35	56.01
Total	**1,234.24**	**1,008.02**

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34 Other expenses

Rs. In Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Commission	768.27	359.76
Consumption of stores and spare parts	461.63	276.36
Insurance	284.98	219.09
Power and fuel	2,228.49	2,139.64
Professional fees	276.23	194.24
Provision for bad and doubtful debts	2.26	1.73
Rent	37.64	36.81
Rates and taxes	31.39	54.35
Selling & Distribution Expenses	305.97	72.87
Traveling Expenses	151.56	60.85
Auditor's Remuneration		
Audit Fees	7.50	7.00
Limited Review fees	7.50	6.50
Communication Expenses	4.52	10.69
Conversion and plant operation charges	862.57	859.43
Directors' commission (other than the Executive Directors)	39.30	12.30
Directors Sitting Fees	20.70	18.30
Expenditure on Corporate Social Responsibility initiatives	139.43	96.03
Freight, clearing and forwarding charges	1,574.29	1,559.22
Job Work Charges	2,954.14	3,481.23
R&D Testing	27.25	12.33
Loss on assets sold, discarded or demolished	74.66	-
Printing and Stationery	34.84	30.38
Repairs and Maintenance	392.85	336.25
Security Expenses	96.91	79.48
Miscellaneous Expenses	654.76	150.83
Total	**11,439.64**	**10,075.67**

35 Tax expenses

Rs. In Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Current tax	2,637.72	1,672.15
Deferred tax	250.49	278.28
Total	**2,888.21**	**1,950.43**

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36 Earning per share

Rs. In Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Profit for the year	8,334.26	7,194.61
Profit attributable to equity shareholders	8,334.26	7,194.61
Weighted average number of Equity Shares	3,64,37,062	3,42,05,239
Earnings per share basic (Rs)	22.87	21.03
Earnings per share diluted (Rs)	22.87	21.03
Face value per equity share (Rs)	10	10

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

After considering the impact of issue of bonus shares in the ratio of 2 equity shares of Rs.10 each, for every 1 equity shares of Rs.10 each at the EGM held on March 31, 2021. 2,10,00,000 Bonus Equity Shares have been allotted on March 31, 2021 and equity share capital of the company has increased to 3,15,00,000 (number of shares).

37 Defined Contribution Plan

Rs. In Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Employers Contribution to Provident Fund	195.59	156.91
Employers Contribution to Employee State Insurance	7.54	10.23
Employers Contribution to Labour Welfare Fund	0.03	0.16

38 Defined Benefit Plans

The Company has a funded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.2,000,000.

Changes in the present value of the defined benefit obligation in respect of Gratuity (funded)

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Defined Benefit Obligation at beginning of the year	342.82	337.20
Current Service Cost	62.36	48.23
Interest Cost	22.93	30.25
Actuarial (Gain) / Loss	(3.44)	(40.02)
Benefits Paid	(5.06)	(32.84)
Defined Benefit Obligation at year end	419.61	342.82

Changes in the fair value of plan assets

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Fair value of plan assets as at the beginning of the year	548.83	21.28
Expected return on plan assets	14.85	16.50
Contributions	0.47	511.05
Benefits paid	-	-
Actuarial gain/ (loss) on plan assets	-	-
Fair value of plan assets as at the end of the year	564.15	548.83

Reconciliation of present value of defined benefit obligation and fair value of assets

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Present value obligation as at the end of the year	419.62	342.82
Fair value of plan assets as at the end of the year	(588.47)	(548.83)
Funded status/(deficit) or Unfunded net liability	(168.85)	(55.12)
Unfunded net liability recognized in balance sheet	-	-
Amount classified as:		
Short term provision	(79.52)	(61.69)
Long term provision	(89.33)	(144.32)

Expenses recognized in Profit and Loss Account

Rs. in Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Current service cost	62.36	48.23
Interest cost	(16.46)	28.85
Deficit in acquisition cost recovered	-	-
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognized during the year	-	-
Total expense recognised in Profit and Loss	**45.90**	**77.08**

Actuarial assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
Discount Rate	7.40%	6.95%
Expected Rate of increase in Compensation Level	7.00%	12.00%
Expected Rate of return on Plan assets	0.00%	0.00%
Mortality Rate	IALM (2012-13) Ult.	IALM (2012-13) Ult.
Retirement Rate	60 Year	60 Year
Average Attained Age	7.43	9.16
Withdrawal Rate	As Per Foot Note 2	2% For All Ages

Sensitivity Analysis

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate Sensitivity		
Increase by 0.5%	405.63	328.52
Decrease by 0.5%	434.51	358.24
Salary growth rate Sensitivity		
Increase by 0.5%	429.62	352.88
Decrease by 0.5%	409.47	332.79
Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	420.49	343.48
W.R. x 90%	418.56	341.87

Expected Cash Flows	As at 31 March 2023	As at 31 March 2022
Year 1	45.98	25.75
Year 2	28.97	22.92
Year 3	71.28	17.45
Year 4	52.93	54.30
Year 5	35.79	40.16
Year 6 to 10	174.15	138.17
Total Expected benefit payments	**409.10**	**298.75**

39 Auditor's Remuneration

Rs. In Lakhs

Particulars	31 March 2023	31 March 2022
Payments to auditor as		
- Auditor	7.50	7.00
- for Limited Review	7.50	6.50
Total	**15.00**	**13.50**

40 Contingent Liabilities and Commitments

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Company not acknowledged as debt		
- Income tax demands	269.56	269.56
Total	**269.56**	**269.56**

For AY 2012-13 order demanding Rs. 2,04,67,975/- has been raised for which auditee has filed appeal with CIT (Appeal).
For AY 2015-16 order, demanding Rs. 61,89,672/- has been raised for which auditee has filed appeal with CIT (Appeal).
For AY 2016-17 order demanding Rs. 2,98,746/- has been raised for which auditee has filed appeal with CIT (Appeal).

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41 Micro and Small Enterprise

Rs. In Lakhs

Particulars	As at 31 March Amount	As at 31-03-2022 Amount
Amount Due to Supplier	7,484.47	1,508.05
Principal amount paid beyond appointed date	-	-
Interest due and payable for the year	-	-
Interest accrued and remaining unpaid	-	-
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year.	-	-
Further interest remaining due and payable for earlier years.	56.89	16.49

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

42 Earnings in Foreign Currencies

Rs. In Lakhs

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Export of Goods calculated on FOB basis	36,436.58	30,103.83
Total	36,436.58	30,103.83

43 **Segment Reporting**

Business Segment

In accordance with IND AS 108 "Operating segment" - The Company used to present the segment information identified on the basis of internal report used by the Company to allocate resources to the segment and assess their performance. The Board of Directors of the Company is collectively the Chief Operating Decision Maker (CODM) of the Company.

The chief operating decision maker monitors the operating results of its segment separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated on the basis on profit and loss.

Additional Information by Geographies

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue from sale of products by Geographical Market		
In India	24,869.10	21,714.95
Outside India	36,436.58	30,103.83
Total	61,305.68	51,818.78
Carrying Amount of Segment Assets		
In India	59,295.51	54,032.28
Outside India	16,328.56	10,934.25
Total	75,624.07	64,966.53
Addition to Property, Plant and Equipment		
In India	3,781.83	2,953.22
Outside India	-	-
Total	3,781.83	2,953.22

44 **Related Party Disclosure**

(i) **List of Related Parties**

Enterprises in which relative of key management personnel have significant influence
- Hare Krishna Bath Fittings LLP
- Alkoxide Fine Chem Private Limited
- Globe BioCare
- Ami Procure Private Limited
- Religen Inc
- Prodigy Biotech Inc

Independent Director
- Girikrishna S. Maniar
- Hetal M. Gandhi
- Richa M. Goyal
- Dr. Anita Bandyopadhyay

Wholly Owned Subsidiary
- Ami Organics Electrolytes Private Limited

Joint Venture
- Ami Oncotheranostics LLC

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Key Managerial Personnel

-Nareshkumar R. Patel (Chairman and managing Director)
-Chetankumar C. Vaghasia (Whole Time Director)
-Virendra Nath Mishra (Whole Time Director)
-Ram Mohan Lokhande (Whole Time Director)
-Abhishek H Patel (Chief Financial Officer till 31.05.2022)
-Bhavin N Shah (Chief Financial Officer wef 01.06.2022)
-Ekta Kumari Srivastava (Company Secretary)

Relative of KMP

-Shitalben Patel - Wife of Nareshkumar R. Patel
-Parulben C. Vaghasia - Wife of Chetankumar C. Vaghasia
-Chhagan R Vaghasia - Father of Chetankumar C. Vaghasia
-Bhanuben C Vaghasia - Mother of Chetankumar C. Vaghasia
-Avinash Kumar - Brother of Ekta Kumari Srivastava

(ii) Related Party Transactions

The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' and the same have been relied upon by the auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year /previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

Rs. in Lakhs

Particulars	Relationship	For Year ended 31 March 2023	For Year ended 31 March 2022
Remuneration & Allowance to KMP		**1,243.78**	**956.60**
- Nareshkumar R. Patel (CMD)	Key Managerial Personnel	468.60	405.50
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	462.00	400.00
- Virendra Nath Mishra (WTD)	Key Managerial Personnel	132.00	85.50
- Ram Mohan Rao Locande (WTD)	Key Managerial Personnel	121.28	16.50
- Abhishek H Patel (CFO till 31.05.2022)	Key Managerial Personnel	6.00	35.10
- Bhavin N Shah (CFO wef 01.06.2022)	Key Managerial Personnel	41.67	-
- Ekta Kumari Srivastava (CS)	Key Managerial Personnel	12.24	14.00
Dividend Paid		**467.66**	-
- Nareshkumar R. Patel (CMD)	Key Managerial Personnel	120.11	-
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	92.93	-
- Virendra Nath Mishra (WTD)	Key Managerial Personnel	18.90	-
- Shitalben Patel	Relative of KMP	118.13	-
- Parulben C. Vaghasia	Relative of KMP	97.13	-
- Chhagan R Vaghasia	Relative of KMP	10.22	-
- Bhanuben R Vaghasia	Relative of KMP	10.26	-
Sitting Fee		**20.70**	**18.30**
- Girikrishna S. Maniar	Independent Director	5.70	6.30
- Hetal M. Gandhi	Independent Director	5.10	5.70
- Richa M. Goyal	Independent Director	6.60	5.70
- Dr. Anita Bandyopadhyay	Independent Director	3.30	0.60
Commission		**39.30**	**12.30**
- Girikrishna S. Maniar	Independent Director	14.30	5.70
- Hetal M. Gandhi	Independent Director	14.90	6.30
- Richa M. Goyal	Independent Director	3.40	0.30
- Dr. Anita Bandyopadhyay	Independent Director	6.70	-
Advance Against Sale of Immovable Property		**0.50**	-
- Ekta Kumari Srivastava (CS)	Key Managerial Personnel	0.50	-
Share Subscription Money		**1.00**	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	1.00	-
Loan Given		**21.00**	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	21.00	-
Interest Charged on Loan Given		**0.73**	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	0.73	-
Reimbursement of Expenses Receivable		**8.94**	-
- Ami Organics Electrolytes Private Limited	Wholly Owned Subsidiary	8.94	-
Advances for Land received back		-	**1,080.00**
- Shitalben Patel	Relative of KMP	-	540.00
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	-	540.00
Interest Received		-	**3.75**
- Shitalben Patel	Relative of KMP	-	1.68
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	-	2.07

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Remuneration & Allowance to Relative of KMP		1.90	-
- Avinash Kumar	Relative of KMP	1.90	-
Purchase of Bath Accessories		0.99	0.51
- Hare Krishna Bath Fittings LLP	Enterprises in which relative of key management personnel have significant influence	0.99	0.51
Purchase of raw Material		83.41	57.55
- Alkoxide Fine Chem Private Limited	Enterprises in which relative of key management personnel have significant influence	83.41	57.55
Parking Rent		23.61	-
- Globe BioCare	Enterprises in which relative of key management personnel have significant influence	23.61	-
Transfer of Key Man Insurance Policy to Company at Surrender Value		51.88	-
- Nareshkumar R. Patel (CMD)	Key Managerial Personnel	28.53	-
- Chetankumar C. Vaghasia (WTD)	Key Managerial Personnel	23.34	-

Balances of Related Party Outstanding at the end of year

Rs. in Lakhs

Particular	For Year ended 31 March 2023	For Year ended 31 March 2022
Advance received against Sale	0.50	-
Trade Payable	57.47	16.66
Loan Given	21.00	-
Interest Receivable against Loan Given	0.73	-
Total	**79.70**	**16.66**

45 **Financial Instrument**

A. **Financial Assets and Liabilities**

Financial Instrument by Category

The carrying value and fair value of financial instrument by categories as of 31 March 2023 were as follows

Rs. in Lakhs

Particulars	As at 31 March 2023			As at 31-03-2022		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Assets Measured at 31 March 2023						
Investments	165.07	-	-	171.31	-	-
Cash and cash equivalent	3,053.26	-	-	1,029.66	-	-
Other bank balances	2,813.76	-	-	8,925.49	-	-
Loans	133.57	-	-	65.39	-	-
Other financial assets	23,650.22	-	-	17,455.95	-	-
Total	**29,815.88**	-	-	**27,647.80**	-	-
Liabilities Measured at 31 March 2023						
Borrowings	360.03	-	-	84.41	-	-
Trade payables	14,204.77	-	-	11,841.76	-	-
Total	**14,564.80**	-	-	**11,926.17**	-	-

*Excludes investments (in equity shares) in subsidiary, joint venture and associate companies | entities which are carried at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures"

Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

Financial Risk Management - Objectives and Policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

Carrying Amount of Financial Assets and Liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

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Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Financial assets		
Cash and cash equivalent	3,053.26	1,029.66
Bank balances other than above	2,813.76	8,925.49
Trade receivables	23,026.11	16,370.22
Loans	133.57	46.41
Other Current asset	5,741.64	4,855.23
Other financial assets	624.11	1,085.73
At end of the year	**35,386.90**	**32,249.22**
Financial liabilities		
Borrowings	360.03	84.41
Trade payables	14,204.77	11,841.08
At end of the year	**14,564.80**	**11,925.49**

B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate are disclosed in the respective notes to the financial statements of the Company. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

(i) Exposure to Interest Rate Risk

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowing bearing fixed rate of interest	58.80	84.40
Borrowing bearing variable rate of interest	301.23	-
Total	**360.03**	**84.40**

(ii) Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Interest Rate - Increase by 50 basis points	(1.39)	(0.84)
Interest Rate - Decrease by 50 basis points	1.39	0.84

(b) Foreign Currency Risk

The Company operates internationally and the major portion of business is transacted in USD & EURO. The Company has Sales, Purchase, (etc.) in foreign currency. Consequently, the Company is exposed to foreign exchange risk.

Foreign exchange exposure is partially balanced by purchasing in goods, commodities and services in the respective currencies.

The company evaluate exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign currency exposures not specifically covered by natural hedge and forward exchange contracts as at year end are as follows:

(i) Exposure to Foreign Currency Risk

Rs. In Lakhs

Particulars	As at 31 March 2023	Current year Amount in Rs.	As at 31 March 2022	Previous year Amount in Rs.
USD	93.39	7,598.97	30.41	2,308.49
EUR	41.77	3,617.38	41.34	3,481.59
Total	**135.16**	**11,216.35**	**71.76**	**5,790.08**

(ii) Sensitivity Analysis

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
INR/USD - Increase by 5%	(18.38)	(23.08)
INR/USD - Decrease by 5%	18.38	23.08
INR/EUR - Increase by 1%	(0.36)	(34.82)
INR/EUR - Decrease by 1%	0.36	34.82

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C. Credit Risk

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

As disclosed in Note 10 (a), cash and cash equivalents balances generally represent short term deposits with a less than 90-day maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 90-360 days. But some customers take a longer period to settle the amounts.

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Low Credit Risk		
Cash and Cash Equivalents	3,053.26	1,029.66
Bank balances other than above	2,813.76	8,925.49
Loans	133.57	65.39
Trade Receivables	23,026.11	16,370.22
Other financial assets	624.11	1,085.73
Investments	3,345.28	3,340.43
Total	32,996.09	30,816.92

D. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

Financing Arrangements:

Rs. in Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Expiring within one year		
- CC/EPC Facility	277.06	-

Note:
Axis Bank EPC Loan Secured against Fix Deposit with Axis Bank Limited

Maturity Table for Financial Liabilities
For Current Year

Rs. in Lakhs

Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Total
Borrowings	297.44	62.59	-	-	360.03
Trade Payables	14,204.77	-	-	-	14,204.77
Total	14,502.21	62.59	-	-	14,564.80

For Previous Year

Rs. in Lakhs

Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Total
Borrowings	25.60	58.81	-	-	84.41
Trade Payables	11,841.14	0.62	-	-	11,841.76
Total	11,866.74	59.43	-	-	11,926.17

E. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Rs. in Lakhs

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AMI ORGANICS LIMITED (CIN:L24100GJ2007PLC051093)
Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	As at 31 March 2023	As at 31 March 2022
Total Borrowings	360.03	84.40
Trade Payables	14,204.77	11,841.08
Less: Cash and cash equivalents	(3,053.26)	(966.14)
Net Debts (A)	11,511.54	10,959.34
Total Equity	59,395.92	52,227.40
Total Debt plus Equity (B)	70,907.46	63,186.74
Capital Gearing Ratio (B/A)	16.23%	17.34%

Note:
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

46 Income Tax

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Current income tax:		
Current income tax charge	2,637.72	1,672.15
Deferred tax: Relating to origination and reversal of temporary differences (Net)	250.49	278.28
Total	**2,888.21**	**1,950.43**

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entity in India on taxable profits under the Indian tax law. The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized as follow:

Reconciliation of Income Tax Provision

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Profit before income tax	11,217.18	9,145.04
Rate of income tax	25.17%	25.17%
Computed expected tax expenses	2,824.70	2,301.62
Additional allowances for tax purpose	47.01	(455.37)
Expenses not allowed for tax purposes	45.77	37.86
Provision for Employee benefit not allowed for tax purpose		6.79
Depreciation As per Companies Act 2013	310.66	253.70
Depreciation As per Income Tax Act	(590.41)	(488.66)
Interest on late payment of advance tax		
Additional Tax payable due to MAT provisions		
Total	**2,637.72**	**1,655.94**

Applicable statutory tax rate for financial year 2022-23 is 25.17% (Previous year 2021-22 is 25.17%)

47 Gross Movement in Current Income Tax Assets & Liabilities

Rs. In Lakhs

Particulars	As at 31 March 2023	As at 31 March 2022
Net current income tax asset/(liability) at the beginning	494.06	(115.16)
Adjustments in respect of Previous year	20.31	-
Income tax paid	2,445.44	2,281.38
Current tax expenses	(2,637.72)	(1,672.15)
Total	**322.09**	**494.06**

48 Company has filled all charges within due dates with ROC

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49 Ratio Analysis

Particulars	Numerator/Denominator	UoM	As at 31 March 2023	As at 31 March 2022	Change in %	Remark for Deviation
(a) Current Ratio	Current Assets / Current Liabilities	Times	2.89	3.32	-12.95%	-
(b) Debt-Equity Ratio	Total Debts / Equity	Times	0.01	0.00	251.27%	Repayment of Debt in FY 2022 through IPO proceed.
(c) Debt Service Coverage Ratio	Earning available for Debt Service / Interest + Instalments	Times	436.21	0.61	71409.84%	Repayment of Debt in FY 2022 through IPO proceed.
(d) Return on Equity Ratio	Profit after Tax / Average Shareholder's Equity	Percentage	0.15	0.21	-28.57%	Higher Weighted Average Number of Shares in FY 2023 v/s FY 2022 Due to IPO in Sept 2021
(e) Inventory turnover ratio	Total Turnover / Average Inventories	Times	2.86	3.16	-9.49%	-
(f) Trade receivables turnover ratio	Total Turnover / Average Account Receivable	Times	3.13	3.66	-14.48%	-
(g) Trade payables turnover ratio	Total Purchases / Average Account Payable	Times	2.57	3.17	-18.93%	-
(h) Net capital turnover ratio	Total Turnover / Net Working Capital	Times	2.01	1.73	16.18%	-
(i) Net profit ratio	Net Profit / Total Turnover	Percentage	14.00%	14.00%	0.00%	-
(j) Return on Capital employed	Net Profit / Capital Employed	Percentage	18.97%	18.00%	5.39%	-

50 CSR Expenditure

Rs. in Lakhs

Particulars	As at	As at
Amount required to be spent by the company during the year	132.12	93.57
Amount of expenditure incurred	137.21	93.92
Shortfall at the end of the year/(Excess)	(5.09)	(0.35)
Total of previous years shortfall	-	-
Movement in the provision	-	-

Nature of CSR activities

Total CSR Contribution during the year is Rs. 139.43 Lakh out of which Rs. 137.21 Lakh is qualified as CSR Expense for the year FY 2022-23

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51 Other statutory Information

a) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

b) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

c) The Company is not declared wilful defaulter by any bank or financial institution or other lenders.

d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

e) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.

f) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

g) No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.

52 Subsequent Events

No subsequent event has been observed which may require an adjustment to the statement of financial position.

53 In the opinion of the Management, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

54 Balances in the accounts of Trade Receivables, Loans and Advances, Trade Payables and Other Current Liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

The estimates at 31 March 2023 and 31 March 2022 are consistent with those made for the same dates in accordance with Ind As(after adjustments to reflect any differences in accounting policies).

55 There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS)–36 'Impairment of Assets.

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

56 Previous years figure have been regrouped/rearranged wherever necessary, to correspond with the current year classification / disclosures.

57 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2023.

Signature to Notes "1 to 57"

For Maheshwari & Co.
Chartered Accountants
FRN: 105834W

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

Pawan Gattani
Partner
M.No: 144734
Place: Surat
Date: May 13, 2023

For and on behalf of Board of Directors,
AMI ORGANICS LIMITED

Nareshkumar R. Patel
Chairman & Managing Director
DIN: 00906232

Chetankumar C. Vaghasia
Whole Time Director
DIN: 01375540

Bhavin Shah
Chief Financial Officer
PAN: AXXPS0017M

Ekta Kumari

Ekta Kumari
Company Secretary
M No: A - 27323
Place: Surat
Date: May 13, 2023

AMI ORGANICS LTD. SACHIN

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AMI ORGANICS LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **AMI ORGANICS LIMITED (CIN-L24100GJ2007PLC051093)** (hereinafter referred to as "the Holding Company") and its jointly controlled entity (the Holding Company and its Jointly Controlled Entity together referred to as "Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

MAHESHWARI & CO. FRN: 105834W MUMBAI Chartered Accountants

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The key audit matters	How our audit addressed the key audit matter
Capitalization of Assets	
There are a number of areas where management judgement impacts the carrying value of property, plant and equipment, and their respective depreciation profiles. These include: – the decision to capitalize or expense costs; – the annual asset life review including the impact of changes in the strategy; and – the timeliness of the transfer from assets in the course of construction. Refer Note 3.09- of the Consolidated financial statements "Property, plant and equipment".	We tested controls in place over the property, plant and equipment cycle, evaluated the appropriateness of capitalization policies, performed tests of details on costs capitalised and assessed the timeliness of the transfer of assets in the course of construction and the application of the asset life. In performing these substantive procedures, we assessed the judgements made by management including: – the nature of underlying costs capitalised; – the appropriateness of asset lives applied in the calculation of depreciation. Assessed the appropriateness of work in progress on balance sheet date by evaluating the underlying documentation to identify possible delays.
Inventories	
At 31 March 2022, Inventory of Finished Goods is disclosed in note 8 – Inventories. In order to carry inventory at the lower of cost and net realisable value, management has identified overheads cost and made adjustments to the carrying value of these items, the calculation of which requires certain estimates and assumptions. These judgments include bifurcation of overhead cost on the Finish good, using factors existing at the reporting date. i.e. overheads is charged to the Finished goods.	Our procedures included the following to assess inventory cost: Assessing the reasonableness of the methodologies applied by management for consistency with prior years and our knowledge of industry practice. • Evaluating the assumptions and estimates applied to the methodologies – testing the identification of such inventories; – testing the accuracy of historical information and data trends; • Sample Testing the estimated future sales values, less estimated costs to sell against the carrying value of the inventories. • Recalculating the arithmetical accuracy of the computations.

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Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities or business activities included in the Consolidated Financial Statements of which we are the Independent Auditors.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit report we report that:

   a) We have sought and, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

   e) On the basis of written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022, from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**; and

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group. Refer Note 31 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, if any; and

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such joint venture to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b)The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The Company has not paid or declared any dividend during the year and until the date of report, Hence, Compliance in accordance with section 123 of the Act is not applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

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2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its joint ventures included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Maheshwari & Co.
Chartered Accountants
Firm's Registration No.105834W

K. K. Maloo
Partner
Membership No. 075872
UDIN: 22075872AJBBVJ6710

Place: Surat
Date: May 16, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of **AMI ORGANICS LIMITED** ("the Holding Company") as of 31 March 2022, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its Joint Ventures, which are incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

MAHESHWARI & CO.
FRN 105834W
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanation given to us, the Group has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Maheshwari & Co.
Chartered Accountants
Firm's Registration No.105834W

K. K. Maloo
Partner
Membership No. 075872
UDIN: 22075872AJBBVJ6710

Place: Surat
Date: May 16, 2022

AMI ORGANICS LIMITED

Consolidated Balance Sheet as at

(Amount in Lakhs)

Particulars		Note No.	March 31, 2022 (Audited)	March 31, 2021 (Audited)
I. ASSETS				
Non-current assets				
a) Property, Plant and Equipment		4a	15,844.31	14,217.62
b) Right of use assets		4b	1,936.57	1,842.91
c) Capital Work-In-Progress		4c	296.05	20.01
d) Other Intangible Assets		4d	2,672.61	2,570.11
e) Financial Assets				
(i) Investments		5	171.31	142.86
(ii) Other Financial Assets		6	1,085.73	270.60
f) Other Non-Current Assets		7	967.03	639.58
Total Non-Current Assets	A		22,973.61	19,703.69
Current Assets				
a) Inventories		8	11,217.09	6,036.31
b) Financial Assets				
(i) Trade Receivables		9	16,370.22	12,069.09
(ii) Cash and Cash Equivalents		10	1,029.66	268.46
(iii) Bank Balances Other Than (ii) Above		10(b)	8,925.49	-
(iv) Loans		11	65.39	33.43
c) Current Tax Assets(Net)			494.06	-
d) Other Assets		12	4,812.77	3,215.83
Total Current Assets	B		42,914.68	21,623.12
Total Assets	I=(A+B)		65,888.29	41,326.81
II. EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital		13	3,643.71	3,150.00
b) Other Equity		14	48,583.68	13,543.32
Total Equity	C		52,227.39	16,693.32
Non-current liabilities				
a) Financial Liabilities				
(i) Borrowings		15	58.81	7,264.42
b) Provisions		16	43.60	436.84
c) Deferred Tax Liabilities (Net)		17	626.43	327.85
Total Non-Current Liabilities			728.84	8,029.11
Current Liabilities				
a) Financial Liabilities				
(i) Borrowings		18	25.60	6,399.15
(ii) Trade Payables		19		
A.Total outstanding dues of micro enterprises and small enterprises			1,508.05	39.04
B.Total outstanding dues of other than micro enterprises and small enterprises			10,333.71	8,438.46
(iii) Other financial liabilities			-	-
b) Other Current Liabilities		20	462.64	1,515.97
c) Provisions		21	602.06	96.62
d) Current Tax Liability (Net)		22	-	115.16
Total Current Liabilities			12,932.06	16,604.40
Total Liabilities	D		13,660.90	24,633.50
Total Equity and Liabilities	II=(C+D)		65,888.29	41,326.81
Significant Accounting Policies		2-3		
The accompanying notes form an integral part of the consolidated financial statements				

As per our report of even date attached

For Maheshwari & Co.
Chartered Accountants
FRN 105834W

K. K. Maloo
Partner
Membership No.: 075872

Place: Surat
Date: May 16, 2022

For and on behalf of the Board of Directors of Ami Organics Limited

Chetankumar C. Vaghasia
Whole Time Director
(DIN-01375540)

Nareshkumar R. Patel
Chairman & Managing
(DIN-00906232)

Ekta Kumari
Company Secretary
A - 27323

Abhishek Patel
Chief Financial Officer
(Pan-AKNPP5102F)

Place: Surat
Date: May 16, 2022

AMI ORGANICS LIMITED

Consolidated Statement of Profit and Loss for the period ended

(Amount in Lakhs)

Particulars	Note No.	March 31, 2022 (Audited)	March 31, 2021 (Audited)
Revenue from operations	23	52,013.50	34,060.79
Other income	24	276.23	137.97
Total Revenue (A)		52,289.73	34,198.76
Expenses			
Cost of raw materials consumed	25	28,233.30	17,487.20
Changes in inventories of finished goods/traded goods and work-in-progress	26	(949.67)	481.36
Employee benefits expense	27	4,136.64	2,100.76
Finance costs	28	640.73	561.84
Depreciation and amortisation expense	4	1,008.02	418.81
Other expenses	29	10,075.67	5,976.17
Total expenses (B)		43,144.69	27,026.14
Profit before tax		9,145.04	7,172.62
Tax expense:			
- Current tax		1,672.15	1,756.40
- Deferred tax		278.28	16.33
		1,950.43	1,772.73
Profit for the year		7,194.61	5,399.89
Other Comprehensive Income/(Loss)			
Exchange difference on translation on Foreign Entity		128.79	(85.18)
Items that will not be reclassified to statement of profit and loss			
Measurement of defined employee benefit plans		80.65	(3.73)
Tax impact of items that will not be reclassified to statement of profit and loss		(20.30)	0.94
Total comprehensive income for the year		7,383.75	5,311.92
Earnings per equity share			
(1) Basic		21.03	17.14
(2) Diluted		21.03	17.14
Nominal value of equity shares		10.00	10.00
Significant Accounting Policies	2-3		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For Maheshwari & Co.
Chartered Accountants
FRN 105834W

K. K. Maloo
Partner
Membership No.: 075872

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

AMI ORGANICS LTD. SACHIN

Place: Surat
Date: May 16, 2022

Place: Surat
Date: May 16, 2022

For and on behalf of the Board of Directors of Ami Organics Limited

Chetankumar C. Vaghasia
Whole Time Director
(DIN-01375540)

Nareshkumar R. Patel
Chairman & Managing Director
(DIN-00906232)

Ekta Kumari

Ekta Kumari
Company Secretary
A - 27323

Abhishek Patel
Chief Financial Officer
(Pan-AKNPP5102F)

AMI ORGANICS LIMITED

Consolidated Statement of Cash Flow

(Amount in Lakhs)

Particulars		31 March 2022 (Audited)	31 March 2021 (Audited)
Cash flow from/(used in) operating activities			
Profit before tax		9,145.04	7,172.62
Adjustment for:			
Interest expense		544.91	510.81
Interest income		(258.18)	(19.53)
Depreciation and amortization		1,008.02	418.80
Unrealised exchange difference (net)		(59.24)	(21.34)
(Profit)/Loss from sale of Property, plant and equipment		-	1.78
Exchange Fluctuation on change on equity instruments		128.79	(85.18)
Remeasurement of defined employee benefit plans		80.65	(3.73)
Operating Profit Before Working Capital Changes		10,590.00	7,974.22
Movement in working capital:			
(Increase)/decrease in trade receivables		(4,145.49)	(6,416.98)
(Increase)/decrease in inventories		(5,180.78)	(802.14)
(Increase)/decrease in loans		(31.95)	(5.72)
(Increase)/decrease in other financial Assets		(815.13)	24.94
(Increase)/decrease in other Current Assets		(1,328.02)	(1,504.50)
Increase/(decrease) in trade payables		3,267.88	3,342.37
Increase/(decrease) in other current liabilities		(1,053.33)	1,352.20
Increase/(decrease) in provision		112.19	249.17
Cash generated/(used) in operations		1,415.37	4,213.56
Income taxes paid		(2,281.38)	(1,417.52)
Net Cash flow from operating activities	(A)	(866.01)	2,796.04
Cash flow from/(used) investing activities			
Payments Property, plant and equipment, (Including Capital WIP & Intangible Assets)		(3,375.81)	(10,711.48)
Interest received		258.18	19.53
Proceeds from sale of Property, plant and equipment (Including Capital WIP & Intangible Assets)		-	253.75
(Increase)/decrease in Other Bank Balance		(8,925.49)	-
(Increase)/decrease in Investment		(355.91)	317.69
Cash generated/(used) in investing activities	(B)	(12,399.03)	(10,120.51)
Cash flow from/(used in) financing activities			
Proceed /(repayment) of borrowings (net)		(13,579.16)	7,721.63
Proceeds from issue of share capital (including securities premium)		29,999.99	-
Share issue expenses		(1,849.67)	-
Interest paid		(544.91)	(510.80)
Cash generated/(used) in financing activities	(C)	14,026.25	7,210.83
Effect of Exchange differences on translation of foreign currency cash and cash equivalents	(D)	-	0.06
Net increase/(decrease) in cash and cash equivalents	(A+B+C-D)	761.20	(113.70)
Cash and cash equivalent at beginning of year		268.46	382.16
Cash and cash equivalent at end of year		1,029.66	268.46
Net increase/(decrease) as disclosed above		761.20	(113.70)

As per our report of even date attached

For Maheshwari & Co.
Chartered Accountants
FRN 105834W

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

K. K. Maloo
Partner
Membership No.: 075872

Place: Surat
Date: May 16, 2022

For and on behalf of the Board of directors of Ami organics Limited

AMI ORGANICS LTD. SACHIN

Chetankumar C. Vaghasia
Whole Time Director
(DIN-01375540)

Nareshkumar R. Patel
Chairman & Managing Director
(DIN-00906232)

Ekta Kumari

Ekta Kumari
Company Secretary
A - 27323

Abhishek Patel
Chief Financial Officer
(Pan-AKNPP5102F)

Place: Surat
Date: May 16, 2022

AMI ORGANICS LIMITED

Consolidated Statement of Changes in Equity

A Equity Share Capital

(1) Current reporting period

(Amount in Lakhs)

Balance at the beginning of current reporting period April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period April 1, 2021	Changes in equity share capital during the current year	Balance at the end of the current reporting period March 31, 2022
3,150.00	-	-	493.71	3,643.71

(2) Previous reporting period

Balance at the beginning of previous reporting period April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period April 1, 2020	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period March 31, 2021
1,050.00	-	-	2,100.00	3,150.00

B Other Equity

(1) Current reporting period

(Amount in Lakhs)

Particulars	Reserve & Surplus				Equity Instrument through Other Comprehensive Income	Other Item of other comprehensive income (Actuarial gains and losses)	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings			
Balance at the beginning of current reporting period April 1, 2021	200.02	-	-	13,128.11	298.22	(83.03)	13,543.32
Restated balance at the beginning of the current reporting period	-	29,506.29	-	-	-	-	29,506.29
Total Comprehensive income for the current year	-	-	-	-	128.79	60.35	189.14
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	7,194.61	-	-	7,194.61
Any other changes (to be specified)	-	-	-	-	-	-	-
Issue Expense	-	(1,849.68)	-	-	-	-	(1,849.68)
Balance at the end of the current reporting period March 31, 2022	200.02	27,656.61	-	20,322.72	427.01	(22.68)	48,583.68

(2) Previous reporting period

(Amount in Lakhs)

Particulars	Reserve & Surplus				Equity Instrument through Other Comprehensive Income	Other Item of other comprehensive income (Actuarial gains and losses)	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings			
Balance at the beginning of previous reporting period April 1, 2020	-	-	-	9,028.22	383.40	- 80.24	10,131.38
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Total Comprehensive Income for the previous year	-	-	-	-	- 85.18	- 2.79	- 87.97
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	5,399.89	-	-	5,399.89
Capital Reserve on acquisition	200.02	-	-	-	-	-	200.02
Issue of Bonus Shares	-	-	-	- 2,100.00	-	-	- 2,100.00
Balance at the end of the previous reporting period March 31, 2021	200.02	-	-	13,128.11	298.22	- 83.03	13,543.32

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For Maheshwari & Co.
Chartered Accountants
FRN 105834W

MAHESHWARI & CO.
FRN : 105834W
MUMBAI
Chartered Accountants

K. K. Maloo
Partner
Membership No : 075872

Place: Surat
Date: May 16, 2022

For and on behalf of the Board of directors of Ami organics Limited

Chetankumar C. Vaghasia
Whole Time Director
(DIN-01375540)

Nareshkumar R. Patel
Chairman & Managing Director
(DIN-00906232)

Ekta Kumari
Ekta Kumari
Company Secretary
A - 27323

Abhishek Patel
Chief Financial Officer
(Pan-AKNPP5102F)

Place: Surat
Date: May 16, 2022

Notes to the consolidated Financial Statements for the year ended 31 March 2022

1 Company overview

Ami Organics Limited (hereinafter referred to as "the Holding Company") and "AMI ONCO-THERANOSTICS, LLC" its jointly controlled entity (the Holding Company and its Jointly Controlled Entity together referred to as "Group"). Ami Organics Limited was originally formed as a partnership firm under the Partnership Act, 1932 in the name of "Ami Organics" pursuant to a deed of partnership dated January 3, 2004 with Promoters, among others, as partners. "Ami Organics" was then converted into private limited company under part IX of the Companies Act, 1956 under the name of "Ami Organics Private Limited" vide certificate of incorporation dated June 12, 2007 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to a resolution passed by our shareholders on April 5, 2018, Company was converted into a public limited company, following which Company's name was changed to "Ami Organics Limited", and a fresh certificate of incorporation was issued on April 18, 2018 having its registered office at Plot no. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat GJ 394230. The Company had its primary listing on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited in the FY 21-22. The Company is engaged in business of drugs intermediate chemicals and related activities.

The Consolidated Financial Statements are approved by the company's Board of Directors on May 16, 2022.

2 Significant accounting policies

Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

3.01 Basis of preparation of financial statements

Basis of consolidation

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the Proportionate consolidation .Proportionate consolidation is a method of accounting whereby a venture's share of each of the assets, liabilities, income and expenses of a jointly controlled entity is combined line by line with similar items in the venture's financial statements or reported as separate line items in the venture's financial statements.

The Group discontinues the use of the proportionate consolidation method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the investment becomes a subsidiary, the Group accounts for its investment in accordance with Ind AS 103 'Business Combination'. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures it at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest is included in the determination of the gain or loss on disposal of the associate or joint venture.

The separate financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

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3.02 Current and non-current classification

- The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

it is held primarily for the purpose of being traded;
• It is expected to be realised within 12 months after the reporting date; or
• It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
• All other assets are classified as non-current.
• A liability is classified as current when it satisfies any of the following criteria:
• It is expected to be settled in the Company's normal operating cycle;
• It is held primarily for the purpose of being traded
• It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current only.

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Consolidated Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest of Lakh, unless otherwise stated.

3.03 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

The areas involving critical estimates or judgments are:
Valuation of financial instruments
Useful life of property, plant and equipment
Defined benefit obligation
Provisions
Recoverability of trade receivables
Recognition of revenue and allocation of transaction price
Current tax expense and current tax payable
Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

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3.04 Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (note 37)
Financial instruments (including those carried at amortised cost) (note 36)

3.05 Revenue recognition

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from services, including those embedded in contract for sale of goods, namely, freight and insurance services mainly in case of export sales, is recognised upon completion of services.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

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Interest and dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

3.06 Inventories:

Items of inventories are valued lower of cost or estimated net realisable value as given below.

i. Raw Materials and Packing Materials:

Raw Materials and packing materials are valued at Lower of Cost or market value, (Cost is net of Taxes, wherever applicable). However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on First in First Out (FIFO) method.

ii. Work in process:

Work in process are valued at the lower of cost and net realizable value. The cost is computed on FIFO method.

iii. Finished goods & semi-finished goods:

Finished Goods & semi-finished goods are valued at lower of cost and net realizable value. The cost is computed on FIFO method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition

iv. Stores and spares:

Stores and spare parts are valued at lower of cost or net realisable value. Costs are determined on FIFO method and net realisable value.

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3.07 Leases:

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less, leases of low-value assets and cancellable leases. The Company recognises the lease payments associated with these leases as an expense in Profit and loss account.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

3.08 Foreign currency transactions and translation

i) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated in functional currency at closing rates of exchange at the reporting date.

ii) Exchange differences arising on settlement or translation of monetary items recognised in statement of profit and loss.

iii) As the Company enters into business transactions based on the prevailing exchange rate, forward premium and other related factors, the gain/(loss) on this account is considered to be an integral part of the operations of the Company in accordance with industry practice and to avoid distortion of operating performance.

3.09 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:
When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity .

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.10 a) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss. The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration.

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Depreciation and amortisation

The depreciation on tangible assets is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Useful life as per management
Plant and machinery	20 years
Office equipment	5 years
Computers/Servers	3/6 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years
Lease hold Land	Over the period of Lease

The useful life has been determined based on technical evaluation done by the Management/experts, which are different from the useful life prescribed in Part C of Schedule II of the Act in order to reflect actual use of the assets. The residual values ,useful life and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

3.11 Investment property

Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment properties measured initially at cost including related transitions cost and where applicable borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is incurred the carrying amount of replaced part is derecognised.

Investment properties other than land are depreciated using SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 i.e. 60 years for office premises. Investment properties include:
(i)Land
(ii)Office premises.

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.13 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in books of account but its existence is disclosed in financial statements.

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3.14 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by future events not wholly within the control of the entity.

Contingent assets require disclosure only. If the realisation of income is virtually certain, the related asset is not a contingent asset and recognition is require

3.15 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.16 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.17 Financial instruments

Initial recognition

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Subsequent measurement

(A) Non derivative financial instruments

(i) Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

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(iii) Financial liabilities
The measurement of financial liabilities depends on their classification, as described below:

(a) Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. However, the Company has borrowings at floating rates. Considering the impact of restatement of Effective interest rate, transaction cost is being amortised over the tenure of loan and borrowing.

(b) Trade & other payables
After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(B) Derivative financial instruments
The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

The company have derivative financial assets/financial liabilities which are not designated as hedges;
Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.18 Cash and cash equivalents
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

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3.19 Employee Benefits

i) Defined contribution plans (Provident Fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

ii) Defined benefit plans (Gratuity)

In accordance with applicable Indian Law, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lumsump payment to vested employees, at retirement or termination of employment, and amount based on respective last drawn salary and the years of employment with the Company. The Company's net obligation in respect of the Gratuity Plan is calculated by estimating the amount of future benefits that the employees have earned in return of their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is yield at reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligation. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service cost and the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contribution to the plan.

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.20 Lease

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.21 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

3.22 Dividend distribution

Dividend distribution to the equity holders is recognized as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.

3.23 Research and Development expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible assets is recognised as an expense when it is incurred. Items of Property, Plant and Equipment and acquired Intangible assets are used for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible assets.

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

3.24 RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below

• Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its Financial Statements.

• Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any material impact in its recognition of its property, plant and equipment in its Financial Statements

• Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its Financial Statements.

• Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its Financial Statements.

•Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its Financial Statements.

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4a Property, Plant and Equipment

(Amount in Lakhs)

Particulars	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Computers	Total
Gross Block (At cost)							
As at 31 March 2020	2,083.83	4,515.97	158.47	165.40	88.89	114.08	7,126.64
Additions	2,991.27	5,728.98	64.12	183.39	44.01	65.56	9,077.33
Deductions/Adjustments	14.23	295.27	11.97	-	12.90	-	334.37
As at 31 March 2021	5,060.87	9,949.68	210.62	348.79	120.00	179.64	15,869.60
Additions	392.54	1,797.92	12.17	165.26	104.39	104.32	2,576.60
Deductions/Adjustments	-	-	-	-	-	-	-
As at 31 March 2022	5,453.41	11,747.60	222.79	514.05	224.39	283.96	18,446.20
Depreciation/amortisation							
At 31 March 2020	263.43	791.56	87.19	55.27	38.75	75.81	1,312.01
For the year	69.83	275.79	19.44	21.35	9.79	22.61	418.81
Deductions/Adjustments	1.28	59.61	6.47	-	11.48	-	78.84
At 31 March 2021	332.00	1,008.00	100.00	77.00	37.00	98.00	1,651.98
For the year	160.71	648.09	39.01	32.99	20.73	48.39	949.91
Deductions/Adjustments	-	-	-	-	-	-	-
As at 31 March 2022	493.00	1,656.00	139.00	110.00	58.00	146.00	2,601.89
Net Block							
At 31 March 2021	4,728.87	8,941.68	110.62	271.79	83.00	81.64	14,217.62
At 31 March 2022	4,960.41	10,091.60	83.79	404.05	166.39	137.96	15,844.31

Note:-

1) Company has transferred the current production operations of specialty chemical business of Ankleshwar facility to the Jhagadia facility as a part of capacity and production rationalization exercise. Further plant and equipment of the facility has also been transferred to Jhagadia facility. However this caused no impact on the production plans, revenue or employee layoffs and the Ankleshwar facility will be developed to cater the Pharma Intermediates business of the company. However the assets transferred is under process for reinstallation and recalibration at Jhagadia facility and therefore depreciation has not been charged for the last quarter of the FY 2021-22 for asset transferred from Ankleshwar Unit.

2) #Refer Note 18(a) for information on property, plant and equipment hypothecated / mortgaged as security by the Company.

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

4b Right of use assets

(Amount in Lakhs)

Particulars	Lease Hold Land	Total
Gross Block (At cost)		
As at 31 March 2020	**403.66**	**403.66**
Additions	1,439.25	1,439.25
Deductions	-	-
As at 31 March 2021	**1,842.91**	**1,842.91**
Additions	149.67	149.67
Deductions	-	-
As at 31 March 2022	**1,992.58**	**1,992.58**
Amortisation		
As at 31 March 2020	-	-
For the year	-	-
Deductions	-	-
As at 31 March 2021	-	-
For the year	56.01	56.01
Deductions		-
As at 31 March 2022	**56.01**	**56.01**
Net Block		
As at 31 March 2021	**1,842.91**	**1,842.91**
As at 31 March 2022	**1,936.57**	**1,936.57**

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

4c A) Capital Work-in-Progress

(Amount in Lakhs)

Particulars	Opening Balance	Addition during the	Capitalized during	Closing Balance
As at 31 March 2022	20.01	278.64	2.60	296.05
As at 31 March 2021	1,170.75	246.43	1,397.17	20.01

B) Ageing of Capital Work-In-Progress

(Amount in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 Years	More than 3 years	
As at 31 March 2022					
Intangible under development	89.48	2.66	0.36	14.40	106.90
Project in Process	189.15	-	-	-	189.15
Total	278.63	2.66	0.36	14.40	296.05

(Amount in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 Years	More than 3 years	
As at 31 March 2021					
Intangible under development	2.66	0.36	10.74	6.25	20.01
Project in Process	-	-	-	-	-
Total	2.66	0.36	10.74	6.25	20.01

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

4d Other Intangible assets

(Amount in Lakhs)

Particulars	Trademark	Goodwill	Licensing & Patent	Total
Gross Block (At cost)				
As at 31 March 2020	-	1,507.72	793.08	2,300.80
Additions	0.75	284.85	-	285.60
Deductions	-	-	16.29	16.29
As at 31 March 2021	0.75	1,792.57	776.79	2,570.11
Additions	8.53	66.99	29.08	104.60
Deductions	-	-	-	-
As at 31 March 2022	9.28	1,859.56	805.87	2,674.71
Amortisation				
As at 31 March 2020	-	-	-	-
For the year	-	-	-	-
Deductions	-	-	-	-
As at 31 March 2021	-	-	-	-
For the year	2.10	-	-	2.10
Deductions	-	-	-	-
As at 31 March 2022	2.10	-	-	2.10
Net Block				
As at 31 March 2021	0.75	1,792.57	776.79	2,570.11
As at 31 March 2022	7.18	1,859.56	805.87	2,672.61

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

5 Investments (Non Current)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
A. Investments in Equity Instruments		
Trade, unquoted investments: **At cost**		
74,171 (as at 31.03.2021: 74,171) Equity shares of Rs.10 each of Globe Enviro Care Limited	10.46	10.46
	-	-
3,003 (as at 31.03.2021: 3000) Equity shares of Rs.10 each of Sachin Indl. Co.Op. Soc.	0.33	0.33
	-	-
6,05,000 (as at 31.03.2021: 6,05,000) Equity shares of Prodigy Biotech Inc	151.79	132.07
	-	-
82,176 (as at 31.03.2021: Nil) Equity shares of Narmada Clean Tech Limited(NCTL)	8.60	-
	-	-
1260 (as at 31.03.2021: Nil) Equity shares of Bharuch Enviro Infrastructure Limited	0.13	-
Total	171.31	142.86

(Rs.)

Particulars	As at 31 March 2022	As at 31 March 2021
Aggregate amount of Unquoted Investments	171.31	142.86
Market value of Quoted Investments	-	-
Aggregate provision for diminution in Value of Investments	-	-

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

6 Other Financial Assets (Non Current)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Security Deposits	779.15	145.95
Other Investment	100.58	124.65
Surplus of plan assets over obligations	206.00	-
Total	1,085.73	270.60

Note: *Investment in Key Man Insurance is Measured at Surrender value to the extent details are available, in cases where details are not available regarding Surrender value or Fund NAV, same has been taken at cost of Premium.*

7 Other Non Current Assets

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Application Money Paid for Investment in Joint Venture Advances Recoverable in Cash or in Kind or for Value to be Received	301.01	19.26
Pre Operative cost of Ami Onco	666.02	620.32
Total	967.03	639.58

8 Inventories

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw Materials	7,839.92	3,866.99
Finished Goods	1,938.57	1,226.27
Work-in-Progress		
Goods in Process	1,110.45	873.08
Packing, Consumables Stores & Spares	328.15	69.97
Total	11,217.09	6,036.31

For Hypothecation over inventories Refer Note 18(a)

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

9 Trade Receivables

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured, considered good)		
Trade Receivables	16,371.95	12,069.09
Less:Provision	(1.73)	-
Total	16,370.22	12,069.09

Note :-

1. No Trade Receivable are due from directors or other officers of the company either severally or jointly with any other person. No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

For Hypothecation over Trade Receivable Refer Note 18(a)

Note-Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

(Amount in Lakhs)

Particulars	FY 21-22						
	No Overdues	Outstanding for following periods from due date of Payment					
		Less than 6 month	6 month - 1 Year	1-2 Year	2-3 Year	more than 3 Year	Total
i) Undisputed - Considered good	12,049.47	4,227.22	76.51	13.77	4.98	-	16,371.95
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed - Credit impaired	-	-	-	-	-	-	-
i) Disputed - Considered good	-	-	-	-	-	-	-
ii) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Disputed - Credit impaired	-	-	-	-	-	-	-

Particulars	FY 20-21						
	No Overdues	Outstanding for following periods from due date of Payment					
		Less than 6 month	6 month - 1 Year	1-2 Year	2-3 Year	more than 3 Year	Total
i) Undisputed - Considered good	9,076.19	2,919.58	27.58	1.74	6.94	-	12,032.03
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed - Credit impaired	-	-	-	-	-	-	-
i) Disputed - Considered good	-	-	-	-	-	37.06	37.06
ii) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Disputed - Credit impaired	-	-	-	-	-	-	-

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

10 a) Cash and Cash Equivalents

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks-in Current Accounts	1,009.52	249.63
Cash on Hand	20.14	18.83
Total	**1,029.66**	**268.46**

10 b) Bank Balances other than (a) above

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Escrow Account	274.54	-
Fixed Deposit (Current)	8,650.95	-
(Rs.3,52,64,561 under lien against borrowing , overdraft facility, bank guarantee and with government authorities)		
Total	**8,925.49**	**-**

11 Loans

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, Considered good		
Loans and Advances to Employees	46.41	33.43
Others	18.98	-
Total	**65.39**	**33.43**

12 Other Assets

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, Considered Good		
Prepaid Expenses	63.96	61.03
Upfront fees (IPO)	-	36.88
Balances with Government Authorities	1,566.95	632.10
Advances for Capex	1,401.69	1,132.78
Advances to suppliers	734.69	278.11
Insurance Claim Receivable(Note 1)	1,045.48	1,074.93
Total	**4,812.77**	**3,215.83**

Note:-

1 The fire took place on 26/02/2021 damaging the company's property, plant and equipment and also raw material, packing material and stores and consumables resulting into loss amounting to Rs.1074.93 Lakhs. These assets are fully secured through insurance. The company has initially recognised insurance receivable of Rs.1074.93 Lakhs against such loss and reduced the same to Rs.1045.48 Lakhs after adjusting salvage value of Rs.29.45 Lakhs for left over. No amount has been received from insurance company till end of the reporting period. The management has estimated amount receivable from insurance company of Rs.1045.48 Lakhs being Reinstatement Value and it is under process with the insurance company. However this event does not affect the concept of going concern.

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13 **Equity Share Capital**

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised:		
5,00,00,000(as at 31 March 2021: 5,00,00,000 Equity shares of Rs.10 each)	5,000.00	5,000.00
	5,000.00	5,000.00
Issued, subscribed and paid up:		
3,64,37,062** (as at 31 March 2021: 3,15,00,000 Equity shares of Rs.10 each fully paid up)*	3,643.71	3,150.00
Total Equity	3,643.71	3,150.00

* Out of total 3,15,00,000 shares , the company has issued 2,10,00,000 Equity shares fully paid as bonus in the ratio 2:1 on 31st March, 2021

** Out of total 3,64,37,062 shares, the company has issued 16,58,374 & 32,78,688 Equity shares fully paid were issued on preferential basis and Initial Public offer respectively

a) **Details of Reconciliation of the Number of Shares Outstanding:**

(Amount in Lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Rs.	No. of shares	Rs.
Equity Shares:				
Shares outstanding at the beginning of the year	3,15,00,000	3,150.00	1,05,00,000	1,050.00
Add: Shares issued during the year	49,37,062	493.71	2,10,00,000	2,100.00
Shares outstanding at the end of the year	3,64,37,062	3,643.71	3,15,00,000	3,150.00

b) **Initial Public Offer**

The Company has completed its Initial Public Offering (IPO) of 9,338,288 equity shares of face value of Rs.10/- each for cash at an issue price of Rs.610/- per equity share aggregating to Rs. 5,6963.6 lakhs, consisting fresh issue of 3,278,688 equity shares aggregating to Rs. 20,000 lakhs and an offer for sale of 6,059,600 equity shares aggregating to Rs. 3,6963.56 lakhs by the selling shareholders. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on September 14, 2021. Company has undertaken a Pre-IPO Placement of Equity Shares aggregating to ₹ 10,000 lakh by issuing fresh 16,58,374 equity shares of face value Rs. 10/- each for cash at an issue price of Rs. 603/- per share. The size of the Fresh Issue has been reduced by ₹ 1,000 million pursuant to the Pre-IPO Placement.

c) **Utilisation of IPO proceeds**

(Amount in Lakhs)

Item Heads	Projected utilization of proceeds as per the offer document	Amount Utilized up to 31 March 22
Debt repayment	14,000.00	14,000.00
Working Capital (FY2021-22)	5,000.00	5,000.00
Working Capital (FY2022-23)	4,000.00	-
General Corporate	4,593.10	1,811.70
Issue Expense	2,406.90	2,406.90
Total*	30,000.00	23,218.60

*INR 23,218.60 lakhs has been utilised as on 31th March 2022, and the balance amount is still lying in the bank account and FD. The Unutilised fund is deployed in Fixed Deposit with Schedule bank and IPO Escrow account with lead banker.

d) **Terms/ rights attached to Equity Shares**

Company has increased authorised capital from Rs. 1500.00 lakhs divided into 1,50,00,000 (One Crore Fifty Lacs) Equity shares of Rs. 10/- each to Rs. 5000.00 Lakhs divided into 5,00,00,000 (Five Crore) Equity shares of Rs. 10/- each vide resolution dated 30th January 2021.

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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e) **Details of shares in the company held by each shareholder holding more than 5 %:**

(Amount in Lakhs)

Name of Shareholder	As a31 March 2022	
	No. of Shares	Rs.
Nareshkumar R. Patel	40,03,710	400.37
Sheetalben N Patel	39,37,500	393.75
Chetankumar C. Vaghasia	30,97,500	309.75
Parulben C. Vaghasia	32,37,500	323.75
Dhwani Girishkumar Chovatia	25,20,000	252.00
Girishkumar L. Chovatia	30,95,430	309.54
Kiranben Girishbhai Chovatiya	30,40,000	304.00

f) **Details of Sharehold by Promoters :**

Shareholding of Promoters as on 31st March 2022 :

Sr. No	Promoter Name	No of Shares	% of Total Shares	% Changes during the Year
1	Nareshkumar R. Patel	40,03,710	10.99	-
2	Sheetalben N Patel	39,37,500	10.81	-
3	Parulben Chetanbhai Vaghasia	32,37,500	8.89	(17.78)
4	Chetankumar C. Vaghasia	30,97,500	8.50	-

Shareholding of Promoters as on 31st March 2021 :

Sr. No	Promoter Name	No of Shares	% of Total Shares	% Changes during the Year
1	Nareshkumar R. Patel	40,03,710	12.71	-
2	Sheetalben N Patel	39,37,500	12.50	-
3	Parulben Chetanbhai Vaghasia	39,37,500	12.50	-
4	Chetankumar C. Vaghasia	30,97,500	9.83	-

14 Other Equity

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Equity Instruments through other Comprehensive Income		
Balance as per last financial statement	298.22	383.40
Addition during the year (net of tax)	128.79	(85.18)
Transfer to retained earning realised (gain)/Loss	-	-
Total (A)	**427.01**	**298.22**
Retained Earnings		
Balance as at beginning of the year	13,045.08	9,747.98
Less: Issue of Bonus Shares	-	(2,100.00)
Add : Profit for the year	7,194.61	5,399.89
Remeasurement of the defined benefit plans (net of tax)	60.35	(2.79)
Total (B)	**20,300.04**	**13,045.08**
Securities Premium		
Share Premium Ac	29,506.29	-
Less:Issue Expense	(1,849.68)	-
Total (C)	**27,656.61**	-
Capital Reserve		
Balance as at beginning of the year	200.02	-
Reserve on Acquisition	-	200.02
	200.02	**200.02**
Total (A+B+C)	**48,583.68**	**13,543.32**

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

15 Borrowings (Non-Current Liabilities)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Financial Liabilities at Amortised Cost		
Secured		
Term Loans		
From Banks and Financial institution	58.81	7,182.31
	58.81	**7,182.31**
Unsecured		
From Related Parties*	-	82.11
Total	**58.81**	**7,264.42**

*Interest free payable on demand.
Hypothecation for borrowings Refer Notes 18(a)

16 Provisions (Non-Current Liabilities)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for Employee Benefits	43.60	436.84
Total	**43.60**	**436.84**

17 Deferred Tax Assets/ (liabilities)- Net (Non Current Liabilities)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred Tax Liabilities		
Due to Difference in Depreciation	(638.02)	(441.80)
	(638.02)	**(441.80)**
Deferred Tax Assets		
Defined benefit obligation	-	113.95
Leave Encashment	11.59	-
	11.59	**113.95**
Total	**(626.43)**	**(327.85)**

18 Borrowings (Current Liabilities)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Financial Liabilities at amortised cost		
Secured		
Cash Credit	-	3,158.91
EPC Loan	-	494.21
Current Maturities of Long Term Debts	25.60	1,946.03
Unsecured		
From Banks and Financial institution -	-	800.00
Total	**25.60**	**6,399.15**

Hypothecation for borrowings Refer Notes 18(a)

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

18(a) Details of Hypothecation / Mortgage

Notes	Particular	Maturity	Term of Repayment	Interest Rate
a)	**Secured**			
	Cash credit loan from banks repayable on demand Including Letter of Credit & Bank Guarantee	Short-term	Repayable on demand	6.50%
	Vehicle Loans	Long-term	Upto 3 Years	7.90 % to 10.00%
b)	**Security details:** Working capital loans repayable on demand from banks is secured by hypothecation of tangible current assets, namely, inventories and book debts of Sachin Facility of the Company and also secured by second and subservient charge on immovable assets (Plot No. 440/5, 6 , 8206/B located in Sachin GIDC) & Movable Assets of Sachin Facility of the Company .			

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

19 Trade Payables

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Financial Liabilities at Amortised Cost		
Trade Payables		
A. Total outstanding dues of micro enterprises and small enterprises	1,508.05	39.04
B. Total outstanding dues of other than micro enterprises and small enterprises	10,333.71	8,438.46
Total	**11,841.76**	**8,477.50**

Note- Ageing analysis of the age of trade payable amounts that are past due as at the end of reporting year :

(Amount in Lakhs)

Particulars	FY 21-22					
		Outstanding for following periods from due date of Payment*				
	No Overdue	Less than 1 Year	1-2 Year	2-3 Year	More than 3 year	Total
i) MSME	981.63	526.42	-	-	-	1,508.05
ii) Others	8,217.90	2,115.20	0.33	0.28	-	10,333.71
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-

(Amount in Lakhs)

Particulars	FY 20-21					
	No Overdue	Outstanding for following periods from due date of Payment*				
		Less than 1 Year	1-2 Year	2-3 Year	More than 3 year	Total
i) MSME	26.01	13.03	-	-	-	39.04
ii) Others	5,376.93	3,061.24	0.29	-	-	8,438.46
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

20 Other Current Liabilities

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory Dues Payable	258.96	253.43
Advances from customers	13.36	44.08
Employees Dues	190.32	124.04
Payable For Inventory	-	1,094.42
Total	462.64	1,515.97

21 Provisions(Current Liabilities)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits	2.46	21.56
Provision for Expenses	599.60	75.06
Total	602.06	96.62

22 Current Tax Liability (Net)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for income tax (net)	-	115.16
Total	-	115.16

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

23 Revenue From Operations

(Amount in Lakhs)

Particulars	Year Ended March 22	Year Ended March 21
Sales	51,818.77	33,620.86
Other operating revenues	194.73	439.93
Total	52,013.50	34,060.79

24 Other Income

(Amount in Lakhs)

Particulars	Year Ended March 22	Year Ended March 21
Interest income:		
Interest income On Deposit with Banks & Others	258.19	19.53
Others:		
Foreign Exchange Fluctuation Gain	13.17	65.91
Annuity Income on Investment	4.13	16.37
Miscellaneous	0.74	36.16
Total	276.23	137.97

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

25 Cost of Raw Materials Consumed

(Amount in Lakhs)

Particulars	Year Ended March 22	Year Ended March 21
Raw Materials Consumed / Sold:		
Opening stock		
Raw Materials	3,866.99	2,951.77
Total (A)	**3,866.99**	**2,951.77**
Purchase of Raw Material	32,206.23	19,052.75
Total (B)	**32,206.23**	**19,052.75**
Less : Goods loss by fire	-	650.33
Less: Closing stock		
Raw Materials	7,839.92	3,866.99
Total (C)	**7,839.92**	**3,866.99**
Total (A+B-C)	**28,233.30**	**17,487.20**

26 Changes in Inventories of Finished Goods/Traded Goods and Work-In-Progress

(Amount in Lakhs)

Particulars	Year Ended March 22	Year Ended March 21
a) Changes in Inventories of Finished Goods / Traded Goods		
Opening stock of finished goods / traded goods:		
Finished goods	1,226.27	870.74
Add: Purchase	-	309.24
Less: Closing stock of finished goods / traded goods:		
Finished goods	1,938.57	1,226.27
Total (A)	**(712.30)**	**(46.29)**
b) Changes in work in progress		
Opening stock	873.08	1,368.65
Add: Purchase	0.00	32.08
Less: Closing stock	1,110.45	873.08
Total (B)	**(237.37)**	**527.65**
Total (A+B)	**(949.67)**	**481.36**

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

27 Employee Benefits Expense

(Amount in Lakhs)

Particulars	Year Ended March 22	Year Ended March 21
Salaries, Bonus, Commission and Allowances	3,881.59	1,876.48
Contribution to Provident and Other Funds	148.21	181.62
Staff Welfare Expenses	106.84	42.66
Total	**4,136.64**	**2,100.76**

28 Finance Costs

(Amount in Lakhs)

Particulars	Year Ended March 22	Year Ended March 21
Interest on Team Loan and CC	544.91	510.81
Interest on Statutory Dues	13.73	8.53
Interest on Income Tax	22.51	-
Processing & Bank Charges	43.09	41.83
Interest on MSME Creditors	16.49	0.67
Total	**640.73**	**561.84**

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

29 Other Expenses

(Amount in Lakhs)

Particulars	Year Ended March 22	Year Ended March 21
Stores, Spares and Tools Consumed	276.36	223.18
Job work charges	3,481.23	2,857.66
Conversion & Other Manufacturing charges	1,418.67	814.17
Power and Electricity	1,482.54	525.59
Communication Expenses	10.69	3.33
Printing and Stationery	30.38	37.23
Travelling and Conveyance Expenses	60.85	21.04
Legal and Professional Fees	194.24	152.17
Rent on Warehouse & Parking	36.81	30.31
Rates and Taxes	54.35	88.57
Repairs and Maintenance	304.62	170.33
Insurance Charges	219.09	49.71
Change in Surrender Value of Keyman Insurance Policy	-	11.87
Auditor's Remuneration:		
- for audit	7.00	7.00
- for limited review	6.50	-
CSR Expenditure	96.03	75.29
Commission and brokerage on sales	359.76	180.04
Sales and Promotion Expense	72.87	6.78
Freight, clearing and forwarding charges	1,592.96	513.94
Directors Sitting Fees	18.30	10.00
Director's Commission	12.30	-
Membership & Subscription Expenses	17.49	1.42
Loss on sale of fixed assets (net)`	-	1.78
Security Expenses	79.48	33.36
Provision for Doubtful debts	1.73	-
Loss on sale of Investment	-	32.44
R&D Testing	12.33	66.56
Miscellaneous and other expenses	229.09	62.40
Total	**10,075.67**	**5,976.17**

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

30 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(Amount in Lakhs)

Particulars	Year Ended March 22	Year Ended March 21
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,508.05	39.04
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	16.00	0.67
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	16.00	0.67

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

31 Contingencies

Particulars	Year Ended March 22	Year Ended March 21
Contingent liabilities:		
Disputed income tax liabilities(Note 1)	269.57	-
TDS	-	0.19
Total	**269.57**	**0.19**

Note:

1 For AY 2012-13 order demanding Rs. 204.68/- Lakhs has been raised for which auditee has filed appeal with CIT (Appeal).

2 For AY 2015-16 order demanding Rs. 61.90/- Lakhs has been raised for which auditee has filed appeal with CIT (Appeal).

3 For AY 2016-17 order demanding Rs. 2.99/- Lakhs has been raised for which auditee has filed appeal with CIT (Appeal).

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

32 Ratios

Sr. No	Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance %	Reason for Variance (In case of variance for more than 25%)
1	Current Ratio	Total current assets	Total current liabilities	3.32	1.30	154.8%	Repayment of working capital loan through IPO proceeds
2	Debt-to-equity Ratio	Debt consists of borrowings	Total equity	0.00	0.82	(99.8%)	Repayment of long term loan through IPO proceeds
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments Debt	Debt service = Interest payments + Principal repayments	0.61	3.06	(80.2%)	Prepayment of Debt out of IPO funds
4	Return on Equity Ratio(in %)	Profit for the year less Preference dividend (if any)	Average total equity	0.21	0.39	(46.1%)	This is due to addition of equity through IPO
5	Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	3.16	3.19	(0.8%)	-
6	Receivables Turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	3.66	3.85	(4.9%)	-
7	Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	3.17	2.80	13.3%	-
8	Net working capital turnover Ratio	Net Sales	Working Capital	1.73	6.79	(74.4%)	Prepayment of CC facilities post IPO
9	Net profit Ratio(in %)	Net Profit	Net Sales	0.14	0.16	(12.8%)	-
10	Return on Capital employed Ratio	Earning before interest and taxes	Capital Employed	0.18	0.25	(26.7%)	This is due to addition of equity through IPO
11	Return on investment	Income generated from investments	Time weighted averageinvestments	3.71%	-	0.0%	-

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

33 **Employee benefit obligations**

a. Defined Contribution Plans:

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(Amount in lakhs)

Particulars	Current Year 2021-22	Previous Year 2020-21
Contribution to PF	156.91	81.54
Contribution to ESIC	10.23	7.81
Contribution to LWF	0.16	0.10

ii. Defined Benefit Plan:

The Company has a funded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.20 Lakh.

The following tables summaries the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

(Amount in lakhs)

Particulars	Current Year 2021-22	Previous Year 2020-21
Change In present value of obligations		
PVO at beginning of year	337.20	252.49
Interest cost	30.25	16.79
Current Service Cost	48.23	76.88
Past Service Cost- (non vested benefits)	0.00	0.00
Past Service Cost -(vested benefits)	0.00	0.00
Benefits Paid	(32.84)	(11.19)
Contributions by plan participants	0.00	0.00
Business Combinations	0.00	0.00
Curtailments	0.00	0.00
Settlements	0.00	0.00
Actuarial (Gain)/Loss on obligation	(40.02)	2.24
PVO at end of year	**342.82**	**337.20**
Fair Value of Plan Assets		
Opening Fair Value of Plan Asset	21.28	22.61
Adjustment to Opening Fair Value of Plan Asset	0.00	0.00
Return on Plan Assets excl. interest income	15.10	(1.49)
Interest Income	1.40	1.49
Contributions by Employer	511.05	9.86
Benefits Paid	0.00	(11.19)
Fair Value of Plan Assets at end	**548.83**	**21.28**
Amounts to be recognized in the balance sheet and statement of profit & loss account		
PVO at end of year	342.82	337.20
Fair Value of Plan Assets at end of period	(548.83)	21.28
Funded Status	0.00	(315.92)
Net Asset/(Liability) recognized in the balance sheet	**(206.01)**	**(315.92)**
Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognized for the year	(40.02)	2.24
Adjustment to Opening Actuarial (Gain)/Loss	(25.53)	0.00
Asset limit effect	0.00	0.00
Return on Plan Assets excluding net interest	(15.10)	1.49
Unrecognized Actuarial (Gain)/Loss from previous year	0.00	0.00
Total Actuarial (Gain)/Loss recognized in (OCI)	**(80.65)**	**3.73**
Expense recognized in the statement of P & L A/C		
Current Service Cost	48.23	76.88
Adjustment to Opening Service Cost	25.53	
Net Interest	28.85	15.30
Past Service Cost- (non vested benefits	-	-
Past Service Cost -(vested benefits)	-	-
Curtailment Effect	-	-
Settlement Effect	-	-
Expense recognized In the statement of P & L A/C	**102.61**	**92.17**
Movements in the Liability recognized in Balance Sheet		
Opening Net Liability	337.20	229.88
Expenses as above	102.61	92.17
Contribution paid	(565.17)	11.41
Other Comprehensive Income(OCI)	(80.65)	3.73
Closing Net Liability	**(206.01)**	**337.20**

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

(Amount in lakhs)

Net liability is bifurcated as follows :	As at 31 March 2022	As at 31 March 21
Current	(61.69)	11.26
Non-current	(144.32)	325.94
Net liability	(206.01)	337.20

Assumptions as at		
Mortality	IALM (2012-13) Ult.	IALM (2012-13) Ult.
Interest / Discount Rate	0.07	0.07
Rate of increase in compensation	0.12	0.12
Annual increase in healthcare costs		
Future Changes in maximum state healthcare benefits		
Expected average remaining service	19.91	19.91
Retirement Age	60 Year	60 Year
Employee Attrition Rate	2% For All Ages	2% For All Ages

A quantitative analysis for significant assumption is as shown below:

Indian gratuity plan:

(Amount in lakhs)

Particulars	Current Year 2021-22	Previous Year 2020-21
Assumptions -Discount rate		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.01	0.01
Impact on defined benefit obligation -increase of sensitivity level	328.52	286.62
Impact on defined benefit obligation -decrease of sensitivity level	358.24	400.96
Assumptions -Future salary escalations rates		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.01	0.01
Impact on defined benefit obligation-increase of sensitivity level	352.88	379.57
Impact on defined benefit obligation-decrease of sensitivity level	332.79	297.58
Assumptions -Withdrawal rate(W.R.) Sensitivity		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.10	-
Impact on defined benefit obligation-increase of sensitivity level	343.48	-
Impact on defined benefit obligation-decrease of sensitivity level	341.87	-

Particulars	As at 31 March 2022	As at 31 March 21
Within 1 year	25.75	11.26
1-2 year	22.92	5.31
2-3 year	17.45	5.65
3-4 year	54.30	5.87
4-5 year	40.16	13.94
5-10 year	138.17	68.65

34 **Segmental Information**

In accordance with IND AS 108 "Operating segment" - The Company used to present the segment information identified on the basis of internal report used by the Company to allocate resources to the segment and assess their performance. The Board of Directors of the Company is collectively the Chief Operating Decision Maker (CODM) of the Company.

The chief operating decision maker monitors the operating results of its segment separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated on the basis on profit and loss.

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

Summary of the segment Information as follows:

(Amount in lakhs)

Particulars	As at 31 March 2022	As at 31 March 21
Segment Revenue		
Sales and income from operations		
Within India	21,714.95	16,055.49
Outside India	30,103.83	17,565.37
	51,818.78	**33,620.86**
Carrying amount of assets by geographical location of assets		
Segment Assets		
Within India	57,650.34	35,982.59
Outside India	7,743.89	5,344.22
	65,394.23	**41,326.81**
Additions to Fixed Assets (including intangible assets and capital work in progress)		
Within India	3,049.30	9,215.18
Outside India	-	-
	3,049.30	**9,215.18**

35 **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care, ensuring environmental sustainability education, promoting gender equality and empowering women and other activities. The amount has to be expended on the activities which are specified in Schedule VII of the Companies Act, 2013.

Details of CSR expenditure required to

(Amount in lakhs)

Particulars	Current Year (2021-22)	Previous Year (2020-21)
Gross amount required to be spent by the company during the year as per	95.90	72.96
Amount spent during the year		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	93.92	75.29
Total	**93.92**	**75.29**
Excess Spent of previous year	**2.33**	
Total of shortfall / (Excess),	(0.35)	(2.33)
Reason for shortfall- Nil	-	-

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

36 **Financial Instruments**

Financial Instrument by Category

The carrying value and fair value of financial instrument by categories as of 31 March 2022 were as follows

(Amount in lakhs)

Particulars	at amortised cost	at fair value through profit and loss	at fair value through OCI	Total Carrying value
Assets:				
Cash and Cash Equivalents	1,029.66	-	-	1,029.66
Other Bank Balance	8,925.49	-	-	8,925.49
Trade Receivables	16,370.22	-	-	16,370.22
Other Financial Assets	1,085.73	-	-	1,085.73
Loans	65.39	-	-	65.39
Investments	171.31	-	-	171.31
	27,647.80	-	-	27,647.80
Liabilities:				
Borrowing	84.41	-	-	84.41
Trade and other payables	11,841.76	-	-	11,841.76
	11,926.17	-	-	11,926.17

The carrying value and fair value of financial instrument by categories as of 31 March 2021 were as follows

(Amount in lakhs)

Particulars	at amortised cost	at fair value through profit and loss	at fair value through OCI	Total Carrying value
Assets:				
Cash and Cash Equivalents	268.46	-	-	268.46
Other Bank Balance	-	-	-	-
Trade Receivables	12,069.09	-	-	12,069.09
Other Financial Assets	270.60	-	-	270.60
Loans	33.43	-	-	33.43
Investments	142.86	-	-	142.86
	12,784.44	-	-	12,784.44
Liabilities:				
Borrowing	13,663.57	-	-	13,663.57
Trade and other payables	8,477.50	-	-	8,477.50
	22,141.07	-	-	22,141.07

37 **Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

38 **Financial Risk Management Objectives and Policies**

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

Carrying Amount of Financial Assets and Liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

(Amount in lakhs)

Particulars	As at 31 March 2022	As at 31 March 21
Financial assets		
Non current investment	171.31	142.86
Cash and cash equivalent	1,029.66	268.46
Bank balances other than above	8,925.49	-
Trade receivables	16,370.22	12,069.09
Loans	65.39	33.43
Other Non Current asset	4,812.77	3,215.83
Other financial assets	1,085.73	270.60
At end of the year	**32,460.57**	**16,000.27**
Financial liabilities		
Borrowings	84.41	13,663.57
Trade payables	11,841.76	8,477.50
Other financial liabilities	-	-
At end of the year	**11,926.17**	**22,141.07**

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

Exposure to credit risk

Financial asset for which loss allowance is measured using expected credit loss model

(Amount in lakhs)

Particulars	As at 31 March 2022	As at 31 March 21
Financial assets		
Non current investment	171.31	142.86
Cash and cash equivalent	1,029.66	268.46
Bank balances other than above	8,925.49	-
Trade receivables	16,370.22	12,069.09
Loans	65.39	33.43
Other financial assets	1,085.73	270.60
At end of the year	**27,647.80**	**12,784.44**

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39 Foreign currency risk

The Company operates internationally and the major portion of business is transacted in USD & EURO The Company has Sales, Purchase, (etc) in foreign currency Consequently, the Company is exposed to foreign exchange risk.

Foreign exchange exposure is partially balanced by purchasing in goods, commodities and services in the respective currencies.

The company evaluate exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign currency exposures not specifically covered by natural hedge and forward exchange contracts as at year end are as follows:

(Amount in lakhs)

Currency	As at 31 March 2022		As at 31 March 2021	
	Foreign Currency	Indian Rupees	Foreign Currency	Indian Rupees
USD	30.41	2,308.00	23.29	1,768.00
EURO	41.34	3,138.00	26.14	1,984.00

Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax

Currency	As at 31 March 2022		As at 31 March 2021	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	(23.08)	23.08	(17.68)	17.68
EURO	(31.38)	31.38	(19.84)	19.84

40 Interest Rate Risk

Interest rate risk arises from the movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company manages its interest rate risk by having an agreed portfolio of fixed and variable rate borrowings. With all the other variables remaining constant, the following table demonstrates the sensitivity to a reasonable change in interest rates on the borrowings:

(Amount in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Financial assets		
Interest bearing - Fixed interest rate		
- Non current investment	-	-
- Non current fixed deposit	-	-
- Current fixed deposit	8,650.95	-
Financial Liabilities		
Interest bearing		
Borrowings - Floating interest rate		
- Working capital loan in rupee	-	13,663.57
- Banks & Financial institutions	84.41	-
Borrowings - Fixed interest rate		
- Banks & Financial institutions	-	-

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Increase in 100 bps points		
Effect on profit before tax	(0.84)	(136.64)
Decrease in 100 bps points		
Effect on profit before tax	0.84	136.64

41 Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

(Amount in Lakhs)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31 March 2022						
Borrowings	-	6.26	19.34	58.81	-	84.41
Other financial liabilities	-	-	-	-	-	-
Trade and other payables	-	11,691.23	149.92	0.61	-	11,841.76
	-	11,697.49	169.26	59.42	-	11,926.17
Year ended 31 March 2021						
Borrowings	82.11	309.63	6,089.52	7,182.31	-	13,663.57
Other financial liabilities	-	-	-	-	-	-
Trade and other payables	-	8,349.27	127.94	0.29	-	8,477.50
	82.11	8,658.90	6,217.46	7,182.60	-	22,141.07

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

42 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

(Amount In lakhs)

Particulars		As at 31 March 22	As at 31 March 21
Borrowings		84.41	13,663.57
Trade payables		11,841.76	8,477.50
Other financial liabilities		-	-
Less: cash and cash equivalents		-1,029.66	-268.46
Net debt	(a)	10,896.51	21,872.61
Total equity			
Total member's capital		52,227.39	16,693.32
Capital and net debt	(b)	63,123.90	38,565.93
Gearing ratio (%)	(a/b)*100	20.86	131.03

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

43 Income Tax

The major components of Income Tax Expense for the years are:

(Amount In lakhs)

Particulars	As at 31 March 22	As at 31 March 21
Current income tax:		
Current income tax charge	1,655.94	1,739.86
Adjustments in respect of previous year	16.21	16.54
MAT credit entitlement	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences (Net)	278.28	16.33
Income tax expense reported In the statement of profit or loss	1,950.43	1,772.73

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entity in India on taxable profits under the Indian tax law The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 in FY 2020-21, which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

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A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized as follow:

(Amount in lakhs)

Particulars	As at 31 March 22	As at 31 March 21
Profit before income tax	9,145.04	7,172.62
Rate of income tax	25.17%	25.17%
Computed expected tax expenses	2,301.62	1,805.21
Additional allowances for tax purpose	(455.37)	(9.83)
Expenses not allowed for tax purposes	37.86	19.64
Provision for Employee benefit not allowed for tax purpose	6.79	20.38
Depreciation As per Companies Act 2013	253.69	105.40
Depreciation As per Income Tax Act	(488.65)	(200.94)
Current Income Tax	1,655.94	1,739.86

Applicable statutory tax rate for financial year 2021-22 is 25.17% (Previous year 2020-21 is 25.17%)

The Gross movement in the current income tax asset/(Liability) for the year ended March 31, 2022 and March 31, 2021 is as follows

Particulars	As at 31 March 22	As at 31 March 21
Net current income tax asset/(liability) at the beginning	(115.16)	223.72
Income tax paid	2,281.38	1,417.52
Current tax expenses	(1,672.15)	(1,756.40)
Net current income tax asset/(liability) at the end	494.07	(115.16)

44 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Amount in lakhs)

Particulars	Current Year 2021-22	Previous Year 2020-21
Profit attributable to equity holders of the parent for basic earnings (Rs.)	7,194.61	5,399.89
Weighted average number of equity shares for basic and diluted earning per share (No's)	3,42,05,239*	3,15,00,000**
Face value per share	10	10
Basic earning per share	21.03	17.14
Diluted earning per share	21.03	17.14

* After Considering the impact of 16,84,374 & 32,78,688 Equity Shares fully Paid up were issued on Preferential basis and initial Public offer respectively.

**After considering the impact of issue of bonus shares in the ratio of 2 equity shares of Rs.10 each, for every 1 equity shares of Rs.10 each at the EGM held on March 31, 2021. 2,10,00,000 Bonus Equity Shares have been allotted on March 31, 2021 and equity share capital of the company has increased to 3,15,00,000 (number of shares).

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

45 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

For the year ended 31 March 2022

(Amount in lakhs)

Name of Entities	Net assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in OCI	
	As % of consolidated net assets	Rs.	As % of consolidated profit	Rs.	As % of consolidated profit	Rs.
Parent:						
Ami Organics Limited	99.18%	51,800.38	100.00%	7,194.61	31.91%	60.35
Joint Venture						
Ami Oncotheranostics LLC	6.89%	3,596.13	-0.17%	-12.33	0.00%	-
Elimination	-6.07%	(3,169.12)	0.17%	12.33	68.09%	128.79
Foreign Currency Translation	-	-	-	-	-	-
Total	100.00%	52,227.40	100.00%	7,195.00	100.00%	189.14

For the year ended 31 March 2021

(Amount in lakhs)

Name of Entities	Net assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in OCI	
	As % of consolidated net assets	Rs.	As % of consolidated profit	Rs.	As % of consolidated profit	Rs.
Parent:						
Ami Organics Limited	98.21%	16,395.10	100.00%	5,399.89	3.17%	(2.79)
Joint Venture						
Ami Oncotheranostics LLC	20.84%	3,478.47	-1.78%	(95.89)	-	0.00
Elimination	-19.06%	-3,181.45	1.78%	95.89	96.83%	(85.18)
Foreign Currency Translation	0.01%	1.20	-	-	-	-
Total	100.00%	16,693.32	100.00%	5,400.00	100.00%	(87.97)

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

46 RELATED PARTY DISCLOSURES

i) Related party relationships:

Particulars	Current Year 2021-22	Preceding Year 2020-21
Key managerial personnel	Nareshkumar R. Patel Chetankumar C. Vaghasia Virendra Nath Mishra Abhishek Patel (CFO) Ekta kumari Srivastava (CS)	Chetankumar C. Vaghasia Girishbhai L. Chovatia (till 31st March, 2021) Nareshkumar R. Patel Virendra Nath Mishra (From 03.03.2021) Abhishek Patel (CFO) Vishalkumar Laxmilal Shah (till 8th November 2020) Mitali Chauhan(From 9th November 2020 to 21st February 2021) Ekta kumari Srivastava (CS) (w.e f. 22nd February 2021)
Independent Director	Mr. Girikrishna S. Maniar Mrs. Richa Goyal Mr. Hetal Gandhi Mr Ram Mohan Rao Locande (From February 8, 2022) Mrs. Anita Bandyopadhyay (From February 8, 2022)	Mr. Girikrishna S. Maniar Mis. Kamini Shah (Till 31st March, 2021)
Relative of key management personnel	Parulben C. Vaghasia Shitalben N. Patel	Kiranben G. Chovatia Parulben C. Vaghasia Shitalben N. Patel
Enterprises in which relative of key management personnel have significant influence	Ami Procure Private Limited Religen Inc Alkoxide Fine Chem Private Limited Prodigy Biotech Inc Hare Krishna Bath Fittings LLP Globe Bio Care	Ami Lifesciences Pvt Ltd (till 31st March, 2021) Ami Procure Private Limited Religen Inc Prodigy Biotech Inc

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

Notes:

1 The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' and the same have been relied upon by the auditors.

2 The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year /previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

ii. Transactions with related parties:

(Amount in Lakhs)

Particulars	Current Year 2021-22	Preceding Year 2020-21
Advances given for Land		
Shitalben Patel	-	540.00
Chetankumar C. Vaghasia	-	540.00
Total	-	**1,080.00**
Advances for Land received back		
Shitalben Patel	540.00	-
Chetankumar C. Vaghasia	540.00	-
Total	**1,080.00**	-
Interest Received		
Shitalben Patel	1.68	-
Chetankumar C. Vaghasia	2.07	-
Total	**3.75**	-
Remuneration & Allowance to KMP, Relatives of KMP & Independent Directors		
Girishbhai L. Chovatia	-	111.00
Kiranben G. Chovatia	-	12.00
Nareshkumar R. Patel	405.50	180.00
Chetankumar C. Vaghasia	400.00	180.00
Shitalben N. Patel	-	12.00
Parulben C. Vaghasia	-	12.00
Vishalkumar Laxmilal Shah	-	2.68
Girikrishna S. Maniar	-	5.08
Kamini Shah	-	5.00
Mitali Chauhan	-	1.88
Ektakumari Srivastava (CS)	14.00	0.68
Virendra Nath Mishra	85.80	6.50
Ram Mohan Rao Locande	16.50	-
Abhishek Patel (CFO)	35.10	23.43
Total	**956.90**	**552.25**

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

Director Sitting Fees		
Hetal Gandhi	5.70	-
Girikrishna S. Maniar	6.30	-
Richa Goyal	5.70	-
Anita Bandyopadhyay	0.60	-
Director Commission		
Hetal Gandhi	6.30	-
Girikrishna S. Maniar	5.70	-
Richa Goyal	0.30	-
Reimbursement of Expense		
Ami Life Sciences Pvt. Ltd.	-	0.91
Girikrishna S. Maniar	0.20	-
Purchase of Material		
Hare Krishna Bath Fiitings LLP	0.51	-
Alkoxide Fine Chem Private Limited	57.55	-
Total	**88.86**	**0.91**
Advances for Investment		
Ami Oncotheranostics Llc	-	19.26
Total	-	**19.26**
Sale of Scrap Plant		
Alkoxide Fine Chem Private Limited	1.37	-
Total	**1.37**	-
Loan Taken/(Given) & Repayment thereof and balance outstanding as at the year end		
Balance at the beginning of the year		
Chetankumar C. Vaghasia	-	255.34
Girishbhai Chovatia	-	245.64
Nareshkumar R. Patel	-	230.40
Repaid during the year	-	-
Chetanbhai C. Vaghasia	-	255.34
Girishbhai Chovatia	-	163.52
Nareshkumar R. Patel	-	230.40
Balance Outstanding at the year end	-	-
*Girishbhai L. Chovatia	-	82.11
Total	-	**82.11**

*Balance outstanding has been repaid during the FY 21-22.

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Notes to the consolidated Financial Statements for the year ended 31 March 2022

47 Research and Development Expense

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Capital Expenditure	229.49	307.88
(a) Revenue Expenditure :	474.69	342.02
Total	**704.18**	**649.90**

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48 **Other statutory information**

a) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

b) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

c)The Company is not declared wilful defaulter by any bank or financial institution or other lenders.

d)The Company has not traded or invested in crypto currency or virtual currency during the financial year.

e)The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.

f) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

g) No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.

49 **Events after the end of the reporting period**

No subsequent event has been observed which may require an adjustment to the statement of financial position.

50 As part of the capacity and production rationalization exercise, Company has transferred the current production operation of speciality chemical business from Ankleshwar facility, which was acquired from Gujarat Organics Limited to one single location at Jhagadia facility. The shifting of speciality chemicals business at single location will help company achieve better utilization of the plant and improve operational efficiency. There shall be no revenue loss and employee layoffs because of transfer of aforementioned production operation from Ankleshwar to Jhagadia unit of company. Meanwhile all the current production operations at company's Surat-Sachin unit and Jhagadia unit are running normal business as usual. Company intends to restructure the Ankleshwar production facility and utilize the same for the expansion of pharma Intermediate business to support future growth requirement. The Board of Directors of the Company has approved a Proposed Capex of Rs. 1,9990.00 Lakhs, the planning, design and engineering for proposed capex at Ankleshwar unit is under preparation, the Company has already received Environmental Clearance for the proposed restructure of Ankleshwar Unit

51 The Company has considered the possible effects that may result from the pandemic relating to COVID 19 on the financial results of the Company. While evaluating the impact. the Company has considered possible future uncertainties in the economic conditions because of the pandemic. However, considering the operations of the Company , there has been no material impact on the financial position/ results of the Company. Given the Uncertainties associated with the nature and duration of this pandemic the eventual outcome of the impact of the global health pandemic may be different from those-estimated as on the date of approval of these financial results and the Company will closely monitor any material changes to the economic environment their Impact on its business in the times to come.

52 Previous period/years figure have been regrouped/rearranged wherever necessary, to correspond with the current period /year classification / disclosures.

53 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2022.

Signatures to Notes 1 to 53

As per our report of even date attached

For Maheshwari & Co.
Chartered Accountants
FRN 105834W

MAHESHWARI & CO. FRN : 105834W MUMBAI Chartered Accountants

K. K. Maloo
Partner
Membership No.: 075872

Place: Surat
Date: May 16, 2022

For and on behalf of the Board of directors of Ami organics Limited

AMI ORGANICS LTD. SACHIN

Chetankumar C. Vaghasia
Whole Time Director

Nareshkumar R. Patel
Chairman & Managing Director

Ekta Kumari

Ekta Kumari
Company Secretary

Abhishek Patel
Chief Financial Officer

Place: Surat
Date: May 16, 2022

GENERAL INFORMATION

1. Ami Organics Limited was initially formed as a partnership firm under the Partnership Act, 1932 as "Ami Organics" with effect from January 3, 2004 at Surat, Gujarat, India pursuant to a deed of partnership dated January 3, 2004 executed amongst our Promoters, along with others, as partners. The firm converted into a private limited company under the Companies Act 1956, under the name of "Ami Organics Private Limited" and a certificate of incorporation dated June 12, 2007 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into a public limited company, following which our Company's name was changed to "Ami Organics Limited", and a fresh certificate of incorporation was issued by the RoC on April 18, 2018. For further details regarding changes in the name of our Company, see "*Organisational Structure of our Company"* on page 207.

2. The CIN of our Company is L24100GJ2007PLC051093.

3. The Equity Shares of our Company were listed on BSE and NSE on September 14, 2021.

4. Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from BSE and NSE, each on June 18, 2024, under Regulation 28(1) of the SEBI Listing Regulations.

5. Our Registered and Corporate Office is located at Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230, Gujarat, India.

6. The website of our Company is www.amiorganics.com

7. The authorised share capital of our Company is ₹ 500,000,000 comprising of 50,000,000 Equity Shares of face value of ₹ 10 each. As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of our Company is ₹ 37,67,97,550 comprising of 3,76,79,755 Equity Shares of face value of ₹ 10 each.

8. The Issue was authorised and approved by the Board pursuant to the resolution dated April 12, 2024 and a special resolution passed by our Shareholders by way of postal ballot on May 14, 2024.

9. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

10. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered and Corporate Office.

11. Our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.

12. There has been no material change in the financial or trading position of our Company since March 31, 2024, the last date of the Audited Consolidated Financial Statements for Fiscal 2024 prepared in accordance with applicable accounting standards included in this Preliminary Placement Document.

13. Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "*Legal Proceedings*" on page 248.

14. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

15. The Floor Price is ₹ 1,228.71 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, as certified by our Statutory Auditors. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board resolution dated April

12, 2024, and a special resolution passed by our Shareholders by way of postal ballot on May 14, 2024, and Regulation 176(1) of the SEBI ICDR Regulations.

16. Our Company and the BRLM accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including websites of our Company and our Subsidiaries, would be doing so at their own risk.

17. Ekta Kumari Srivastava is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

Ekta Kumari Srivastava
Plot No. 440/4, 5 & 6, Road No. 82/A
GIDC Sachin, Surat – 394 230
Gujarat, India
Telephone: +91 72279 77744/ 75730 15366
E-mail: cs@amiorganics.com

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made at the sole and absolute discretion of our Company, in consultation with the BRLM, to Eligible QIBs. The names of the proposed Allottees and the percentage of post-Issue capital (assuming that the Equity Shares are Allotted to them pursuant to this Issue) that may be held by them, is set forth below:

S. No.	Name of the proposed Allottees#	Percentage of the post-Issue share capital held (%)(1)(2)
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]
6.	[●]	[●]
7.	[●]	[●]
8.	[●]	[●]
9.	[●]	[●]
10.	[●]	[●]

(1) *Based on beneficiary position as on [●] (adjusted for Equity Shares Allocated in the Issue).*
(2) *The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.*

#The details of the proposed Allottees have been intentionally left blank and will be filled in before filing the Placement Document with the Stock Exchanges and issuing the Placement Document to such proposed Allottees.

DECLARATION

The Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on the Company's business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

For and on behalf of the Board of Directors:

Signed by:

____

Name: Virendra Nath Mishra
Designation: Whole Time Director

Date: June 18, 2024
Place: Surat

DECLARATION

We, the Board of Directors of the Company, certify that:

i. the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

ii. the compliance with the Companies Act, 2013 and the rules made thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

iii. the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

For and on behalf of the Board of Directors:

Signed by:

____

Name: Virendra Nath Mishra
Designation: Whole Time Director

Date: June 18, 2024
Place: Surat

I am authorized by the QIP Committee of the Board, *vide* resolution dated June 18, 2024, to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

____

Name: Virendra Nath Mishra
Designation: Whole Time Director

Date: June 18, 2024
Place: Surat

AMI ORGANICS LIMITED

CIN: L24100GJ2007PLC051093

Registered and Corporate Office:

Plot No. 440/4, 5 & 6
Road No. 82/A, GIDC Sachin
Surat – 394 230, Gujarat, India
Telephone: +91 72279 77744/ 75730 15366
E-mail: cs@amiorganics.com
Website: www.amiorganics.com

Contact Person

Ekta Kumari Srivastava
Company Secretary and Compliance Officer
Plot No. 440/4, 5 & 6
Road No. 82/A, GIDC Sachin
Surat – 394 230, Gujarat, India
Telephone: +91 72279 77744/ 75730 15366
E-mail: cs@amiorganics.com

BOOK RUNNING LEAD MANAGER

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

M/s Maheshwari & Co., Chartered Accountants
10-11 3rd Floor, Esplanade School Building
3, AK Naik Marg, Azad Maidan
Next to New Empire Cinema, Fort
Mumbai 400 001, Maharashtra, India

LEGAL COUNSEL TO OUR COMPANY AS TO THE INDIAN LAW

Khaitan & Co
10th & 13th Floors, Tower 1C
One World Centre 841, Senapati Bapat Marg
Mumbai – 400 013, Maharashtra, India

LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGER

As to Indian law

Dentons Link Legal
Aiwan-e-Ghalib Complex, Mata Sundri Lane
New Delhi 110 002, India

As to International law

Duane Morris & Selvam LLP
16 Collyer Quay, #17-00
Singapore 049318

APPLICATION FORM

"An indicative form of the Application Form is set forth below:"

<table>
<tr><td>

AMI ORGANICS LTD.

Ami Organics Limited

Ami Organics Limited was initially formed as a partnership firm under the Partnership Act, 1932 as "Ami Organics" with effect from January 3, 2004 at Surat, Gujarat, India pursuant to a deed of partnership dated January 3, 2004 executed amongst our Promoters, along with others, as partners. The firm was converted into a private limited company under the Companies Act 1956, under the name of "Ami Organics Private Limited" and a certificate of incorporation dated June 12, 2007 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into a public limited company, following which our Company's name was changed to "Ami Organics Limited", and a fresh certificate of incorporation was issued by the RoC on April 18, 2018.

Registered and Corporate Office: Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230, Gujarat, India.
Contact Person: Ekta Kumari Srivastava, Company Secretary and Compliance Officer
CIN: L24100GJ2007PLC051093; **Website**: www.amiorganics.com;
Telephone: +91 72279 77744/ 75730 15366; **E-mail**: cs@amiorganics.com;
LEI: 335800BQIYJ5LQOLWE94 | **ISIN:** INE00FF01017

</td><td>

APPLICATION FORM

Name of the Bidder:

Form No.:

Date:

</td></tr>
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QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE") INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING UP TO ₹ [●] LAKHS IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS") AND SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013, ("COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED ("PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER, EACH AS AMENDED, BY AMI ORGANICS LIMITED ("COMPANY" OR "ISSUER", AND SUCH ISSUE, THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ [●] PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, AS APPROVED BY ITS SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (ii) hold a valid and existing registration under the applicable laws in India (as applicable); (iii) are eligible to invest in the Issue and submit this Application Form, and (iv) are (a) residents in India or (b) foreign portfolio investors participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 "SEBI FPI Regulations") and any other applicable law (other than individuals, corporate bodies and family offices), defined hereinafter ("Eligible FPIs") or a (c) multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. Further, in terms of the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended, foreign venture capital investors ("FVCIs") are not permitted to participate in the Issue. The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act ("Regulation S") and in accordance with the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see the section entitled "*Selling Restrictions*" in the accompanying preliminary placement document dated June [●], 2024 ("PPD").

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH PORTFOLIO INVESTMENT SCHEME AND SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED UNDER THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES AND LOCK-IN REQUIREMENTS. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
AMI ORGANICS LIMITED
Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230, Gujarat, India

Respected All,

On the basis of the serially numbered PPD of the Company, and subject to the terms and conditions mentioned in the PPD and in this Application Form, we hereby submit our Bid for the Allotment of the Equity Shares in the Issue on the terms and price indicated below. We hereby confirm that we are an Eligible QIB as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations , holding a valid and existing registration under the applicable laws in India (as applicable) and not (a) excluded from making an application in the Issue pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws including foreign exchange related laws. We are not a Promoter (as defined in SEBI ICDR Regulations) of the Company, or any person related to the Promoters of the Company, directly or indirectly, as defined in the SEBI ICDR Regulations and this Application Form does not directly or indirectly represent the Promoters or members of the Promoter Group, or persons or entities related to the Promoters. Further, we confirm that we do not have any right under the shareholders' agreement or voting agreement entered into with Promoters, members of the Promoter Group or persons related to Promoters, veto rights or right to appoint any nominee director on the board of directors of the Company. In addition, we confirm that we are eligible to invest in the Equity Shares under the SEBI ICDR Regulations, Reserve Bank of India circulars, and other applicable laws. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules. We confirm that we are a QIB which is (a) resident in India, or (b) an Eligible FPI or (c) a multilateral or bilateral development financial institution. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

STATUS (Please tick for applicable category)			
FI	Scheduled Commercial Bank and Financial Institutions	**IC**	Insurance Companies
MF	Mutual Funds	**VCF**	Venture Capital Funds**
NIF	National Investment Fund	**FPI**	Foreign Portfolio Investor*
IF	Insurance Funds	**AIF**	Alternative Investment Funds**
SI-NBFC	Systematically Important Non – Banking Financial Companies	**OTH**	Others ________________ (Please specify)

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*
*** Sponsor and Manager should be Indian owned and controlled.*

We confirm that the Bid size / aggregate number of Equity Shares applied for by us, and which may be Allotted to us thereon will not exceed the relevant regulatory or approved limits under applicable laws. We confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (**"SEBI Takeover Regulations"**). We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us, in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares bid for under each such scheme. We undertake that we will sign and/ or submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We acknowledge that the Board of Directors of the Company or any duly authorized committee thereof is entitled, in consultation with JM Financial Limited ("**Lead Manager**" or "**LM**"), the book running lead manager in relation to the Issue, in its absolute discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby accept the Equity Shares that may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, the Placement Document, when issued, and the confirmation of allocation note ("**CAN**"), when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be Allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for in the Issue, has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name, and in case we are joint holders, from the bank account of the person whose name appears first in the Application Form. We acknowledge and agree that we have not/shall not make any payment in cash, demand draft, or cheque. We are aware that Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the LM; in the event that (i) Equity Shares that we have applied for are not Allotted to us in full or at all, and/or (ii) the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or (iii) the Company is unable to issue and Allot the Equity Shares offered in the Issue or (iv) if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount has been paid by us.

We further understand and agree that: (i) our name, address, PAN, phone number, bank account details, email-id, and the number of Equity Shares Allotted, along with other relevant information as may be required will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, our name will be included in the Placement Document as a "proposed allottee", if applicable, along with the number of Equity Shares proposed to be Allotted to us, and the percentage of our post-Issue shareholding in the Company pursuant to the requirements under Form PAS-4 of the PAS Rules; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Gujarat at Ahmedabad as required in terms of the PAS Rules. We are also aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5.00% of the Equity Shares in this Issue, the Company shall be required to disclose our name, along with the name of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of National Stock Exchange of India Limited and BSE Limited (together referred to as the **"Stock Exchanges"**), and we consent to such disclosure. In addition, we confirm that we are eligible to invest in Equity Shares under SEBI ICDR Regulations, circulars issued by the RBI & other applicable laws. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and restriction on transferability. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and restriction on transferability, as may be applicable to us.

By signing and/or submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections entitled "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the LM, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we further hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, and have read it in its entirety including in particular, the section entitled *"Risk Factors"* therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the LM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company in consultation with the LM and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose our names and the percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the LM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the LM; and (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office. For the purposes of this representation: the expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations; (10) we agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the Memorandum of Association and Articles of Association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document (when issued), this Application Form, the CAN, (upon its issuance), and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below; ; (11) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (12) we have the ability to bear the economic risk of our investment in the Equity Shares, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (13) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (14) we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and that the Equity Shares are only being offered and sold only outside the United States in in "offshore transactions" as defined in and in reliance on Regulation S; (15) we are located outside the United States (as defined in Regulation S) and we are not submitting this Application Form as a result of any "directed selling" efforts (as defined in Regulation S); and (16) we confirm that we are eligible to invest and hold the Equity Shares in accordance with press note no. 3 (2020 Series), dated April 17, 2020, as amended and clarified from time to time, issued by the Department for Promotion of Industry and Internal Trade, Government of India, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares a land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.

We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

We confirm that we are eligible to invest and hold the Equity Shares of the Company in accordance with press note no. 3 (2020 Series), dated April 17, 2020, as amended and clarified from time to time, issued by the Department for Promotion of Industry and Internal Trade, Government of India, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
PERMANENT ACCOUNT NUMBER "PAN"			
CITY AND PIN CODE			
COUNTRY			
TELEPHONE NO.		**FAX NO.**	
MOBILE NO.			
EMAIL ID			
LEI			

BIDDER DETAILS (In Block Letters)	
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO.
FOR MF	SEBI MF REGISTRATION NO.
FOR AIFs***	SEBI AIF REGISTRATION NO.
FOR VCFs***	SEBI VCF REGISTRATION NO.
FOR SI-NBFC	RBI REGISTRATION DETAILS
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the LM.*
*** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*
**** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
By 3.30 PM (IST), [●], 2024, being the Issue Closing Date	
ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER	
Name of the Account	AMI ORGANICS LIMITED - ESCROW ACCOUNT QIP - 2024
Name of Bank	Axis Bank Limited
Address of the Branch of the Bank	Shop No. 5 & 6, 105 & 106 Gr. & 1st Floor Abhishree Adroit, Nr. Mansi Circle, Vastrapur, Ahmedabad – 380015, Gujarat, India
Account Type	Escrow Account
Account No.	924020028646010
LEI Number	335800BQIYJ5LQOLWE94
IFSC	UTIB0000032
Telephone No.	+91 72279 77744/ 75730 15366
E-mail	cs@amiorganics.com

The Bid Amount should be transferred pursuant to this Application Form within the Issue Period. All payments must be made only by way of electronic fund transfers, in favour of "AMI ORGANICS LIMITED - ESCROW ACCOUNT QIP - 2024". Payment of the entire Bid Amount should be made along with this Application Form on or before the closure of the Bid/Issue Period i.e. prior to or on the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in this Application Form.**

DEPOSITORY ACCOUNT DETAILS									
Depository Name (Please ✓)	**National Security Depository Limited**								**Central Depository Services (India) Limited**
Depository Participant Name									
DP – ID	I	N							
Beneficiary Account Number									(16-digit beneficiary account. No. to be mentioned above)
The demographic details like address, bank account details, etc. will be obtained from the Depositories as per the beneficiary account given above. **However, for the purposes of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**									

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds, if any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the LM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		**IFSC Code**	
Bank Name		**Bank Branch Address**	
NO. OF EQUITY SHARES BID FOR		**PRICE PER EQUITY SHARE (RUPEES)**	
(In Figures)	(In Words)	(In Figures)	(In Words)
BID AMOUNT (RUPEES)			
(In Figures)		(In Words)	

DETAILS OF CONTACT PERSON			
Name:			
Address:			
Tel. No.:		**Fax No:**	
Email			

OTHER DETAILS	
PAN*	
Legal Entity Identifier Code ("LEI")	
Date of Application	
Signature of Authorised Signatory (may be signed either physically of digitally)**	

ENCLOSURES ATTACHED

Attested/ certified true copy of the following:

- ☐ Copy of PAN Card or PAN allotment letter**
- ☐ FIRC
- ☐ Copy of the SEBI registration certificate as a Mutual Fund
- ☐ Copy of the SEBI registration certificate as an Eligible FPI
- ☐ Copy of the SEBI registration certificate as an AIF
- ☐ Copy of the SEBI registration certificate as a VCF
- ☐ Certified copy of certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank
- ☐ Copy of the IRDAI registration certificate
- ☐ Copy of notification as a public financial institution
- ☐ Certified true copy of the power of attorney
- ☐ Other, please specify ___________________

**It is to be specifically noted that the Bidder should not submit the GIR number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 1961.*
***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.*

Note:
(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.

(2) This Application Form is liable to be rejected if any information provided is incomplete or inadequate, at the discretion of the Company in consultation with the LM.

(3) This Application Form, the PPD sent to you and the Placement Document to be sent to you are specific to you and you may not distribute or forward the same and they are subject to the disclaimers and restrictions contained in or accompanying these documents.

(4) The duly filed Application Form along with all enclosures shall be submitted to the LM either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.