





SHREE GANESH REMEDIES LIMITED

Our Company was originally incorporated as Shree Ganesh Remedies Private Limited at Ahmedabad, Gujarat as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 27, 1995 bearing registration number 025661 issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently our Company was converted into a Public Limited Company pursuant to special resolution passed by the shareholders at the Extraordinary General Meeting held on July 12, 2017 and fresh certificate of incorporation consequently upon change of name was issued by Registrar of Companies, Gujarat, Ahmedabad dated July 28, 2017 and to consequent legal status the name of our Company was changed to "Shree Ganesh Remedies Limited". Our Company was originally listed on SME platform of BSE Limited on October 13, 2017, subsequently migrated on the Main Board platform of BSE Limited vide their notice dated November 23, 2020. The Corporate Identification Number is L24230GJ1995PLC025661.

Registered Office:- Plot no. 6011, G.I.D.C, Ankleshwar, Gujarat, 393002

Tel No: +91 02646-227777 | **Email:** investors@ganeshremedies.com | **Website:** www.ganeshremedies.com

Contact Person: Sunnykumar Narwani Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY ARE ASHOKKUMAR KOTHIA, MANUBHAI KOTHIYA, CHANDULAL KOTHIA & HANSHABEN KOTHIA \$			
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SHREE GANESH REMEDIES LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY			
<p>ISSUE OF UPTO [●] PARTLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] EACH INCLUDING A SHARE PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ 4500⁶ LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF ([●]) RIGHTS EQUITY SHARE(S) FOR EVERY ([●]) FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ₹ [●] WHICH IS ([●]) TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE [●] OF THIS DRAFT LETTER OF OFFER.</p> <p>@Assuming full subscription</p>			
AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*(Revised)	FACE VALUE (₹)	PREMIUM (₹)	TOTAL (₹)
On Application	[●]	[●]	[●]
One or more subsequent Call(s) as determined by our Board at its sole discretion, from time to time	[●]	[●]	[●]
Total	[●]	[●]	[●]
* For further details on Payment Schedule, see "Terms of the Issue" on page [●].			
GENERAL RISKS			
<p>Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The securities being offered in the Issue have not been recommended nor approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer, Specific attention of the investors is invited to "Risk Factors" beginning on page [●] of this Draft Letter of Offer before making an investment in this Issue</p>			
COMPANY'S ABSOLUTE RESPONSIBILITY			
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.</p>			
LISTING			
<p>The Equity Shares of our Company are listed on BSE Limited ("BSE") (the "Stock Exchanges"). Our Company has received "In-Principle" approvals from BSE for listing the Rights Equity Shares through their respective letters dated [●]. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of the Issue, the Designated Stock Exchange is BSE Limited.</p>			
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE		
 <p>FEDEX SECURITIES PRIVATE LIMITED B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India Tel No.: +91 81049 85249 Fax No.: 022 2618 6966 E-mail ID: mb@fedsec.in Website: www.fedsec.in Investor Grievance E-Mail ID: mb@fedsec.in Contact Person: Yash Kadakia SEBI Registration Number: INM000010163</p>	 <p>BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059 Tel. No: 022- 62628200 Fax No 022 - 62638299 E-mail Id: rightissue@bigshareonline.com Website: www.bigshareonline.com Contact Person: Vijay Surana SEBI Registration No: INR000001385</p>		
ISSUE PROGRAMME			
ISSUE OPENS ON:	[●]		
LAST DATE ON MARKET RENUNCIATION*	[●]		
ISSUE CLOSES ON:#	[●]		

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

Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

\$ On request of the Outgoing Promoters the Board of Directors of the Company in their Meeting held on February 02, 2022 to categorise - Hasmukhbhai Manubhai Kothia, Babubhai Manubhai Kothia, Subhashbhai Babubhai Kothia, Pratibha Ketan Bhai Kothia, Kothia Hashmukhbhai Manubhai (HUF), Ketan Hashmukhbhai Kothia (HUF), Ketan Hasmukhbhai Kothia, Champaben Babubhai Kothiya, Meena Subhashbhai Kothia, Manjulaben Hashmukhbhai Kothia, Sanjay Hasmukhbhai Kothiya & Susma Textiles LLP (Formerly Known as Susma Textiles Private Limited) (Outgoing promoter) from Promoter and Promoter Group' category to 'Public' category and removal of their names from 'Promoter and Promoter Group' of the Company and the Company has also sent the Postal Ballot Notice dated February 08, 2022 to Shareholders for their approval.

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SECTION I - GENERAL

CONVENTIONAL AND ABBREVIATIONS

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

References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "Statement of Special Tax Benefits" and "Financial Statements" beginning on pages 64 and 90, respectively, shall have the meaning given to such terms in such sections.

CONVENTIONAL / GENERAL TERMS

TERM	DESCRIPTION
"Shree Ganesh Remedies Limited", "SGRL", "We" or "us" or "Our Company" or "the Issuer"	Unless the context otherwise indicates or implies refers to Shree Ganesh Remedies Limited, a company incorporated as a Public Limited Company under the provisions of the Companies Act, 1956 with its registered office at Plot No. 6011, G.I.D.C., Ankleshwar-393002, Gujarat
AOA / Articles / Articles of Association	The Articles of Association of Shree Ganesh Remedies Limited, as amended from time to time
"Audited Financial Statements" or "Financial Statements"	The audited Standalone financial statements of our Company as at and for the year ended 31 st March 2021 and Limited Review Financial Results for the period ended December 31, 2021.
Auditors / Statutory Auditors	The current statutory auditors of our Company Rushik J Patel & Co.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted from time to time including any Committees thereof as the context may refer to.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Sunnykumar Narwani.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Suresh Panchal.
Director(s)	Director(s) on the board of Shree Ganesh Remedies Limited as appointed from time to time, unless otherwise specified
Equity Shares/Shares	Equity Shares of our Company having face value of ₹ 10.00/- each, fully paid up, unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company from time to time
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled "Our Management" on page 86 of this Draft Letter of Offer
ISIN	International Securities Identification Number is INE414Y01015
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer "Our Management" on page 86 this Draft Letter of Offer.

TERM	DESCRIPTION
“Limited Review Financial Results”	Limited review unaudited standalone & Consolidated financial results of our Company for the nine months period ended December 31, 2021
MoA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Outgoing Promoters and members of Promoter Group	Hasmukhbhai Manubhai Kothia, Babubhai Manubhai Kothia, Subhashbhai Babubhai Kothia, Pratibha Ketan Bhai Kothia, Kothia Hashmukhbhai Manubhai (HUF), Ketan Hashmukhbhai Kothia (HUF), Ketan Hasmukhbhai Kothia, Champaben Babubhai Kothiya, Meena Subhasbhai Kothia, Manjulaben Hashmukhbhai Kothia, Sanjay Hasmukhbhai Kothiya & Susma Textiles LLP (Formerly Known as Susma Textiles Private Limited)
Promoter / Promoter Group	Ashokkumar Kothia, Manubhai Kothiya, Chandulal Kothia, Hanshaben Kothia, Gunjan Kothia, Pooja Kothia, Kothia Ashokkumar Manubhai (HUF) & Vilasben Ashokkumar Kothia. On request of the Outgoing Promoters and members of Promoter Group the Board of Directors of the Company in their Meeting held on February 02, 2022 to categorise - Hasmukhbhai Manubhai Kothia, Babubhai Manubhai Kothia, Subhashbhai Babubhai Kothia, Pratibha Ketan Bhai Kothia, Kothia Hashmukhbhai Manubhai (HUF), Ketan Hashmukhbhai Kothia (HUF), Ketan Hasmukhbhai Kothia, Champaben Babubhai Kothiya, Meena Subhasbhai Kothia, Manjulaben Hashmukhbhai Kothia, Sanjay Hasmukhbhai Kothiya & Susma Textiles LLP (Formerly Known as Susma Textiles Private Limited) (Outgoing promoter) from Promoter and Promoter Group' category to `Public' category and removal of their names from `Promoter and Promoter Group' of the Company and the Company has also sent the Postal Ballot Notice dated February 08, 2022 to Shareholders for their approval.
Registered Office	Plot No. 6011, G.I.D.C., Ankleshwar-393002, Gujarat
Roc/Registrar of Companies	Registrar of Companies, Ahmedabad, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Ahmedabad, Gujarat, India - 380013

ISSUE RELATED TERMS

Term	Description
“Abridged Letter of Offer” or “ALOF”	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013
“Allotment”, “Allot” or “Allotted”	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, ICICI Bank Limited
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made pursuant to this Issue
Allottee(s)	Person(s) who is Allotted Equity Shares pursuant to Allotment

Term	Description
“Applicant(s)” or “Investors”	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, or (ii) filling the online Application Form available on R-WAP (instituted only for resident Investors, in the event the Investors are not able to utilize the ASBA facility for making an Application despite their best efforts), to subscribe to the Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application using the R-WAP or through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue
Application Money	Aggregate amount payable in respect of the Equity Shares applied for in the Issue at the Issue Price for the Application
“Application Supported by Blocked Amount” or “ASBA”	Application used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in a the ASBA Account maintained with the SCSB
ASBA Account	Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
Banker(s) to the Issue Agreement	Collectively, the Escrow Collection Bank(s), the Allotment Account Bank(s) and the Refund Bank(s) to the Issue. The Banker to the issue is ICICI Bank Limited
Banker to the Issue Agreement	Agreement dated ICICI Bank Limited amongst our Company, the Lead Managers, the Registrar to the Issue and the Banker(s) to the Issue for receipt of the Application Money from Applicants/Investors making an application through the R-WAP facility, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Applicants/Investors and providing such other facilities and services as specified in the agreement
Bankers to the Issue	Collectively, the Escrow Collection Bank, the Allotment Account Banks and the Refund Account Bank to the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “ <i>Terms of the Issue</i> ” beginning on page 150.
BSE	“BSE Limited”
Common Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue
“Controlling Branches” or “Controlling Branches of the SCSBs”	Such branches of the SCSBs which co-ordinate with the Lead Managers, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

Term	Description
	s
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Stock Exchange	BSE Limited
Draft Letter of Offer	This draft letter of offer dated February 15, 2022 filed with Stock Exchanges
Eligible Shareholder(s) Equity	Holder(s) / Beneficial Owner of the Equity Shares of our Company as on the Record Date
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the R-WAP facility
“Escrow Collection Bank”, “Allotment Account Bank(s)” or “Refund Bank(s)”	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, ICICI Bank Limited.
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date, [•], and the Renouncee(s)
ISIN	International securities identification number
Issue	This issue of up to [•] Equity Shares for cash at a price ₹ [•] per Equity Share (including a premium of ₹ [•] per Equity Share) not exceeding ₹ [•] Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [•] Equity Share for every [•] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record date that is on [•] <i>Assuming full subscription</i>
Issue Agreement	Agreement dated January 17, 2022 entered into between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing Date	[•]
Issue Opening Date	[•]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹ [•] per Equity Share payable On Application: [•] per share One or more subsequent Call(s) as determined by our Board at its sole discretion, from time to time: [•] per share
“Issue Proceeds” or “Gross Proceeds”	Gross proceeds of the Issue
Issue Size	Upto [•] Partly Paid Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [•] (Including a premium of ₹ [•]) per Rights Equity Share not exceeding an amount of ₹ 4500 Lakhs
Lead Managers	Fedex Securities Private Limited (Formerly known as Fedex Securities Limited)
“Letter of Offer” or “LOF”	The final letter of offer to be filed with the Stock Exchanges and SEBI
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to

Term	Description
	further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see <i>“Objects of the Issue”</i> beginning on page 48.
NRI(s)	An individual resident outside India who is a citizen of India or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, and shall have the meaning ascribed to such term in the FEMA Regulations
Non –Institutional Investor(s)	An Investor other than a Retail Individual Investor and a Qualified Institutional Buyer
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [•]
“Qualified Institutional Buyers” or “QIBs”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
R-WAP / SEBI Rights Issue Circular	Registrar’s Web-Based Application Platform, instituted as an optional mechanism in accordance with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021, SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 06, 2020 and SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 for accessing/submitting online Application Form by resident Investors for accessing/submitting online Application Forms by resident public Investors. This platform is instituted only for resident Investors, in the event such Investors are not able to utilize the ASBA facility for making an application despite their best efforts.
Record Date	Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Equity Shares, being [•].
Refund Account Bank	The Banker to the Issue with whom the refund account will be opened, in this case being ICICI Bank Limited
“Registrar to the Issue” or “Registrar”	Bigshare Services Private Limited
Registrar Agreement	Agreement dated January 25, 2022 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue, including in relation to the R-WAP facility
Renouncee(s)	Any person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [•] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue

Term	Description
	Closing Date
Rights Entitlement(s) / RE's	Number of Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [•] Equity Shares for every [•] Equity Shares held by an Eligible Equity Shareholder
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible through the R-WAP and on the website of our Company
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at website of SEBI and / or such other website(s) as may be prescribed by SEBI from time to time.
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE Limited
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Rights Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

INDUSTRY RELATED TERMS

Term	Description
4MEP	4-(2-Methoxyethyl) Phenol
ADL	Analytical method development
API	Active pharmaceutical ingredient
ATFD	Agitated Thin film Dryer
ATJ	Alcohol-to-jet
CIPET	Institute of Petrochemicals Technology
CPVC	Chlorinated Polyvinyl Chloride
CRAMS	Contract research and manufacturing services
CTO	Chief technology officer
DCS	Distributed control system
DSIR	Department of Scientific and Industrial Research, Ministry of Science and Technology of India
EHTP	Electronic Hardware Technology Park
ICT	Institute of Chemical Technology

MEE	Multiple Effect Evaporator
MMTPA	Million metric tons per annum
MT	Metric Tons
PCPIRs	Chemicals and Petrochemicals Investment Region
PLI	Production linked incentive
PPP	public-private partnership Model
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
RCPSDC	Petrochemical Skill Development Council
RSDC	Rubber Skill Development Council
R&D	Research and development
R&D Facilities	Our R&D facilities located in Manufacturing Facility 1.
SH&E	Safety health & environment
SRP Plant	Solvent recovery plant
T2E	Thiophene-2-Ethanol

ABBREVIATIONS

Term	Description
“₹”, “Rs.”, “Rupees” or “INR”	Indian Rupees
Adjusted loans and advances	Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
CAGR	Compound annual growth rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate identification number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the rules made thereunder
Companies Act, 2013	Companies Act, 2013 along with the rules made thereunder
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
DP ID	Depository participant’s identification
DIN	Director Identification Number
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortisation expense, as presented in the statement of profit and loss
EGM	Extraordinary general meeting
EPS	Earnings per Equity Share
FCNR Account	Foreign currency non-resident account
FDI Circular 2020	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India

Term	Description
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
“Financial Year”, “Fiscal Year” or “Fiscal”	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First information report
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
“GoI” or “Government”	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
Income Tax Act	Income-tax Act, 1961
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
IFRS	International Financial Reporting Standards
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ITAT	Income Tax Appellate Tribunal
LTV	Loan to value ratio
MCA	Ministry of Corporate Affairs
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
“Net Asset Value per Equity Share” or “NAV per Equity Share”	Net Worth/ Number of Equity shares subscribed and fully paid outstanding as at March 31
Net Worth	Aggregate of Equity Share capital and other equity
NBFC	Non-banking financial companies
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
PAN	Permanent account number
PAT	Profit after tax
QP	Qualified purchaser as defined in the U.S. Investment Company Act

Term	Description
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies, Chennai
RTGS	Real time gross settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Relaxation Circulars / SEBI Rights Issue Circulars / SEBI Right Issue Circulars / SEBI Rights Issue Circular	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI Circular bearing reference No. SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 and SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
Stock Exchanges	National Stock Exchange of India Limited and BSE Limited
STT	Securities transaction tax
Supreme Court	Supreme Court of India
TAT	Turn around time
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
“U.S.\$”, “USD” or “U.S. dollar”	United States Dollar, the legal currency of the United States of America
U.S. Investment Company Act	Investment Company Act of 1940, as amended
U.S. Person	U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)
U.S. QIB	Qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act
“USA”, “U.S.” or “United States”	United States of America
U.S. SEC	U.S. Securities and Exchange Commission
U.S. Securities Act	U.S. Securities Act of 1933, as amended
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

NOTICE TO OVERSEAS INVESTOR

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and the application form and the issue of the Rights Entitlement and the Rights Equity Shares to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions.

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

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

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, the Lead Managers, the Stock Exchange and on R-WAP.

Our Company, the Lead Managers, and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlement and the Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any offering materials or advertisements in connection with the Issue may not be distributed, whole or in part, in or into in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for subscription to Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer or the Application Form or the Rights Entitlement Letter in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Managers or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form.

Any person who makes an application to acquire rights and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that he is authorized to acquire the rights and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company reserves the right to treat any Application form as invalid where they believe that Application form is incomplete or acceptance of such Application form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of the Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date

hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer or the date of such information.

Our Company, in consultation with the Lead Managers, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted or dispatched from the United States (unless the Application Form is submitted by a U.S. QIB in the United States who is also a QP) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.

Neither the receipt of the Letter of Offer nor any sale of Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer or the date of such information.

THE CONTENTS OF THE LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX, BUSINESS, FINANCIAL OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR ASTO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF THE EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGERS OR ITS AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS ENTITLEMENTS OR THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS

NO OFFER IN THE UNITED STATES

The rights entitlements and the rights equity shares have not been and will not be registered under the united states securities act of 1933, as amended (the "US Securities Act"), or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (the "United States" or "U.S."), except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and the rights equity shares referred to in the Letter of Offer are being offered in India, but not in the United States. The offering to which this draft letter of offer relates is not, and under no circumstances is to be construed as, an offering of any rights equity shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, this draft letter of offer should not be forwarded to or transmitted in or into the United States at any time. Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States of America. Envelopes containing an application form should not be postmarked in the United States of America or otherwise dispatched from the United States of America or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer, no payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer, the Abridged Letter of Offer and Application form only to Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires Rights Entitlements or the Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, that (i) it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States of America (ii) does not have a registered address (and is not otherwise located) in the United States when the buy order is made and (iii)

it is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable law, rules and regulations. Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the CAF does not have a registered address (and is not otherwise located) in the United States of America, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; or (iii) where our Company believes that the CAF is incomplete or the acceptance of such CAF may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such CAF. Rights Entitlement may not be transferred or sold to any person in the United States of America.

NOTICE TO THE INVESTOR

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

PURSUANT TO THE JANUARY 22 – RIGHTS ISSUE CIRCULAR, SEBI HAS INTRODUCED THE CONCEPT OF CREDIT OF RIGHTS ENTITLEMENTS INTO THE DEMAT ACCOUNTS OF THE ELIGIBLE EQUITY SHAREHOLDERS, WHICH CAN BE RENOUNCED BY THEM BY WAY OF ON MARKET RENUNCIATION OR OFF MARKET RENUNCIATION. FURTHER, THE CREDIT OF RIGHTS ENTITLEMENTS AND ALLOTMENT OF RIGHTS EQUITY SHARES SHALL BE MADE ONLY IN DEMATERIALIZED FORM.

ALSO FURTHER, DUE TO THE COVID-2019 PANDEMIC, SEBI BY ITS **MAY 06, 2020, JULY 24, 2020, JANUARY 19, 2021, AND APRIL 22, 2021, OCTOBER 01, 2021 ("RIGHTS ISSUE CIRCULAR")** STATED THAT THE ISSUER ALONG WITH THE LEAD MANAGER SHALL CONTINUE TO COMPLY WITH POINT (V) AND (VI) OF THE SEBI CIRCULAR NO. SEBI/HO/CFD/DIL2/CIR/P/2020/78 DATED MAY 06, 2020 AND OCTOBER 01, 2021. FOR DETAILS, SEE "*ISSUE INFORMATION*" ON PAGE 150.

FORWARD-LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

All statements contained in the Draft Letter of Offer that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Letter of Offer regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Draft Letter of Offer (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties 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.

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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Impact of epidemics and pandemics with respect to recent example of COVID-19 on our business and operations;
- General economic and business conditions in the markets in which we operate and in the local, Regional, National and International economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government(s) could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian National, State and Local Governments;
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under “Risk Factors” and “Our Business” beginning on pages 21 and 75, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on our revenue could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. The forward-looking statements contained in this Draft Letter of Offer are based on the beliefs of management, as well as the assumptions made by, and information currently

available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it 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 Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer and neither our Company nor the Lead Managers undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

CERTAIN CONVENTIONS

In this Draft Letter of Offer, unless the context otherwise indicates or implies, references to 'Shree Ganesh Remedies Limited', the 'Company', 'our Company', the 'Issuer' are to Shree Ganesh Remedies Limited, and references to 'we', 'our' or 'us' are to Shree Ganesh Remedies Limited on a consolidated basis.

In this Draft Letter of Offer, references to the 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and all reference 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. Our Company has presented certain numerical information in this Draft Letter of Offer in "crore", "million" and "lakh" units. One crore represents 1,00,00,000. One lakh represents 1,00,000. One million is 10 Lakhs.

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

FINANCIAL DATA

Unless stated otherwise and unless context requires otherwise, the financial data in this Draft Letter of Offer is derived from the Financial Statements. We have prepared our Financial Statements in accordance with Ind AS prescribed under the Section 133 of the Companies Act 2013. Our Company publishes its financial statements in Rupees. For details, see "*Financial Statements*" on page 90.

Our Fiscal commences on April 1 of the immediately preceding calendar year and ends on March 31 of the following calendar year. Accordingly, all references to a particular Financial Year or Fiscal or FY, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

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

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

MARKET AND INDUSTRY DATA

Aside from the above, unless stated otherwise, market, industry and demographic data used in this Draft Letter of Offer has been obtained from market research, publicly available information, industry publications and government sources. Industry publications generally state that the information contained in such publication has been obtained from sources believed to be reliable but that the accuracy and completeness of that information are not guaranteed. Similarly, internal surveys, industry forecasts, market research and industry and market data used in this Draft Letter of Offer, while believed to be reliable, have not been independently verified by us or the Lead Manager or its affiliates, and neither our Company, the Lead Manager, nor its respective affiliates make any representation as to the accuracy of that information.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 21 of this Draft Letter of Offer. There can be no assurance that such third party statistical, financial and other industry information is either complete or accurate. Accordingly, Investors should not place undue reliance on this information.

Non-GAAP measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Net Worth, return on Net Worth, Net Asset Value per Equity Share, ratio of non-current liabilities-borrowings (including current maturities of long-term borrowings) / total equity, ratio of Total Borrowings / total equity and earnings before interest, tax, depreciation and amortization have been included in this Draft Letter of Offer. We compute and disclose such non-GAAP financial 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. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Currency of Presentation

Unless otherwise specified or the context otherwise requires, all references to:

- 'INR', '₹', 'Indian Rupees' and 'Rupees' are to the legal currency of India; and
- 'US\$', 'USD', '\$' and 'U.S. Dollars' are to the legal currency of the United States of America.

The following table provides information with respect to the exchange rate for the Indian rupee per US\$1.00. The exchange rates are based on the reference rates released by Foreign Benchmark India Private Limited which is available on their website. 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.

Currency	As on December 31, 2021	As on December 31, 2020	As on March 31, 2021	As on March 31, 2020
1 US \$	74.30	73.07	73.50	75.39

Source: www.fbil.org.in

Note: In the event that any of the abovementioned dates of any of the respective financial years is a public holiday, the previous calendar day not being a public holiday has been considered.

SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this draft Letter of Offer, including the sections, “Risk Factors”, “Industry Overview”, “Our Business”, “Objects of the Issue”, “Outstanding Litigation and Defaults”, and “Financial Statements” on pages 21, 68, 75, 48, 138 and 90 respectively.

SUMMARY OF BUSINESS

Our Company was originally incorporated as Shree Ganesh Remedies Private Limited at Ahmedabad, Gujarat as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 27, 1995 bearing registration number 025661 issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently our Company was converted into a Public Limited Company pursuant to special resolution passed by the shareholders at the Extraordinary General Meeting held on July 12, 2017 and fresh certificate of incorporation consequently upon change of name was issued by Registrar of Companies, Gujarat, Ahmedabad dated July 28, 2017 and to consequent legal status the name of our Company was changed to “Shree Ganesh Remedies Limited”. Our Company was originally listed on SME platform of BSE Limited on October 13, 2017, subsequently migrated on the Main Board platform of BSE Limited vide their notice dated November 23, 2020.

Our Company is as ISO 9001:2015, ISO 14001:2015 BS and ISO 45001:2018 certified Company which, is actively engaged in manufacturing of pharma intermediates and fine-chemicals.

OVERVIEW OF THE CHEMICALS INDUSTRY IN INDIA

Covering more than 80,000 commercial products, India’s chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers and fertilisers.

Globally, India is the third largest consumer of polymers, fourth-largest producer of agrochemicals and sixth-largest producer of chemicals. The Indian chemicals industry makes up 3.4% of the global chemicals industry. In 2019, the Indian chemicals market stood at US\$ 178 billion and is forecast to reach US\$ 304 billion by 2025. The domestic chemicals sector's small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals.

India’s proximity to the Middle East, the world’s source of petrochemicals feedstock, enables it to benefit on economies of scale.

OBJECTS OF THE ISSUE

The Net Proceeds are proposed to be used in accordance with the details set forth below:

Sr. No	Objects – Description	Amount (Rs .in Lakhs)
1.	Setting up new manufacturing facility at Dahej, Gujarat	3375.00
2.	General Corporate Purpose*	[•]
	TOTAL	4500.00

Subject to the finalization of the Basis of Allotment.

**The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.*

Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio

For further details, see “Objects of the Issue” beginning on page 48.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTER

Our Promoters and Member(s) of the Promoter Group have, vide their letter dated January 18, 2022 (the "Subscription Letters") confirmed that:

- (a) they would subscribe, jointly and / or severally only to the extent of upto ₹ 500.00 Lakhs;
- (b) they would not subscribe to any Rights Entitlement that may be renounced in their favour by any other Promoters or Member(s) of the Promoter Group of our Company in accordance with Regulation 10(4)(b) and other applicable provisions of the SEBI Takeover Regulations; and
- (c) they may renounce their rights entitlement.

The Promoter has confirmed that such acquisition of Equity Shares will not result in a change of control or the management of the Company, and any such acquisition shall be subject to the aggregate shareholding of the Promoter and Promoter Group of the Company not exceeding 75% of the issued, outstanding and fully paid-up equity share capital of the Company after the Issue.

The allotment of Equity Shares of the Company subscribed by the Promoter and other members of the Promoter Group in this Issue shall not be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations.

(On request of the Outgoing Promoters and members of Promoter Group, the Board of Directors has passed resolution in their meeting held on February 02, 2022 to categorise - Hasmukhbhai Manubhai Kothia, Babubhai Manubhai Kothia, Subhashbhai Babubhai Kothia, Pratibha Ketan Bhai Kothia, Kothia Hashmukhbhai Manubhai (HUF), Ketan Hashmukhbhai Kothia (HUF), Ketan Hasmukhbhai Kothia, Champaben Babubhai Kothiya, Meena Subhasbhai Kothia, Manjulaben Hashmukhbhai Kothia, Sanjay Hasmukhbhai Kothiya & Susma Textiles LLP (Formerly Known as Susma Textiles Private Limited) ("Outgoing Promoters") from Promoter and Promoter Group' category to 'Public' category and removal of their names from 'Promoter and Promoter Group' of the Company and the Company has also sent the Postal Ballot Notice dated February 08, 2022 to Shareholders for their approval)

SUMMARY OF OUTSTANDING LITIGATION AND DEFAULTS

A summary of material outstanding legal proceedings involving our Company and our Subsidiaries, identified in accordance with the SEBI ICDR Regulations as on the date of this Draft Letter of Offer, including the aggregate approximate amount involved to the extent ascertainable, is provided below.

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in lakh)*
Company					
By the Company	1	1	-	-	0.69
Against the Company	1	-	-	-	Not Quantifiable
Directors					
By the Directors	-	-	-	--	-
Against the Directors	-	-	-	-	-
Promoters					
By the Promoters	-	-	-	-	-
Against the Promoters	-	2	-	-	0.34
Disciplinary action in the last five Fiscals	-	-	-	-	-

RISK FACTORS

Specific attention of the Investors is invited to the section “*Risk Factors*” on page 21 of this Draft Letter of Offer. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

CONTINGENT LIABILITIES OF OUR COMPANY

For details of the contingent liabilities as per Ind AS 37 for the period ended December 31, 2021 and March 31, 2021, see “*Financial Statements*” on page 90.

RELATED PARTY TRANSACTIONS

For details of the Related Party Transactions as per Ind AS 24 entered into by our Company for the period ended December 31, 2021 and March 31, 2021, see “*Financial Statements*” on page 90 of this Draft Letter of Offer.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Except mentioned below, our Company has not issued Equity Shares for consideration other than cash during the period of one year preceding the date of this Draft Letter of Offer.

Date of Allotment	Type of Issue	Consideration	No. of Shares Allotted
November 03, 2021	Bonus	Other than Cash	20,00,281 (Bonus of 1 (One) Equity Shares for every 5 (Five) Equity Shares Held)

SECTION II – RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Selected Statistical Information” and “Financial Statements” before making an investment in our Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. 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, financial condition and results of operations 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. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by customers. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences to you of an investment in our Equity Shares.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to “we”, “us” “our” refers to our Company together with our Subsidiaries, on a consolidated basis. For updates in relation to financial and operational performance as of and for the period ended December 31, 2021, see “Management Discussion and Analysis Condition and Results of Operation” beginning on page 131.

INTERNAL RISKS

1. *We are subject to certain risks consequent to our operations involving the manufacture, usage and storage of various hazardous substances.*

Our manufacturing processes involve manufacturing, storage and transportation of various hazardous substances such as phenol, hydrogen, ethylene oxide, isobutylene gas, tetrahydrofuran, methanol, toluene and methylene dichloride amongst others, and we are required to obtain approvals from various authorities for storing hazardous substances. We are 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 personal injury, 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 and / or criminal liability which could have an adverse effect on our business, financial condition and results of operations. Further, such occurrences may result in the termination of our approvals for storing such substances or penalties thereunder. Moreover, certain environmental laws impose strict liability for accidents and damages resulting from hazardous substances and any failure to comply with such laws may lead to closure, penalties, fines and imprisonment.

2. *We are dependent on our R&D activities for our future success. If we do not successfully develop or commercialise new products in a timely manner, or if the products that we commercialise do not perform as expected, our business, results of operations and financial condition may be adversely affected.*

Our success depends significantly on our ability to develop and commercialise new products in a timely manner. The development and commercialisation processes are both time consuming and costly and involve a high degree of business risk. During these periods, our competitors may be developing similar products of which we may be unaware of that could compete directly or indirectly with our products under

development. Due to the prolonged period of time for developing a new product and delays associated with regulatory approval process, we may invest resources in developing products that will face competition of which we are currently unaware. Such unforeseen competition may hinder our ability to effectively plan the timing of our product development, which could have an adverse impact on our results of operations and financial condition.

3. *Non-compliance with and changes in, safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, financial condition and results of operations.*

We operate in highly regulated industry and our operations are subject to extensive regulation in each market in which we do business. Regulatory authorities in each of these markets must approve our products before we or our distributors can market them. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, processing, handling, storage, transport or disposal of hazardous substances including employee exposure to hazardous substances and other aspects of our manufacturing operations. The discharge of materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. Any of the foregoing could subject us to legal proceedings, which could lower our profits in the event we were found liable and could also adversely affect our reputation. We are also required to obtain permits from governmental authorities for certain aspects of our operations. These laws, regulations and permits often require us to purchase and install expensive pollution control equipment or to make operational changes to limit impacts or potential impacts on the environment and/or health of our employees. Further, our compliance with these laws and regulations and our obtaining the necessary governmental permits are often a prerequisite for customer orders.

4. *The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.*

The COVID-19 pandemic has had, and any future pandemic or widespread public health emergency could have, repercussions across regional and global economies and financial markets. The outbreak of COVID-19 in many countries, including India, Europe and the United States, has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally.

The global impact of the outbreak has been rapidly evolving. Most of the jurisdictions, including where we have business operations, have reacted by instituting restrictive measures including invoking lock-downs and quarantines, requiring the closure of non-essential businesses and placing restrictions on the types of businesses that may continue to operate, mandating restrictions on travel, implementing “shelter-in-place” rules and “stay-at-home” orders, and enforcing remote working regulations. No prediction can be made of when any of the restrictions currently in place will be further relaxed or expire, or whether or when further restrictions will be announced. Although, depending on how well COVID-19 situation is under control, some government authorities are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective lock-down and shutdown of large segments of the global economy remain unknown.

There can be no assurance that there will not be any material impact on our operations if the outbreak of COVID-19 is not effectively controlled. Further, although the products we manufacture were declared as essential business products and were able to adjust our business to continue operating during the lockdown, there can be no assurance that further restrictions will not be introduced. Further, we may be required to quarantine employees that are suspected of being infected of COVID-19, as well as others that have come into contact with those employees or shut down our manufacturing facility, which could have an adverse effect on our business operations. If any of our suppliers or other service providers are affected by COVID-19 and consequently to the extent our supply chain or distribution is disrupted, this may affect our ability to meet the demand of our customers.

The extent to which the COVID-19 pandemic, and the related global economic impact, affect our business, financial condition and results of operations will depend on future developments that are highly uncertain

and cannot be predicted, including the spread, scope and duration of the COVID-19 pandemic and any recovery period, the effectiveness of further steps taken by the GoI and the RBI to mitigate the economic impacts in response to the pandemic, the effects on our customers, counterparties, employees and third-party service providers, and the time it takes for economic activities to return to pre-pandemic levels. As of the date of this DLOF, there is significant uncertainty relating to the severity of long-term adverse impact of the ongoing COVID-19 pandemic on the domestic and global economy, domestic and global financial markets, and we are unable to accurately predict the long-term impact of the COVID-19 pandemic on our speciality chemicals business. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this section

5. There are pending litigations against our Company and certain of our Directors. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, results of operations and financial condition.

Certain legal proceedings involving our Company and certain of our Directors are pending at different levels of adjudication before various courts, tribunals and authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments and which may increase expenses and current or contingent liabilities.

A summary of outstanding litigation proceedings involving our Company and Directors, as disclosed in “Outstanding Litigation and Material Developments” on page 138 in terms of the SEBI ICDR Regulations as of the date of this DLOF is provided below.

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in lakh)
Company					
By the Company	1*	1	-	-	0.69
Against the Company	1	-	-	-	Not Quantifiable
Directors					
By the Directors	-	-	-	-	-
Against the Directors	-	-	-	-	-
Promoters					
By the Promoters	-	-	-	-	-
Against the Promoters	-	2	-	-	0.34
Disciplinary action in the last five Fiscals	-	-	-	-	-

**Not quantifiable at this stage.*

For further information, see “Outstanding Litigation and Material Developments” on page 138.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour, or that no (additional) liability will arise out of these proceedings. In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons, before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products and services, our technology and/or intellectual property, our branding or marketing efforts or campaigns or our policies or any other acts/omissions.

6. Any recall of our products could adversely affect our business, prospects, reputation and results of operations.

Defects, if any, in our products could require us to undertake product recalls whether voluntary or in compliance with order of a regulatory authority. We may be required to expend considerable resources in undertaking such recalls and the demand for our products could be adversely affected. We have ongoing obligations to the regulatory authorities in the markets we operate, both before and after a product's approval and commercial release. These regulatory authorities may at any time audit our manufacturing facility or the efficacy of our products based on newly developed scientific knowledge or other factors. Such assessments may result in such regulatory authorities amending or withdrawing our existing approvals to manufacture and market our products in certain jurisdictions, which may also entail us having to recall our products from the relevant markets.

7. We require various licenses and approvals for undertaking our businesses and the failure to obtain or retain such licenses or approvals in a timely manner, or at all, may adversely affect our operations.

Our business operations are subject to various laws, the compliance of which is supervised by multiple regulatory authorities and government bodies. In order to conduct our business, we are required to obtain multiple licenses, approvals, permits and consents. Most of these approvals and licenses are subject to ongoing inspection and compliance requirements and are valid only for a fixed period of time subject to renewals and accreditations. If we fail to renew, obtain or retain any of such approvals, in a timely manner, or at all, our business and operations may be adversely affected.

8. We derive a significant part of our revenue from major customers and we do not have long term contracts with all of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, financial condition and results of operations may be adversely affected.

Our customer base currently comprises a host of multinational and domestic companies. Of our gross revenue from operations in the nine months period ended December 31, 2021 and FY21, our largest customer contributed approximately 35.99% and 55.49%, respectively; our top 10 customers contributed approximately 75.85% and 82.22%, respectively. We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers and/or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, financial condition and results of operations.

9. Our Company does not own the land on which our manufacturing facility and registered office are located.

Our Company does not own the land on which our registered office and manufacturing facility is situated. We have taken the land on lease from Gujarat Industrial Development Corporation. In the event such lease is not renewed or is terminated, it could adversely affect our operation unless we arrange for similar premises. If we are unable to continue or renew the lease on same or similar terms, or find alternate premises on lease on similar terms or at all, it may affect our business operations.

10. Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

We have employed a significant number of employees. We are unable to assure you that we will not experience disruptions in our operations due to disputes or other problems with our work force, which may lead to strikes, lock - outs or increased wage demands. Such issues could have an adverse effect on our business, and results of operations.

11. Breakdown of machinery and / or equipment used for the purpose of manufacturing process.

Any breakdown or defect in the machinery and / or the equipment used for the purpose of our manufacturing process, may delay the production process as a whole and result in missing deadlines in

delivery of products if we are unable to repair the machines or replace it within relevant timelines. Any such delays may have an adverse effect on the business of the Company.

12. *We are subject to strict quality requirements, regular inspections and audits by our customers, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our business, financial condition, results of operations and prospects*

We develop, manufacture and market a diverse range of advanced intermediates and speciality chemicals which have applications in the pharmaceutical, agrochemicals, material science, coatings, high performance photography, food additives and oil & gas segments of the chemical industry. Our customers maintain strict qualification and/or certification procedures. Our products go through various quality checks at various stages including random sampling check and quality check internally. Many of our key customers have audited and approved our facilities and manufacturing processes in the past and may undertake similar audits periodically in the future. These successful audits play a critical role in customer retention, and any issues that arise in the course of these audit may lead to loss of the particular customer. Further, failure of our products to meet prescribed quality standards may result in rejection and reworking of our products. This may result in our customers cancelling present or future purchases of our products and could adversely affect our business, financial condition and results of operations.

We also have procured ISO Certificate of quality standards for our major operations at Manufacturing stability. Any failure on our part to successfully maintain quality standards for our products may affect our customer relationships, which may adversely affect our business, financial condition, results of operations and prospects.

13. *Exchange rate fluctuations may adversely affect our results of operations as our sales from exports and a portion of our expenditures are denominated in foreign currencies.*

Our financial statements are prepared in Indian Rupees. However, our sales from exports and a portion of our raw materials expenditures are denominated in foreign currencies, mostly the U.S. Dollars. Accordingly, we have currency exposures relating to buying and selling in currencies other than in Indian Rupees, particularly the U.S. Dollar. Therefore, changes in the relevant exchange rates could also affect sales, operating results and assets and liabilities reported in Indian Rupees as part of our financial statements. While we hedge a portion of the resulting net foreign exchange position, we are still affected by fluctuations in exchange rates among the U.S. dollar and the Indian Rupee and we cannot assure you whether hedging or other risk management strategies will be effective. Additionally, we have earned gains due to these fluctuations in foreign currency in the nine months period ended December 31, 2021 & FY21 of ₹ 173.60 Lakhs and ₹ 96.42 Lakhs respectively. These gains were related to instances where the market exchange rate at the time of transaction was in our favour or against us as compared to the rates. For further information on our exchange rate risk management, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Principal Factors Affecting our Results of Operations – Foreign Exchange Rate Risk*”.

14. *We may require substantial financing for our business operations and planned capital expenditure and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability*

A significant amount of our capital expenditure during FY19 to FY21 was aimed at increasing our manufacturing and R&D capacities. Our management adopts and implements business strategies that take into account a number of macro and micro economic considerations, including our current financial condition and expected levels of growth over the medium to long term. In addition, we expect to incur our expenditure from the objects of the Offer. For further information, see “*Objects of the Offer*” on page 48.

In the future, we may require substantial capital for our business operations and planned capital expenditure to maintain and grow our existing infrastructure, purchase equipment and develop and implement new technologies in our new and existing manufacturing facilities. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our products, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. To the extent our planned expenditure

requirements exceed our available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your investment in our Company and could adversely impact our future Equity Share price.

Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. Our ability to raise debt financing on acceptable terms also depends on our credit ratings. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, financial condition and results of operations.

15. Our proposed capacity expansion plans via one of our new manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns

We intend to use a part of the Net Proceeds to set-up a new manufacturing facility in Dahej, Gujarat to expand capacities in our popular product segments and launch new product segments (“**New Project**”). This facility at Dahej in Gujarat is intended to be funded from a combination of internal accruals and proceeds of the Fresh Issue. The total estimated cost for the Project is ₹6280.57. We propose to fund the cost of the Project as follows:

Source of funds for total estimated cost	(₹ Lakh)
Net Proceeds	3375.00
Deployed from Internal accruals	466.32
Loan from Bank*	2439.25
Total	6280.57

**The Company has secured foreign currency term loan of ₹ 4000.00 Lakhs from Axis Bank Ltd as per the in-principal Sanction Letter dated January 24, 2022. The sanction letter is valid for 60 days.*

For further details please refer “*Objects of the Issue*” on page 48 of this DLOF.

Our Project remains subject to the potential problems and uncertainties that construction projects face including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. Further, there can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

The Project will require us to obtain various approvals, which are routine in nature including approvals such as consent to establish and fire-no objection certificate. For further details, see “*Objects of the Offer*” on page 48. In addition to such pending approvals, we will also need to apply for certain additional approvals required for the Project. There can be no assurance that we will be able to obtain these registrations and approvals including approvals in relations to power and water procurement in a timely manner or at all. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

16. Any regulatory actions and penalties for any past or future non-compliance may adversely affect our business or reputation, or both.

We have to comply with numerous regulatory filings, maintenance of record etc under the Companies Act, 2013, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (“Listing Regulation”), Securities Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation, 2011 and any other laws and regulation as applicable. We may have failed to comply or maintain certain record as per the applicable law (except compliance of Listing Regulation for preceding one year from the date of filing of Draft Letter of Offer where the company had duly filed the required documents with Designated Stock Exchange). If any Regulatory found the non-compliance of the applicable laws they may impose the penalty on the Company. Such penalty may impact the profitability of the Company.

17. The Company is yet to place orders for our proposed object, as specified in the objects of the Issue. Any delay in placing orders, procurement of plant and machinery may delay our implementation schedule and may also lead to increase in price of these plant and machinery, further affecting our revenue and profitability.

Although we have identified the type of plant and machinery required to be brought for our proposed manufacturing facility, we are yet to place orders as mentioned in the chapter titled “*Objects of the Issue*” on page 48 of this DLOF. These are based on our estimates and on third party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s view of the desirability of current plans, change in supplier, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machinery, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun in the implementation of our proposed project, which would have a material adverse effect on our business, results of operations and financial condition.

18. We are dependent on our management team and Key Managerial Personnel for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.

Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the management team and staff could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

19. Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses as per the insurance policy, which could adversely affect business, financial condition and results of operations.

Our operations are subject to various risks inherent to the chemicals industry and to the sale and maintaining inventory of products, as well as other risks such as theft, robbery, acts of terrorism and other force majeure events. We may not maintain sufficient insurance coverage for anticipated risks which are standard for our type of business and operations. Our insurance policies cover losses in the case of natural calamities, fire, special perils, burglary and theft. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations could be adversely affected.

20. *We engage contract labour for carrying out certain business operations. Requirement to fund their wage requirements may have an adverse impact on our business, financial condition and results of operations.*

In order to retain operational efficiencies, 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 business, financial condition and results of operations.

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

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

22. *The demand of our products in foreign countries is subject to international market conditions and regulatory risks that could adversely affect our business, financial condition and results of operations.*

We export our products to over 17 countries. During the nine months period ended December 31, 2021 and FY21 our total income from our exports amounted to ₹3001.37 Lakhs and ₹3659.51 Lakhs respectively, which constituted 59.16% and 74.56%, respectively, of our revenue from operations. Therefore, any developments in the global chemical industry or the industries in which our customers operate could have an impact on our sales from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the European Community and the United States, among others, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. Any such imposition of trade barriers may have a material adverse effect on our business, financial condition and results of operation.

23. *If the Rights Issue is undersubscribed, we may have to utilize loan amount as sanctioned and rely on our internal accruals which may impact our profitability, cash flow and financials and increase our debt exposure.*

We may have to utilise the entire sanctioned foreign currency term loan amount of ₹ 4000.00 Lakhs, if the Rights Issue is undersubscribed. We may be also required to raise additional borrowing to meet our working capital requirements in future. Such raising of fund through debt would impact the profitability, cash flow and financials of the Company.

EXTERNAL RISK

24. *Financial instability in other countries may impact our Indian financial markets*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may impact Indian financial markets and, indirectly, in the Indian

economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

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

25. *Natural or manmade disasters and health epidemics could have a negative impact on the Indian economy, damage our facilities and also destroy the outlook of our Company, being an asset heavy company.*

Natural disasters such as floods, earthquakes, famines and pandemics have in the past had a negative impact on the Indian economy, with the most recent example being the global outbreak of COVID-19 pandemic. If any such event were to occur, our business could be affected due to the event itself or due to the inability to effectively manage the effects of the particular event. Potential effects include the damage to infrastructure, damage to our telecom and refinery assets and the loss of business continuity or business information. In the event that our facilities are affected by any of these factors, our operations may be significantly interrupted, which may materially and adversely affect our business, financial condition and results of operations.

26. *A third party could be prevented from acquiring control of us because of the anti-takeover provisions under Indian law.*

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

27. *Rights of shareholders under Indian laws may differ from the laws of other jurisdictions.*

Our articles of association and Indian law govern our corporate affairs. 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.

28. *Differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.*

Our audited financial statements contained in this Letter of Offer have been prepared and presented in accordance with Ind AS and no attempt has been made to reconcile any of the information given in this Letter of Offer to any other principles or to base it on any other standards. Ind AS differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind AS and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Ind AS contained in this Letter of Offer. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is dependent on your familiarity with Ind AS and the Companies Act.

Any reliance by persons not familiar with Ind AS on the financial disclosures presented in this Letter of Offer should accordingly be limited.

29. *We are subject to risks associated with expansion into new geographic regions*

Expansion into new geographic regions subjects us to various challenges, including those relating to our lack of familiarity with the culture, local laws and regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions

By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including:

- compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in laws, regulations and practices and their interpretation;
- foreign ownership constraints and uncertainties with new local business partners;
- local preferences and service requirements;
- fluctuations in foreign currency exchange rates;
- inability to effectively enforce contractual or legal rights and adverse tax consequences;
- differing accounting standards and interpretations;
- stringent as well as differing labour and other regulations;
- differing domestic and foreign customs, tariffs and taxes;
- exposure to expropriation or other government actions; and
- political, economic and social instability

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

RISKS IN RELATION TO EQUITY SHARES

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

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through offmarket transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlement

31. *The R-WAP facility proposed to be used for this Issue may be exposed to risks, including risks associated with payment gateways.*

In accordance with SEBI Relaxation Circulars, a separate R-WAP facility (accessible at [●]), has been instituted for making an Application in this Issue by resident Investors (only in the event such Investors are not able to utilize the ASBA facility for making an Application despite their best efforts). Further, R-WAP is only an additional option and not a replacement of the ASBA process. On R-WAP, the resident Investors can access and fill the Application Form in electronic mode and make online payment using the internet banking or UPI facility from their own bank account thereat. For details, please refer to the chapter titled “*Terms of*

the Issue” on page 150 of this DLOF. Such payment gateways and mechanisms are faced with risks such as:

- keeping information technology systems aligned and up to date with the rapidly evolving technology in the payment services industries;
- scaling up technology infrastructure to meet requirements of growing volumes;
- applying risk management policies effectively to such payment mechanisms;
- keeping users’ data safe and free from security breaches; and
- effectively managing payment solutions logistics and technology infrastructure.

Further, R-WAP is a new facility which has been instituted due to challenges arising out of the COVID-19 pandemic. We cannot assure you that R-WAP will not suffer from any unanticipated system failure or breakdown or delay, including failure on part of the payment gateway, and therefore, your Application may not be completed or may be rejected. These risks are indicative and any failure to manage them effectively can impair the efficacy and functioning of the payment mechanism for this Issue. Since Application process through R-WAP is different from the ASBA process, there can be no assurance that investors will not find difficulties in accessing and using the R-WAP.

32. SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, October 01, 2021 (SEBI Rights Issue Circular) streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Letter of Offer.

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. Further, while in accordance with the SEBI Rights Issue Circulars, the credit of Rights Entitlements shall be made into the demat accounts of the Eligible Equity Shareholders as on the Record Date, such Eligible Equity Shareholders shall be participate in the Issue only in accordance with the applicable laws in their respective jurisdictions.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

33. We cannot guarantee that the Equity Shares issued under this Issue will be listed on the Stock Exchanges in a timely manner, if at all.

In accordance with Indian law and practice, after our Board or committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the investors, we are required to apply to the Stock Exchanges for final approval for listing and trading of the Equity Shares. 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. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity

Shares will commence within the specified time period, subjecting you to market risk for such period. Any failure or delay in obtaining these approvals would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, may not be indicative of the prices at which the Equity Shares will trade in the future.

34. *Any future issuance of Equity Shares by us or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares*

Any future issuance of our Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if securities transaction tax ("STT") was paid on the sale transaction. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares Rights Entitlements.

Further, the Finance Act, 2019, which has been notified with effect from April 1, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The

stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019, however these amendments will come into effect from July 1, 2020. The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

37. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date*

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

38. *Overseas shareholders may not be able to participate in the Company's future rights offerings or certain other equity issues.*

If our Company offers or causes to be offered to holders of its Equity Shares 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 such rights available to holders of the Equity Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For instance, our Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States unless: (i) a registration statement is in effect, if a registration statement under the US Securities Act is required in order for the Company to offer such rights to holders and sell the securities represented by such rights; or (ii) the offering and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the US Securities Act. Our Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

39. *The Issue Price of the Rights Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.*

The Issue Price of the Rights Equity Shares will be determined by our Company in consultation with the Lead Manager. This price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the 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.

40. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

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

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

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

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

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

43. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.*

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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

45. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

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

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

SECTION III – INTRODUCTION

THE ISSUE

The Issue has been authorized by way of a resolution passed by our Board on November 19, 2021, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio will be determined by the Board formed by the Board of Directors at their meeting held on [●].

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, detailed information included in “*Terms of the Issue*” beginning on page 150 of this Draft Letter of Offer.

Rights Equity Shares being offered by our Company	Up to [●] Rights Equity Shares
Rights Entitlement	[●] Rights Equity Share for every [●] fully paid-up Equity Share(s) held on the Record Date
Record Date	[●]
Face value per equity share	₹ 10.00/- each
Rights Price (Issue Price) per equity share	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes [●]% of the Issue Price and the balance ₹ [●] per Rights Equity Share which constitutes [●]% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time.
Issue Size (Rights Size)	Upto ₹ 4500.00 Lakhs. <i>#To be adjusted as per the Rights Entitlement ratio</i>
Dividend	Such dividend, in proportion to the amount paid-up on the Rights Equity Shares, as may be recommended by our Board and declared by our Shareholders, as per applicable law.
Equity Shares subscribed, paid-up and outstanding prior to the Issue	1,20,06,727 Equity Shares. For details, see “ <i>Capital Structure</i> ” beginning on page 40 of this DLOF
Equity Shares subscribed, paid-up and outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	Up to [●] [#] Equity Shares <i>#Assuming full subscription</i>
Security codes for the Equity Shares	ISIN for Equity Shares: INE414Y01015 ISIN for Partly paid up shares: [●] BSE Scrip ID: SGRL and BSE Code: 540737
ISIN for Rights Entitlements	[●]
Terms of the Issue	For details, see “ <i>Terms of the Issue</i> ” beginning on page 150 of this DLOF
Use of Issue Proceeds	For details, see “ <i>Objects of the Issue</i> ” beginning on page 48 of this DLOF

For Rights Equity Shares being offered under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●]. As per SEBI Rights Issue Circular the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Rights Equity Share each, if such Eligible Equity Shareholders have applied for additional Rights Equity Shares over and above their Rights Entitlements.

GENERAL INFORMATION

Our Company was originally incorporated as Shree Ganesh Remedies Private Limited at Ahmedabad, Gujarat as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 27, 1995 bearing registration number 025661 issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently our Company was converted into a Public Limited Company pursuant to special resolution passed by the shareholders at the Extraordinary General Meeting held on July 12, 2017 and fresh certificate of incorporation consequently upon change of name was issued by Registrar of Companies, Gujarat, Ahmedabad dated July 28, 2017 and to consequent legal status the name of our Company was changed to “Shree Ganesh Remedies Limited”. Our Company was originally listed on SME platform of BSE Limited on October 13, 2017, subsequently migrated on the Main Board platform of BSE Limited vide their notice dated November 23, 2020. The Corporate Identification Number is L24230GJ1995PLC025661.

REGISTERED OFFICE OF OUR COMPANY

Plot no. 6011, G.I.D.C, Ankleshwar, Gujarat, 393002
Tel: +91 02646-227777
Email: investors@ganeshremedies.com
Website: www.ganeshremedies.com

REGISTRAR OF COMPANIES

RoC Bhavan, Opp Rupal Park,
Society behind Ankur Bus Stop,
Ahmedabad, Gujarat – 380013, India.

COMPANY SECRETARY & COMPLIANCE OFFICER

Sunnykumar Narwani

Plot no. 6011, G.I.D.C, Ankleshwar , Gujarat, 393002
Tel: +91 02646-227777
Email: investors@ganeshremedies.com
Website: www.ganeshremedies.com

The details of Intermediaries are as follows:

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
FEDEX SECURITIES PRIVATE LIMITED 3rd Floor, B Wing, Jay Chambers, Nanda Patkar Road, Vile Parle (E), Mumbai – 400 057, Maharashtra, India Tel No.: +91 81049 85249 Fax No.: 022 2618 6966 E-mail: mb@fedsec.in Website: www.fedsec.in Contact Person: Yash Kadakia SEBI Registration Number: INM000010163 Investor Grievance E-Mail: mb@fedsec.in	BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059 Tel. No: 022- 62628200 Fax No 022 - 62638299 E-mail Id: rightsissue@bigshareonline.com Website: www.bigshareonline.com Contact Person: Vijat Surana SEBI Registration No: INR000001385
STATUTORY AUDITOR & PEER REVIEW AUDITOR	BANKERS TO THE ISSUE
M/s Rushik J Patel & Co. 2c-2g, 2 nd Floor, Reshambhavan, Nr. Param Doctor House, Lal Darwaja, Surat. Tel No: +91 88662 88229 Email Id: mr.rushik@ymail.com Contact Person: Rushik Patel Firm Registration No: 135751W Membership No: 148969	ICICI Bank Limited Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400020 Tel No: 022 66818911 Email Id: sagar.welekar@icicibank.com Website: www.icicibank.com Contact Person: Sagar Welekar

Peer Review No.: 011850	SEBI Registration No.: INBI00000004
BANKER TO THE COMPANY	LEGAL ADVISOR TO THE ISSUE
Axis Bank Limited Ground, First Floors, Plot No. C-3-9 Opp Asoplalav Guest House Nr. Railway Station, old, N.H. No.8, GIDC Ankleshwar, Gujarat - 393002 Tel No: 02646-2247552 Email Id: zala.randhirsindhineshsingh@axisbank.com Website: www.axisbank.com Contact Person: Mr.Randhir Zala	Shah Advocates C/3/201, Anshruti Tower, Near Janin Temple, S. G. Highway, Thatlej, Ahmedabad – 380 054 Contact: 94268 37114 Email: dshahadvocate@gmail.com Web: www.dshahadvocates.com Contact Person: Dharmesh Shah Bar Council Reg No.: G/754/1991

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post- Issue related matters. All grievances relating to the ASBA process or R-WAP may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Equity Shares applied for, amount blocked (in case of ASBA process) or amount debited (in case of R-WAP process), ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process), and copy of the e-acknowledgement (in case of R-WAP process).

For details on the ASBA process and R-WAP process, see “*Terms of the Issue*” beginning on page 150 of this Draft Letter of Offer.

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks (“SCSBs”)

The lists of SCSBs notified by SEBI to act as SCSB for the ASBA process is available on the website of SEBI on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details of the Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link.

Registrar to The Issue and Share Transfer Agents (“RTA”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Collecting Depository Participants (“CDP”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Fedex Securities Private Limited being sole Lead Manager to this Issue, all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them. Hence, a statement of inter-se allocation of responsibilities is not required.

CREDIT RATING

This being a Rights Issue of Equity Shares, credit rating is not required.

DEBENTURE TRUSTEES

Since this is not a debenture issue, appointment of debenture trustee is not required.

MONITORING AGENCY

As per Regulation 60 of SEBI ICDR Regulations, the issue size is not exceeding ₹ 5000 Lakhs, therefore appointment of monitoring agency is not applicable to this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

UNDERWRITING

This Right Issue is not underwritten.

FILING

This Draft Letter of Offer is being filed with the Stock Exchanges i.e., BSE Limited to obtain In-Principle approval. The letter of Offer shall be submitted with Stock Exchanges and SEBI for information and dissemination purpose as per the provisions of the SEBI ICDR Regulations.

In light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this Draft Letter of Offer / Letter of Offer to the e-mail address: cfddil@sebi.gov.in.

MINIMUM SUBSCRIPTION

Our Promoters and Member(s) of the Promoter Group have, vide their letter dated *January 18, 2022* (the "Subscription Letters") confirmed that : (i) they would subscribe, jointly and / or severally only to the extent of upto ₹ 500.00 Lakhs; (ii) they would not subscribe to the Rights Entitlement that may be renounced in their favour by any other Promoters or Member(s) of the Promoter Group of our Company in accordance with Regulation 10(4)(b) and other applicable provisions of the SEBI Takeover Regulations; and (iii) they may renounce their rights entitlement.

Since, the proposed Rights Issue is for an amount less than ₹ 5000 Lakhs minimum subscription criteria provided in regulation 86(1)(b) of the SEBI ICDR Regulations read with Regulation 60 is not applicable. Accordingly, the Rights Issue size would stand reduced to the extent of undersubscription, if any of the Rights Entitlement.

CAPITAL STRUCTURE

The Share Capital of our Company as on the date of this Draft Letter of Offer and after the proposed Issue is set forth below:

(Amount in ₹ Lakhs, except the share data)

Sr. No.	Particulars	Aggregate value at	
		Face value	Issue Price
1	AUTHORISED SHARE CAPITAL		
	1,40,00,000 Equity Shares of face value of ₹ 10.00/- each	1,400.00	N.A.
	10,00,000 Preference Shares of face value of ₹ 10.00/- each	100.00	N.A.
2	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL		
	1,20,06,727 fully paid-up Equity Shares of face value of ₹ 10.00/- each	1200.67	N.A.
	PRESENT ISSUE IN TERMS OF THE LETTER OF OFFER (*)		
	Up to [●] Partly paid up Equity shares of face value of ₹ 10.00/- each at a price of ₹ [●]/- per Equity Share***	[●]	Upto 45 Crore
3	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE (**)		
	Up to [●] fully paid-up Equity Shares of face value ₹ 10.00/- each	[●]	N.A.
	[●] Partly Paid up Equity Shares of face value of ₹ [■]/- each (₹ [■]/- Partly Paid)#	[●]	N.A.
SECURITIES PREMIUM ACCOUNT			
	Before this Issue as on December 31, 2021		₹ 500.51
	After all the Calls are made in respect of Rights Equity Shares****		₹ [■]^

*The present Issue has been authorised by the Board of Directors of vide a resolution at its meeting held on November 19, 2021.

**Assuming full subscription for and allotment of the Rights Equity Shares. Please note that the Payment Schedule and the right to call up the remaining paid-up capital in one or more calls will be as determined by our Board at its sole discretion.

***On Application, Investors will have to pay ₹ [●] per Rights Equity Share which constitutes [●]% of the Issue Price and the balance ₹ [●] per Rights Equity Share which constitutes [●]% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion.

****Assuming full payment of all Calls by holders of Rights Equity Shares

^Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue expenses.

Confirmations

As on the date of this Draft Letter of offer, the promoter and promoter group hereby confirms that:

- No Equity Shares of our Company held by our Promoters or members of the Promoter Group have been are locked in, pledged & encumbered and
- Except as disclosed below, no Equity Shares has been acquired by our Promoter or members of the Promoter Group in the last one year immediately preceding the date of filing of the Draft Letter of Offer.

S. No.	Date of Acquisition	Name of the Promoter / Promoter Group	No. of Equity Shares acquired	Price per Equity Share (in ₹)	Nature of Transaction
1.		Ashokkumar Manubhai Kothia	66,923	NIL	Bonus
		Manubhai Jivabhai Kothiya	14,523		

S. No	Date of Acquisition	Name of the Promoter / Promoter Group	No. of Equity Shares acquired	Price per Equity Share (in ₹)	Nature of Transaction
	November 03, 2021	Chandulal Manubhai Kothia	8,23,510		
		Hanshaben Chandubhai Kothia	2,42,125		
		Gunjan Chandulal Kothia	20,000		
		Pooja Gunjan Kothia	1,00,000		
		Susma Textiles LLP (Formerly known as Susma Textiles Private Limited)	17,065		
		Kothia Ashokkumar Manubhai (Huf)	1,761		
		Vilasben Ashokkumar Kothia	97,320		
2	September 01, 2021	Manubhai Jivabhai Kothiya	72,615	NIL	Inter-se off market transfer (Gift received)
3	June 02, 2021	Chandulal Manubhai Kothia	2,69,718	NIL	Inter-se off market transfer (Gift received)
4	June 15, 2021	Hanshaben Chandubhai Kothia	2,46,430	NIL	Inter-se off market transfer (Gift received)
5	March 25, 2021	Gunjan Chandulal Kothia	100000	NIL	Inter-se off market transfer (Gift received)
6	March 25, 2021	Pooja Gunjan Kothia	5,00,000	NIL	Inter-se off market transfer (Gift received)
7	March 30, 2021	Hansaben Chandubhai Kothia	2,87,441	NIL	Inter-se off market transfer (Gift received)
8	March 30, 2021	Hansaben Chandubhai Kothia	1,44,399	NIL	Inter-se off market transfer (Gift received)
9	March 30, 2021	Chandulal Manubhai Kothia	5,40,563	NIL	Inter-se off market transfer (Gift received)
10	March 30, 2021	Chandulal Manubhai Kothia	14,35,485	NIL	Inter-se off market transfer (Gift received)
11	March 30, 2021	Chandulal Manubhai Kothia	10,65,903	NIL	Inter-se off market transfer (Gift received)

3. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. The Rights Equity Shares, when issued shall be partly paid up. For details on the terms of this Issue, see “*Terms of the Issue*” on page 150 of this DLOF.

Intention and extent of participation by our promoter and promoter group:

Our Promoters and Member(s) of the Promoter Group have, vide their letter dated January 18, 2022 (the “Subscription Letters”) confirmed that:

- (a) they would subscribe, jointly and / or severally only to the extent of upto ₹ 500.00 Lakhs;*
- (b) they would not subscribe to the extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or Member(s) of the Promoter Group of our Company in accordance with Regulation 10(4)(b) and other applicable provisions of the SEBI Takeover Regulations; and*
- (c) they may renounce their rights entitlement.*

The Promoter has confirmed that such acquisition of Equity Shares will not result in a change of control or the management of the Company, and any such acquisition shall be subject to the aggregate shareholding of the Promoter and Promoter Group of the Company not exceeding 75% of the issued, outstanding and fully paid-up equity share capital of the Company after the Issue.

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

The allotment of Equity Shares of the Company subscribed by the Promoter and other members of the Promoter Group in this Issue shall not be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations.

(On request of the Outgoing Promoters and members of Promoter Group, the Board of Directors has passed resolution in their meeting held on February 02, 2022 to categorise - Hasmukhbhai Manubhai Kothia, Babubhai Manubhai Kothia, Subhashbhai Babubhai Kothia, Pratibha Ketan Bhai Kothia, Kothia Hashmukhbhai Manubhai (HUF), Ketan Hashmukhbhai Kothia (HUF), Ketan Hasmukhbhai Kothia, Champaben Babubhai Kothiya, Meena Subhasbhai Kothia, Manjulaben Hashmukhbhai Kothia, Sanjay Hasmukhbhai Kothiya & Susma Textiles LLP (Formerly Known as Susma Textiles Private Limited) (“Outgoing Promoters”) from Promoter and Promoter Group' category to `Public' category and removal of their names from `Promoter and Promoter Group' of the Company and the Company has also sent the Postal Ballot Notice dated February 08, 2022 to Shareholders for their approval)

Ex-Rights price per Equity Share

The ex-rights price per Equity Share as per Regulation 10(4)(b)(ii) of the SEBI Takeover Regulations is ₹ [●]. The ex-rights price per Equity Share has been calculated assuming full subscription to the Issue.

Shareholding pattern

Set forth below is the shareholding pattern of our Company as at December 31, 2021 in accordance with Regulation 31 of the SEBI Listing Regulations:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No of fully paid up equity shares held (IV)	No of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No of Shares held (VII = IV + V + VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C2) (VIII)	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI =VII +X)	Number of Locked in shares (XII)		No. of shares Pledged or Otherwise Encumbered (XIII)		No. of Equity shares held in Demat Form (XIV)
								No of voting Right	Total as % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
A	Promoter and Promoter Group*	9	8299375	-	-	8299375	69.12	8299375	69.12	-	69.12	-	-	-	-	8299375
B	Public	5,732	37,07,352			37,07,352	30.88	37,07,352	30.88		30.88	-	-	-	-	37,07,352
C	Non-Promoter Non-Public															

C1	Shares Underlying DRs															
C2	Shares held by Employee Trusts															
	Total (A+B+C)	5741	12006727			12006727	100.00	12006727	100.00		100.00					12006727

***Hence, our company is professionally managed company and currently do not have any identifiable promoter or promoter group as on the date of this Draft Letter of Offer.*

Source: www.bseindia.com

The Statement showing holding securities of persons belonging to the category “Promoters and Promoter Group” as at December 31, 2021

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
A1) Indian							
A. Individuals / Hufs	6	76,02,492	76,02,492	63.32	76,02,492	63.32	76,02,492
Ashokkumar Manubhai Kothia	1	4,01,538	4,01,538	3.34	4,01,538	3.34	4,01,538
Manubhai Jivabhai Kothiya	1	87,138	87,138	0.73	87,138	0.73	87,138
Chandulal Manubhai Kothia	1	49,41,062	49,41,062	41.15	49,41,062	41.15	49,41,062
Hanshaben Chandubhai Kothia	1	14,52,754	14,52,754	12.10	14,52,754	12.10	14,52,754
Gunjan Chandulal Kothia	1	1,20,000	1,20,000	1.00	1,20,000	1.00	1,20,000
Pooja Gunjan Kothia	1	6,00,000	6,00,000	5.00	6,00,000	5.00	6,00,000
b. Body corporates	3	6,96,883	6,96,883	5.80	6,96,883	5.80	6,96,883
SUSMA TEXTILES LLP (Formerly Known As SUSMA TEXTILES PRIVATE LIMITED)	1	1,02,391	1,02,391	0.85	1,02,391	0.85	1,02,391
Kothia Ashokkumar Manubhai (Huf)	1	10,568	10,568	0.09	10,568	0.09	10,568
Vilasben Ashokkumar Kothia	1	5,83,924	5,83,924	4.86	5,83,924	4.86	5,83,924

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
Sub- total of A1	9	82,99,375	82,99,375	69.12	82,99,375	69.12	82,99,375
A2) Foreign							
Sub-total of A2	0	0	0	0	0	0	0
A= A1+ A2	9	82,99,375	82,99,375	69.12	82,99,375	69.12	82,99,375

The Statement showing holding securities of persons belonging to the category “Public Shareholder” as at December 31, 2021

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
B1) Institutions							
Foreign Portfolio Investors	1	2459	2459	0.02	2459	0.02	2459
Sub Total B1	1	2459	2459	0.02	2459	0.02	2459
B2) Central Government/ State Government(s)/ President of India							
Central Government/ State Government(s)/ President of India	0	0	0	0	0	0	-
Sub Total B2	0	0	0	0	0	0	-
B3) Non-Institutions							
Individual share capital upto ₹ 2 Lakhs	5466	13,28,496	13,28,496	11.06	13,28,496	11.06	13,28,496
Individual Share Capital in	29	17,96,547	17,96,547	14.96	17,96,547	14.96	17,96,547

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
Excess of ₹ 2 Lakhs							
Babubhai K Kotadiya	1	2,13,409	2,13,409	1.78	2,13,409	1.78	2,13,409
Hansaben Arvindbhai Vasoya	1	2,40,922	2,40,922	2.01	2,40,922	2.01	2,40,922
Kailashben Dhansukhbhai Bhanderi	1	1,26,918	1,26,918	1.06	1,26,918	1.06	1,26,918
Any Other	236	5,79,850	5,79,850	4.83	5,79,850	4.83	5,79,850
Bodies Corporate	17	1,88,354	1,88,354	1.57	1,88,354	1.57	1,88,354
Clearing Members	13	40,321	40,321	0.34	40,321	0.34	40,321
Non-Resident Indian (Nri)	153	75,385	75,385	0.63	75,385	0.63	75,385
Hufs	51	72,981	72,981	0.61	72,981	0.61	1,37,766
Trust	2	202809	202809	1.69	202809	1.69	202809
Gunjan Jayantibhai Dhorajiya	1	202773	202773	1.69	202773	1.69	202773
Sub-Total (B3)	5731	37,04,893	37,04,893	30.86	37,04,893	30.86	37,04,893
B= B1+B2+B3	5732	37,07,352	37,07,352	80.88	37,07,352	80.88	37,07,352

The list of shareholders holding 1% or more of the paid-up capital of our Company is as under as on December 31, 2021:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue capital (in %)
1.	Chandulal Manubhai Kothia	49,41,062	41.15
2.	Hansaben Chandubhai Kothia	14,52,754	12.10
3.	Pooja Gunjan Kothia	6,00,000	5.00
4.	Vilasben Ashokkumar Kothia	5,83,924	4.86
5.	Ashokkumar Manubhai Kothia	4,01,538	3.34
6.	Hansaben Arvindbhai Vasoya	2,40,922	2.01
7.	Babubhai K Kotadiya	2,13,409	1.78
8.	Gunjan Jayantibhai Dhorajiya	2,02,773	1.69
9.	Kailashben Dhansukhbhai Bhanderi	1,26,918	1.06
	Total	87,63,300	72.99

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

1. Setting up new manufacturing facility at Plot No. D-2/17/16 at Dahej-II Industrial Estate Bharuch District, Gujarat (the “Proposed New Project”); and
2. General corporate purposes.

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through Rights Issue.

NET PROCEEDS

The details of the proceeds of the issue are summarized in the table below:

(₹ in Lakhs)

Particulars	Estimated Amount
Gross Proceeds from the Issue*	4500.00
Less: Issue related expenses*	[●]
Net Proceeds from the Issue*	[●]

**to be finalized upon determination of issue price*

Utilization of Net Proceeds and schedule of implementation

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

(₹ in Lakhs)

Sr . No.	Particulars	Estimated funds requirement	Funds to be deployed from borrowing ⁽³⁾	Funds already deployed till [●] ⁽⁴⁾	Amount to be deployed from Net Proceeds	Estimated deployment from Internal Accruals in FY22	Estimated deployment of Net Proceeds in FY23	Estimated deployment of Net Proceeds in FY24
1.	Setting up new manufacturing facility at Dahej	6280.57	2654.28	466.32	3375.00	483.84 ⁽⁵⁾	2531.25	843.75
2.	General Corporate Purpose ⁽¹⁾	[●]	NIL	[●]	[●]	NIL	[●]	[●]

	Net Proceeds⁽²⁾	[●]	[●]	[●]	[●]		[●]	[●]
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⁽¹⁾ the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds

⁽²⁾ Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and receipt of all Call Monies from the holders of Rights Equity Shares

⁽³⁾ We, vide in-principal sanction letter dated January 24, 2022, shall avail secured foreign currency term loan of ₹ 4000.00 Lakhs from Axis Bank Limited. Based on the subscription in the Issue and subject to finalization of the Basis of Allotment and receipt of all Call Monies from the holders of Rights Equity Shares, the Board will decide on the actual amount to be utilised out of the secured term loan.

⁽⁴⁾ Based on the certificate dated February 09, 2022, of M/s. Ruchik J Patel & Co., Chartered Accountants, Statutory Auditors of our Company, our Company has deployed ₹ 466.32 Lakhs towards Proposed New Project from internal accruals.

⁽⁵⁾ Will be met out of internal accruals.

The above fund requirements are based on our current business plan, management estimates and have not been appraised by any bank or financial institution. Our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board and will not be subject to monitoring by any independent agency. In view of the competitive environment of the industry in which we operate, we may have to revise our business plan from time to time and consequently, our funding requirements may also change. Our historical funding requirements may not be reflective of our future funding plans. We may have to revise our funding requirements, and deployment from time to time on account of various factors such as economic and business conditions, increased competition and other external factors which may not be within our control. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. If the funding of the said object of the offer is not completed from the Net Proceeds, then the remaining costs shall be met from our internal accruals. Further, in case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law.

In case of any increase in the actual utilisation of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds, such additional funds for a particular activity will be met by through means available to us, including by way of incremental debt and/or internal accruals. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purpose will not exceed 25% of the Gross Proceeds from the Issue in accordance with applicable law.

As and when our Company makes the Call(s) for the balance monies with respect to the Rights Equity Shares, our Company shall endeavour to utilize the proceeds raised from such Call(s) within the same Fiscal as the receipt of the said Call Monies failing which our Company shall utilize the said Call Monies in the subsequent Fiscal.

Means of Finance

The total funds required for the Proposed Expansion is ₹ 6280.57 Lakhs. 75% of the stated means of finance, excluding funds to be raised through the Issue and deployed from Identified Internal Accruals have been arranged as follows:

(₹ in Lakhs)

Particulars	Amount
Aggregate funds required for the Objects of the Issue (A)	6280.57
Amount proposed to be financed from Net Proceeds (B) *	3375.00
Funds deployed till February 09, 2022 through Internal Accruals (C)**	466.32
Funds required excluding the Net Proceeds and Funds deployed through Internal Accruals (A) - (B) - (C)	2439.25
75% of the funds required excluding the Net Proceeds and Internal Accruals	1829.44
Arrangements regarding 75% of the funds required excluding the Issue proceeds	
Funded by Term Loan***	2439.25

***The Company has made firm arrangement, after excluding net proceeds and identified internal accruals through securing foreign currency term loan sanction of ₹ 4000.00 Lakhs from Axis Bank Ltd as per the in-principal Sanction Letter dated January 24, 2022. The in-principal sanction letter is valid for 60 days:

Particulars	Amount
Aggregate funds required for the Objects of the Issue	6280.57
Less: Funds deployed till February 09, 2022 through Internal Accruals	466.32
Net Proceeds from Rights Issue (assuming only Promoters maximum participation) #	500.00
Funds required excluding the Net Proceeds and Funds deployed through Internal Accruals (A) - (B) - (C)	5314.25
75% of the funds required excluding the Net Proceeds and Identified Internal Accruals	3985.69
Arrangements regarding 75% of the funds required excluding the Issue proceeds	
Firm Arrangement Funded by Term Loan*	4000.00
Balance funding from Internal Accruals	1314.25

In case of undersubscription to the Rights Issue, the Company has made firm arrangement, after excluding net proceeds and identified internal accruals, assuming that the promoter subscribe, jointly and / or severally only to the extent of their maximum commitment of ₹ 500.00 Lakhs

*The table below gives the details of the sanctioned term loan from lender:

Name of the Bank	Secured Foreign Currency Term Loan (₹ in Lakhs)	Term Loan disbursed as on date of DLOF
Axis Bank Ltd	4000.00	Nil
Total	4000.00	Nil

In view of the above, we confirm that we have complied with the SEBI ICDR Regulations which requires our Company to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the proposed Rights Issue.

Details of the Objects of the Issue

1. Setting up new manufacturing facility at Plot No. D-2/17/16 at Dahej-II Industrial Estate, Bharuch district, Gujarat.

With a view to expand our product portfolio and increase our manufacturing capabilities, we intend to set up new manufacturing facility at **Plot No. D-2/17/16** at **Dahej-II Industrial Estate, Bharuch district, Gujarat**. Currently we are manufacturing API Intermediates, speciality chemicals and fine chemicals as key products. With the Proposed New Project, our product portfolio will be expanded. The Proposed New Project will increase manufacturing capacity of 786 MT products by 2000 MT per annum. For the proposed expansion, the total estimated cost is ₹6280.57 Lakhs out of which our Company has in-principal sanction letter from Axis Bank willing to provide secured foreign currency term loan of ₹ 4000.00 Lakhs, had already deployed ₹466.32 Lakhs from internal accruals and the remaining balance amount of ₹ 5814.25 Lakhs is proposed to be utilized from the Net Proceeds of the Issue, Borrowing and Internal Accruals as mentioned above in the schedule of utilization and means of finance.

Details of Estimated Costs

The details of the estimated costs of the Proposed Expansion are set forth below.

(₹ in Lakhs)

Particulars	Estimated Amount
Leasehold land rights	1151.54
Factory Building & Civil	1487.88
Equipment, Plant & Machinery (including utilities, structure, pipes and fittings, pumps, electricals, instrumentation, quality control and laboratory equipment, fire and safety, computer information system, effluent treatment plant, storage and warehouse)	3510.89
Furniture and Fixtures	10.80
Provision for Contingencies (Contingencies for the price fluctuations and modifications, if any)	119.46
Total	6280.57

**The above cost includes taxes as estimated*

a) Leasehold land rights

The new unit is being set up in industrial plot located at Plot No. D-2/17/16 at Dahej-II Industrial Estate, Bharuch district, Gujarat ("new unit") admeasuring 6011 sq. meters on a land admeasuring 40445.30 sq. meters for 99 years starting from July, 2021 which can be renewed. The lease rights over the said land were assigned to the Company vide permission letter dated September 27, 2021 from GIDC. As per the Assignment agreement dated September 27, 2021 the Company have agreed to abide the terms of the license agreement dated July 21, 2021. By virtue of the license agreement, we are required to pay ₹997.50 Lakhs as lease charge and interest to GIDC in equated quarterly installments. We have considered the initial payment, stamp duty, Consultancy Charges, GPCB – Consent Fees and interest of ₹71.18 Lakhs starting from July 21, 2021 to March 31, 2022 as part of total cost of the Proposed New Project. The details of installment payment towards the lease (net of interest) are as under:

Particulars	2021-22	2022-23
Lease payments*	997.50	667.69
Interest payable (upto March 31, 2022)	71.18**	NIL***
Amount paid/to be paid from internal accruals^	400.99	NIL
Amount paid from Issue proceeds	NIL	667.69
Balance payable	667.69	NIL

*Source: Lease agreement entered into by our Company and excludes stamp duty and incidental expenses.

**Includes interest payable for the quarter ended March 31, 2022 out of internal accruals

***No interest is assumed for the quarter ended June 30, 2022 and thereafter.

^deployment certificate dated February 09, 2022 received against Lease Rights is ₹ 383.47 Lakhs

b) Factory Building & Civil

Factory building include, plot development, civil and building work cost for the Proposed New Project. The total estimated cost for factory building work is ₹1487.88 Lakhs

c) Plant & Machinery

Equipment required for the Proposed New Project include reactors, column, heat exchangers, storage tank, amongst others. Utilities required for the Proposed New Project includes water chillers. It further includes the cost of pipes and fittings, pumps, electricals, instrumentation, quality control and laboratory equipment, fire and safety measure, network and servers, effluent treatment plant, storage, warehouse and structural costs. The total estimated cost for equipment for the Proposed New Project is ₹ 3510.89 Lakhs.

d) Furniture & Fixtures

The total estimated cost for the furniture and fixtures for the Proposed New Project is ₹ 10.80 Lakhs.

e) Provision for Contingency

The Company envisages that there might be price fluctuations and the project cost may increase. The total estimated cost for contingencies is ₹ 119.46 Lakhs as estimated by the Company, based on its past experience.

An indicative list of activities included in the New Project that we intend to fund from the Net Proceeds, along with details of the quotation we have received in this respect is as follows.

(₹ in Lakhs)

Particulars	Sub-category	Name of the Supplier	Purchase Order/Quotation/ Invoice and Date	Total Estimated Cost
Factory Building & Civil	Building & development work	Kashyap Builders	January 24, 2022	1487.88
Plant & Machinery	Structure	Avadh Corporation-Fusion Pipe Fittings & Water Tanks	January 28, 2022	114.55

Particulars	Sub-category	Name of the Supplier	Purchase Order/Quotation/ Invoice and Date	Total Estimated Cost
		Gayatri Corrosion Controller	January 29, 2022	
	Electricals	Shree Ambe Electricals	January 28, 2022	50.82
		Jay Khodiyar Industries		
	Fire & Safety	M.D. Tarapara and Associates	01-02-2022	54.38
	ETP	Ketav Consultants	January 27, 2022	487.00
	Storage & W/ H	Perfect Scale	February 02, 2022	29.30
		ACE ltd	January 28, 2022	
	Equipment	Suryamani Glassed Steel Equipment Pvt Ltd.	January 24, 2022	2271.93
		Cybernetik Technologies Pvt Ltd	December 02, 2021	
		Protec Equipments	February 01, 2022	
		Core-Resist Pvt. Ltd.	January 24, 2022	
		K D Enterprise	January 30, 2022	
		Vishvakarma Engineering	January 24, 2022	
		Star Engineering Work	January 24, 2022	
	Utilities	Advatech Engineers	January 25, 2022	449.11
		Trane	January 25, 2022	
		Parekh Power Systems	January 28, 2022	
		Racson Services - Thermax	January 28, 2022	
		B J Pump	January 25, 2022	
		Praharpur Cooling Tower	January 29, 2022	
		Focusun- Ice Cooling System	January 31, 2022	
		Pionner Water Treatment	January 31, 2022	
		Voltas Limited (only one)	January 29, 2022	
	Lab Equipmen t's	Metrohm - AutoTitrator	January 18, 2022	53.80
		Shree Krishna Instruments	January 18, 2022	
		Sashwat Lab Solutions	January 18, 2022	
		Agilent Technologies India Pvt. Ltd.	December 07, 2021	

Particulars	Sub-category	Name of the Supplier	Purchase Order/Quotation/ Invoice and Date	Total Estimated Cost
Furniture & Fixtures		Elite Seating System	January 29, 2022	10.80
Total				5009.57

The quotation received from the above suppliers are valid as on the date of this DLOF. However, we have not entered into any definitive agreements with the suppliers and there can be no assurance that the abovementioned suppliers would be engaged to eventually provide the services at the same costs. If there is any increase in the costs, the additional costs shall be paid by our Company from its internal accruals. see *“Risk Factor–Our proposed capacity expansion plans via one of our new manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns”* on page 26. We do not intend to purchase any second-hand equipment in relation to this Object.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed construction of building civil works, or in the entities from whom we have obtained quotation in relation to such activities.

Government Approval:

In relation to the Proposed New Project, our Company has received consent to establish from GPCB. Our Company undertakes to file necessary applications with the relevant authorities for obtaining approvals from Government and Local Authorities as applicable, at the relevant stages.

Power:

In relation to the Proposed New Project, our Company will enter into a power supply agreement with Dakshin Gujarat Vij Company Limited.

Water:

In terms of the lease deed entered GIDC, the Company will receive a water supply of 300KLD at the Proposed New Project. Accordingly, our Company intends to source supply of water situated at Prime Industrial and Logistics Hub, Dahej, Gujarat for our Proposed New Project.

Technical Knowhow:

Since our Company will undertake the same line of business activity, no other special technical “know how” is required.

General corporate purposes

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Issue Proceeds, in compliance with applicable laws, to drive our business growth, including but not restricted to (i) funding growth opportunities, including strategic initiatives; (ii) acquiring assets, such as plant and machinery, furniture and fixtures, and intangibles; (iii) working capital requirements; (iv) repayment/ prepayment of our borrowings; (v) servicing of borrowings including payment of interest; (vi) meeting of exigencies which our Company may face in the course of any business; (vii) brand building and other marketing expenses; (viii) meeting any shortfall in estimate towards issue related expenses; (ix) capital expenditure; (x) strategic initiatives; (xi) meeting expenses incurred by our Company; (xii) strengthening of our manufacturing capabilities and (xiii) any other purpose as permitted by applicable laws.

Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are

unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

Issue Related Expenses

The total expenses of the issue are estimated to be approximately [•] Lakhs. The break-up of estimated issue expenses are as follows:

(₹ in Lakhs)

Activity	Estimated Amount (₹ In Lakhs)	As a % of total estimated issue expenses ⁽¹⁾	As a % of issue size ⁽¹⁾
Lead manager(s) fees including underwriting commission	[•]	[•]	[•]
Brokerage, selling commission and upload fees	[•]	[•]	[•]
Registrars to the issue	[•]	[•]	[•]
Legal Advisors	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Regulators including stock exchanges	[•]	[•]	[•]
Printing and distribution of issue stationary	[•]	[•]	[•]
Others, if any (to be specified)	[•]	[•]	[•]
Total	[•]	[•]	[•]

Notes:

1. Assuming full subscription and Allotment of the Rights Entitlement. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the Initial Subscription Amount to the Rights Equity Shares

2. The fund deployed out of internal accruals up to February 15, 2022 is ₹ 2.5 Lakhs towards issue expenses vide certificate dated February 15, 2022 bearing UDIN 22148969ACOHZQ9351 received from Rushik J Patel., Chartered Accountants and the same will be recouped out of issue expenses.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by our Board from time to time. Our Company confirms that it shall not use the Net Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Additionally, in compliance with Regulation 66 of the SEBI ICDR Regulations, our Company confirms that it shall not use the Net Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or Group Companies. Further, our Company confirms that the borrowings proposed to be repaid from the Net Proceeds have not been utilised towards any payments,

repayment / refinancing of any loans availed from the Promoter Group or Group Companies. However, as on the date of this Draft Letter of Offer, our company is professionally managed company and currently do not have any identifiable promoter or promoter group.

Bridge financing facilities and other financial arrangements

Our Company has not raised any bridge loans or entered into any other similar financial arrangements from / with any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Letter of Offer and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company.

Further, in accordance with Regulation 32 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 utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Appraising Agency

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency in terms of applicable law.

Interest of promoters, promoter group and directors, as applicable to the project or objects of the issue.

None of our Promoter, members of the Promoter Group and Directors have any interest in the objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company.

KEY INDUSTRY REGULATIONS

Given below is a summary of certain relevant laws and regulations currently in force, applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Our Company is engaged in business of manufacturing, marketing and sale of material handling, industrial finishing and engineered products. We are regulated by a number of central and state legislations. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws.

Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

CENTRAL LAWS

The primary central legislation governing the manufacturing sector is the Factories Act, 1948. In addition, compliance of various labour related legislations, including the Payment of Wages Act, 1956, The Minimum Wages Act, 1948, Equal Remuneration Act, Employees' Compensation Act, 1923, Industrial Disputes Act, 1948, Payment of Gratuity Act, 1972, Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965, as may be applicable in the relevant state.

The Factories Act, 1948

The Factories Act, 1948 ("**Factories Act**") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires *inter alia* the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory. In addition, the Gujarat Factories Rules, 1963 are also applicable to the Company.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA**") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act, 1947 ("**ID Act**") was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman's services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("**EC Act**") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 ("**ESI Act**") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("**EPF Act**") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Maternity Benefit Act, 1961

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the get paid leave for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**SHWW Act**") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ` 50,000/-.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("**PB Act**") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or `100/- (Rupees One Hundred), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. 'Allocable surplus' is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of our Company.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("**MW Act**") came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("**PG Act**") applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

Gratuity is payable to the employee at the rate of 15 (fifteen) days' wages for every completed year of service or part thereof in excess of 6 (six) months.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 ("**PW Act**") is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986. The main objective of the act is to prohibit the engagement of children in certain employments and to regulate the conditions of work or children in certain other employments. The act defines a child as any person who has not completed his fourteenth year of age. The act prohibits children from working in any occupation listed in Part A of the Schedule; for example: Catering at railway establishments, construction work on the railway or anywhere near the tracks, plastics factories, automobile garages, etc. The act also outlines the conditions in which children may work in certain occupations/processes.

Industrial Employment (Standing orders) Act, 1946

The Industrial Employment (Standing orders) Act, 1946 - The employers of industrial establishments are required to define with sufficient precision the conditions of employment and to make the said conditions known to the workmen. The standing orders are certified by the Labour Commissioner.

Labour related legislations

Depending upon the nature of the activity undertaken by us, the applicable labour enactments other than state-wise shops and establishments acts includes the following:

- The Apprentices Act, 1961;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Employee's Compensation Act, 1923;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- The Payment of Gratuity Act, 1972;
- The Payment of Bonus Act, 1965;
- The Maternity Benefit Act, 1961;
- The Minimum Wages Act, 1948;
- The Employees' State Insurance Act, 1948;
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Payment of Wages Act, 1936;
- The Industrial Disputes Act, 1947;
- The Trade Unions Act, 1926;
- Industrial Employment (Standing Orders) Act, 1946;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976; and
- The Child Labour (Prohibition and Regulation) Act, 1986

In order to rationalize and reform labour laws in India, the GoI has notified four labour codes which are yet to come into force as on the date of this Draft Letter of Offer, namely, (i) the Code on Wages, 2019

which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

ENVIRONMENT LAWS

We are subject to various environmental regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards ("PCBs"), have been set up in each state and at the central level. Establishments, as prescribed under various regulations may be required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

The Environment (Protection) Act, 1986 ("EPA")

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

The Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

The Water (Prevention and Control of Pollution) Cess Act, 1977 ("Water Cess Act") and Water (Prevention and Control of Pollution) Cess Rules, 1978 ("Water Cess Rules")

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries by local authorities constituted under the Water Act, with a view to augment the resources of the central and State PCBs for the prevention and control of water pollution. The Water Cess Rules have been notified under section 17 of the Water Cess Act and provide, *inter alia*, for the standards of the meters and places where they are to be affixed and the furnishing of returns by consumers.

Air (Prevention and Control of Pollution) Act, 1981

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

An “occupier” has been defined as any person who has control over the affairs of a factory or premises or any person in possession of hazardous waste. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous and other wastes generated in their establishments and are required to obtain license/ authorisation from concerned PCBs, for handling, generating, collecting, processing, treating, packaging, storing, transporting, using, recycling, recovering, pre-processing, co-processing, offering for sale, or the like of the hazardous and other wastes.

Public Liability Insurance Act, 1991 (the “Public Liability Act”)

The Public Liability Act, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of ‘hazardous substances’ covered by the legislation has been enumerated by the Government by way of a notification.

The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

INTELLECTUAL PROPERTY LAWS

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

The Trademarks Act, 1999

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. The Trademarks Act governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademarks Act. An application for trademark registration may be made by individual or joint applicants by any person claiming to be the proprietor of a trade mark, and can be made on the basis of either use or intention to use a trademark in the future. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored. While both registered and unregistered trademarks are protected under Indian Law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. The Trademark (Amendment) Act, 2010 has been enacted by the Government of India to amend the Trademarks Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

TAX RELATED LEGISLATIONS

Income-tax Act, 1961

Income-tax Act, 1961 (“**IT Act**”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

The Customs Act, 1962

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number.

The Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. The Gujarat State Tax on Professions, Traders, Callings and Employments Rules, 1976 have also been notified by the Government.

Goods & Service Tax ("GST")

Goods and Services Tax (GST) is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST shall be levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament would have exclusive power to levy GST (integrated tax - IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. Besides, some goods and services would be under the list of exempt items.

FOREIGN INVESTMENT REGULATIONS

Foreign investment in India is governed by the provisions of the Foreign Exchange and Management Act ("**FEMA**") and the rules, regulations, notifications issued under the same, read with the extant Consolidated Foreign Direct Investment Policy, as issued by the Department of Industrial Policy and Promotion ("**DIPP**"). The Reserve Bank of India ("**RBI**"), in exercise of its powers under FEMA, has notified various regulations governing the purchase, sale, allotment or subscription of securities of an Indian company to a non-resident individual or entity. Pursuant to the aforementioned legal framework, no permission is required for investment in sectors falling under the 'automatic route' within the specified sectoral caps.

OTHER LAWS

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, SEBI Regulations and rules framed thereunder and other applicable statutes enacted by the Centre or relevant State Governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

STATEMENT OF SPECIAL TAX BENEFITS

Date: January 12, 2022

The Board of Directors

Shree Ganesh Remedies Limited

Plot no. 6011, G.I.D.C, Ankleshwar , Gujarat, 393002

Subject: Statement of Special tax benefits (“the Statement”) available to SHREE GANESH REMEDIES LIMITED (“the Company”) and the shareholders of the Company in connection with the proposed rights issue of equity shares of the Company under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) 2018, as amended (“Regulations”)

Dear Sirs,

We, the statutory auditors of the Issuer, have been requested by the Company to issue a report on the special tax benefits available to the Company and its shareholders attached for inclusion in the Draft Letter of Offer in connection with the proposed rights issue of equity shares of the Company (the “Issue”).

The Statement has been prepared by the management of the Company and initialed by us for identification purpose only. The statement showing the current position of special direct tax benefits available to the Company and the shareholders of the Company as per the provisions of Income-tax Act 1961 (“IT Act”) (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2020 and Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 and special indirect tax benefits solely in relation to the Issue as per the provisions of the Goods and Services Tax Act, 2017 (“GST Act”) as amended by Finance Act, 2020, i.e. applicable for the assessment year AY 2021-22 relevant to the financial year 2020-21 for inclusion in the Draft Letter of Offer (“DLOF”) for the issue of rights shares is annexed herewith, which we have initialed for identification purposes only.

These possible special tax benefits are dependent on the Company and the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the corresponding tax laws. Hence, the ability of the Company and the shareholders of the Company to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives, the Company may face in the future and accordingly, the Company and the shareholders of the Company may or may not choose to fulfill. Further, certain tax benefits may be optional and it would be at the discretion of the Company or the shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the tax laws. The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure I are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- i. The Company or the shareholders of the Company will continue to obtain these benefits in future;
- ii. The conditions prescribed for availing the benefits have been/would be met;
- iii. The revenue authorities/courts will concur with the views expressed herein.

The statement is intended solely for information and the inclusion in the Draft Letter of Offer in connection with the rights issue of equity shares of the Company and for submission to Securities and Exchange Board

of India, BSE Limited and is not be used, referred to or distributed for any other purpose, without our prior consent, provided the below statement of limitation is included in the Draft Letter of Offer.

Limitation

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 tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

For and on Behalf of

Rushik J Patel & Co.

Chartered Accountants,

Rushik J Patel

Proprietor

Firm Reg. No. 135751W

M. No. 148969

UDIN: 22148969AAAAAL3686

Place: - Surat

Annexure – I

STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the possible direct and indirect tax benefits (indirect tax benefits solely in relation to the Issue) in the hands of SHREE GANESH REMEDIES LIMITED (“the Company”) and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax benefits, under the current tax laws presently in force in India. Several of these benefits are dependent upon their fulfilling the conditions prescribed under the relevant direct and indirect tax laws. Hence, the ability of the Company and the shareholders of the Company to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and the shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional and it would be at the discretion of the Company or the shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax laws. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. The tax benefits stated below are as per the Income-tax Act, 1961 (“IT Act”) as amended from time to time and applicable for financial year 2020-21 relevant to assessment year 2021-22 (AY 2021-22) and special indirect tax benefits solely in relation to the Issue as per the provisions of the Goods and Services Tax Act, 2017 as amended from time to time and applicable for financial year 2020-21.

A. SPECIAL TAX BENEFITS UNDER THE IT ACT IN THE HANDS OF COMPANY AND THE SHAREHOLDERS OF THE COMPANY

1. Direct Tax

Special tax benefits available to the Company under IT Act

- A new section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) w.e.f. April 1, 2020 i.e. AY 2020-21 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/incentives and comply with other conditions specified in section 115BAA. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax (“MAT”) on its book profits under section 115JB. The Company has exercised the above option.
- With respect to a resident corporate shareholder, a new section 80M is inserted in the Finance Act, 2020 w.e.f. 1st April 2021, which provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139. Special tax benefits available to the shareholders.
- The Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates. The shareholders would be eligible to claim the credit of such tax in their return of income.

- The non-resident shareholders can offer the dividend income to tax under the beneficial provisions of the Double Taxation Avoidance Agreement, if any. Further, the non-resident shareholders would be eligible to claim the foreign tax credit, based on the local laws of the country of which the shareholder is the resident.
- There are no other special tax benefits available to the shareholders (other than resident corporate shareholder) of the Company arising out of the proposed rights issue

Indirect Tax

Special tax benefits available to the Company and its shareholders under GST Act

Solely in relation to the Issue, there are no special indirect tax benefits available to the Company or its shareholders.

Note:

For the purpose of reporting here, we have not considered the general tax benefits available to the Company or shareholders under the GST and neither any special tax benefits available to the Company or shareholders under the GST Act other than for the Issue.

Notes:

- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement.
- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time.
- We do not assume responsibility to update the views consequent to such changes.
- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- The above statement covers only certain special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- This statement has been prepared solely in connection with the Rights Issue under the Regulations as amended.

For and on behalf of the Board of Directors

Shree Ganesh Remedies Limited

Name: Suresh Panchal

Designation: CFO

Place: Anklesvar

Date: January 12, 2022

SECTION IV – ABOUT OUR COMPANY

OUR INDUSTRY

INDIAN CHEMICALS INDUSTRY REPORT (NOVEMBER, 2021)

Introduction

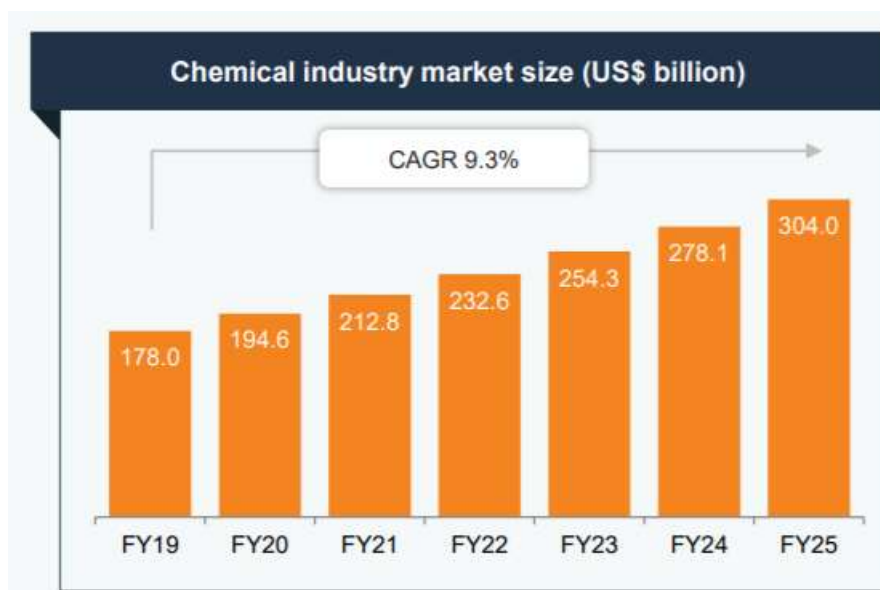
Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers and fertilisers. A network of 200 national laboratories and 1,300 R&D centres provides a strong base to the Indian chemical industry to drive innovations. The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025.

Globally, India is the third largest consumer of polymers, fourth-largest producer of agrochemicals and sixth-largest producer of chemicals. The Indian chemicals industry makes up 3.4% of the global chemicals industry. In 2019, the Indian chemicals market stood at US\$ 178 billion and is forecast to reach US\$ 304 billion by 2025. The domestic chemicals sector's small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals.

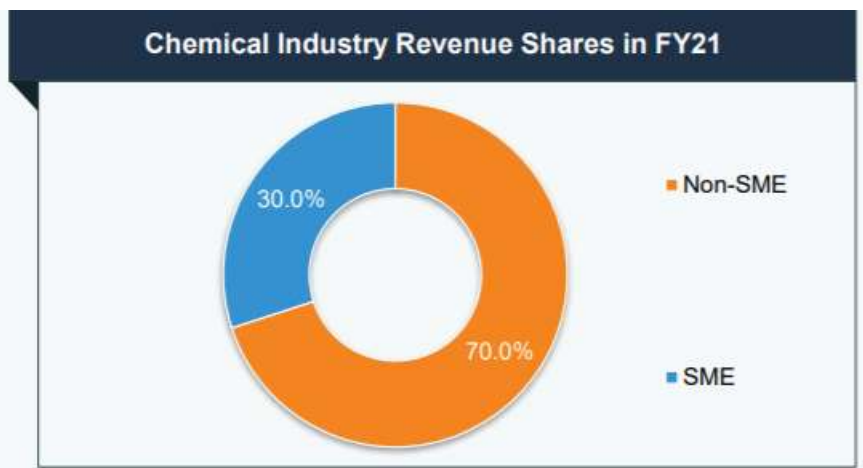
India's proximity to the Middle East, the world's source of petrochemicals feedstock, enables it to benefit on economies of scale.

Market Size

- Chemicals industry in India covers >80,000 commercial products.
- India's chemicals industry is de-licensed, except for a few hazardous chemicals. The industry is expected to reach US\$ 304 billion by 2025 at a CAGR of 9.3%, driven by rising demand in the end-user segments for specialty chemicals and petrochemicals segment.
- Specialty chemicals constitute for 22% of the total chemicals and petrochemicals market in India. Demand for specialty chemicals is expected to register 12% CAGR in 2019-22. Specialty chemical companies are seeking at import substitutions while exploring export opportunities to accelerate their business.



- The Indian dyes and pigments market is projected to reach US\$ 63 billion by 2022, accounting for about 16% of the global dye production.
- The petrochemical demand is expected to record a 7.5% CAGR between 2019 and 2023, with the demand for polymers growing at 8%.



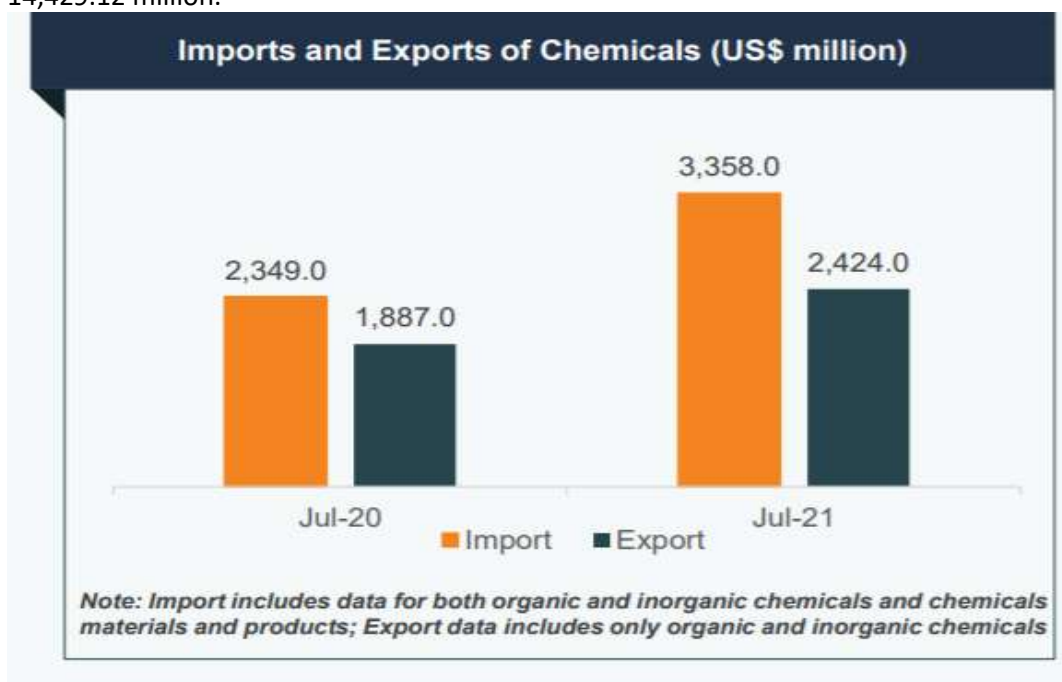
- The agrochemicals market in India is expected to register 8.6% CAGR to reach US\$ 7.4 billion between 2021 and 2026.
- Specialty chemicals account for 20% of the global chemicals industry's US\$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025. This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries.
- The country ranks 14th in exports and 8th in imports of chemicals worldwide.

Chemical Sector Production Capacity

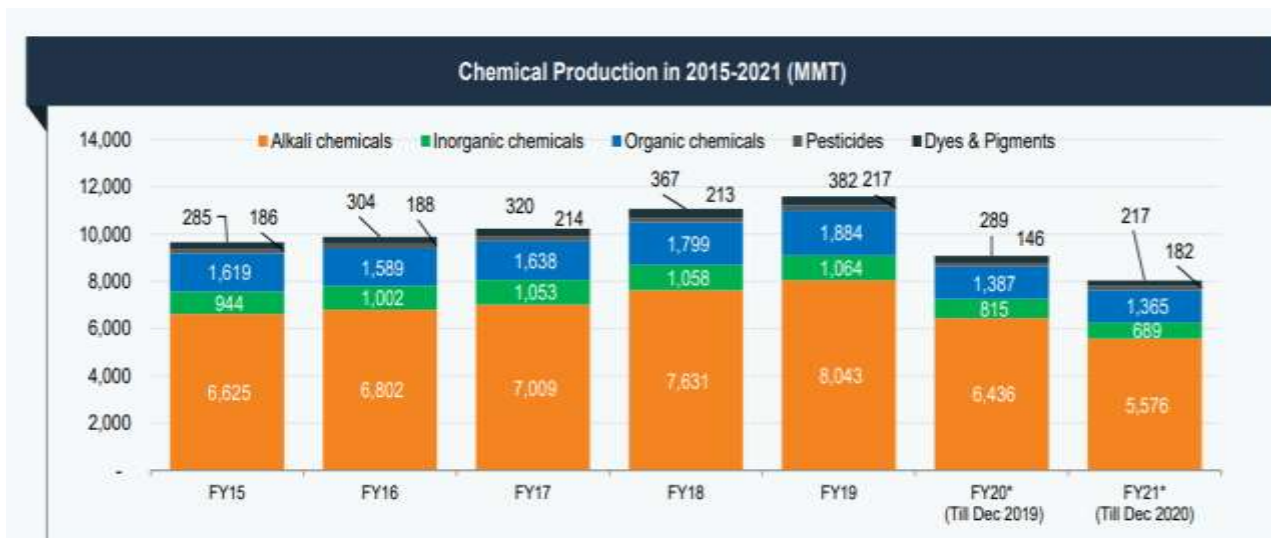


- In August 2021, production volume of key chemicals stood at 9,35,513 MT and petrochemicals was 1,716,781 MT.
- In August 2021, production levels of various chemicals were as follows:
 - Soda Ash: 267,430 MT
 - Caustic Soda: 275,528 MT
 - Liquid Chlorine: 197,765 MT
 - Formaldehyde: 25,395 MT
 - Pesticides and Insecticides: 23,302 MT
- At the CPMA - Argus Petrochemical Online Forum held on August 25, 2021, President of India's Chemicals and Petrochemicals Manufacturers Association (CPMA), Mr. Kamal Nanavaty, said that the Indian petrochemicals industry will have to increase its production capacity tenfold to meet higher demand by 2050. He also highlighted that India's consumption is estimated to double every nine years at an annual rate of 8%.
- In October 2021, exports of organic and inorganic chemicals increased 41.93% YoY to reach US\$ 2.56 billion.
- In October 2021, imports of organic and inorganic chemicals grew 67.88% YoY to reach US\$ 2.32 billion.

- In October 2021, imports of petroleum and crude products rose by 140.47% YoY to reach US\$ 14,429.12 million.



- India holds a strong position in international trading of chemicals and ranks 9th in exports and 6th in imports at a global level (excluding pharmaceuticals).



Trends in India

- Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China.
- India is the fourth India is a net exporter of agrochemicals and the thirteenth-largest exporter of pesticides and disinfectants. The country's exports have increased on the account of low-cost manufacturing, availability of technically trained manpower, seasonal domestic demand, overcapacity, competitive pricing and strong presence in generic pesticide manufacturing.
- Rise in demand in the agricultural segment is driving growth of agrochemicals in India
- In October 2020, the government urged players in the agrochemicals industry to come out with new molecules of global standards for the farmers' benefit, while CropLife India, the industry body, pitched for stable policies and regulatory regimes to boost growth in the sector
- The current GST on agrochemical is 18%. In January 2021, CropLife India, an industry body, demanded the government to reduce GST as this will help lower prices of agrochemicals and benefit farmers.

- The Indian agrochemicals market was worth ~US\$ 4.5 billion in 2020. According to Expert Market Research (EMR), the market is expected to increase at a CAGR of 8.6% between 2021 and 2026 to reach ~US\$ 7.4 billion.
- As per Chemexcil (Chemicals Export Promotion Council), India's agrochemicals export was estimated at US\$ 3.57 billion in FY21, up from US\$ 3.28 billion in FY20
- In FY22, alkali chemicals accounted for 71.9% of the total chemicals production from April to July 2021.
- Government initiatives such as promotion of small and mid-sized 'Sodium Bicarbonate' and 'Ammonia' processing industries in proximity to soda ash manufacturing units is likely to boost demand for soda ash in the country.

Investments and Recent Developments

A few recent developments/investments in the Indian chemical sector are as follows:

- In November 2021, Indian Oil Corporation (IOCL) announced plans to invest ₹ 3,681 crore (US\$ 495.22 million) to set up India's first mega-scale maleic anhydride unit for manufacturing high-value specialty chemicals at its Panipat Refinery in Haryana.
- In November 2021, Praj Industries Limited and Indian Oil Corporation inked a memorandum of understanding (MoU) to explore opportunities in the production of alcohol-to-jet (ATJ) fuels, 1G & 2G ethanol, compressed bio-gas (CBG) and related opportunities in the biofuels industry.
- In November 2021, Coromandel International announced plans to set up 1,650-metric-tonnes-per-day sulphuric acid plant at its fertiliser complex in Visakhapatnam with an investment of ₹ 400 crore (US\$ 53.69 million).
- On September 30, 2021, Prime Minister, Mr. Narendra Modi, inaugurated the CIPET: Institute of Petrochemicals Technology, Jaipur.
- In October 2021, Nayara Energy announced that it expects 15-20 new integrated petrochemical plants to become operational within the next decade in the country, to meet the rising demand for raw materials used in the plastics and clothing industries.
- In October 2021, Rosneft, Russia, launched a large-scale petrochemical production development programme in India with investments worth ~US\$ 750 million at the current implemented stage.
- In September 2021, Bharat Petroleum Corporation (BPCL), announced plans to invest US\$ 4.05 billion, to improve petrochemical capacity and refining efficiencies over the next five years.
- The government is planning to hold roadshows in eight overseas markets for the proposed investors' summit planned in January 2022, with focus on the petrochemicals sector, and is eager to attract investors to its newly launched Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) near the upcoming crude oil refinery in Pachpadra village (in Barmer district, Rajasthan).
- In September 2021, Dorf Ketal Chemicals India Pvt. Ltd., a company headquartered in Mumbai, India; and TriBonds Chemical Co., based in Dammam, the Kingdom of Saudi Arabia, have announced a joint venture (JV) to manufacture water specialty chemicals for applications in the Middle East refining and petrochemical industry. The JV will focus on meeting the energy and water management and processing needs of refineries, petrochemicals, fuel additives, plastics, lubricants, oil field chemicals, catalysts and adsorbents.
- In June 2021, the Rubber Skill Development Council (RSDC) announced that it is expanding its vertical to cover the chemicals and petrochemicals sectors and will be now known by the name Rubber, Chemical, Petrochemical Skill Development Council (RCPSDC). The council will implement skill training programmes in chemicals and petrochemicals verticals for the youth across country.

- In January 2020, Ultramarine & pigments have successfully commissioned the Sulphonation plant setup in Nellore, Andhra Pradesh, to manufacture surfactants and specialty chemicals.
- In December 2020, Bhoramdev Cooperative Sugar Factory Kawardha and Chhattisgarh Distillery's subsidiary NKJ Biofuel signed a memorandum of understanding (MoU) for the country's first ethanol plant to be set up in the state under the public-private partnership (PPP) model.
- In November 2020, Indian companies are witnessing interest from strategic investors led by Japan, Korea and Thailand, as they seek to diversify supply chains from China. This includes large deals in FY20—KKR's \$414 million acquisition of JB Chemicals and Pharmaceuticals Ltd. and Carlyle's \$210 million acquisition of SeQuent Scientific Ltd.
- On November 06, 2020, HIL (Hindustan Insecticides Limited) signed a memorandum of understanding with the Department of Chemicals & Petro Chemicals to achieve revenue target of ₹ 451 crore (US\$ 60.86 million).
- On November 04, 2020, Pidilite Industries acquired Huntsman Group's Indian subsidiary for ₹ 2,100 crore (US\$ 283.38 million) to strengthen adhesives and sealants portfolio that will complement the company's retail portfolio.
- In October 2020, Grasim Industries signed a definitive agreement with Lubrizol Advanced Materials (specialty chemical company) to manufacture and supply chlorinated polyvinyl chloride (CPVC) resin in Gujarat. The initial production is expected to begin in end-2022.

Government Initiatives

The government has started various initiatives such as mandating BIS-like certification for imported chemicals to prevent dumping of cheap and substandard chemicals into the country.

The Indian government recognises chemical industry as a key growth element and forecast to increase share of the chemical sector to ~25% of the GDP in the manufacturing sector by 2025.

- Under the Union Budget 2021-22, the government allocated ₹ 233.14 crore (US\$ 32.2 million) to the Department of Chemicals and Petrochemicals.
- The Government of India is considering launching a production linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports.
- A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.
- In October 2020, the government urged players in the agrochemicals industry to come out with new molecules of global standards for the farmers' benefit, while CropLife India, the industry body, pitched for stable policies and regulatory regimes to boost growth in the sector.
- 100% FDI is allowed under the automatic route in the chemicals sector with few exceptions that include hazardous chemicals. Total FDI inflow in the chemicals (other than fertilisers) sector reached US\$ 18.69 billion between April 2000 and June 2021.
- The government has proposed several incentives for setting up a sourcing or manufacturing platform within an Indian SEZ:
 - Effective April 1, 2020, 100% Income Tax exemption on export income for SEZ units for the first five years, 50% for the next five years thereafter and 50% of the ploughed back export profit for next five years.
 - Single window clearance for central and state-level approvals.

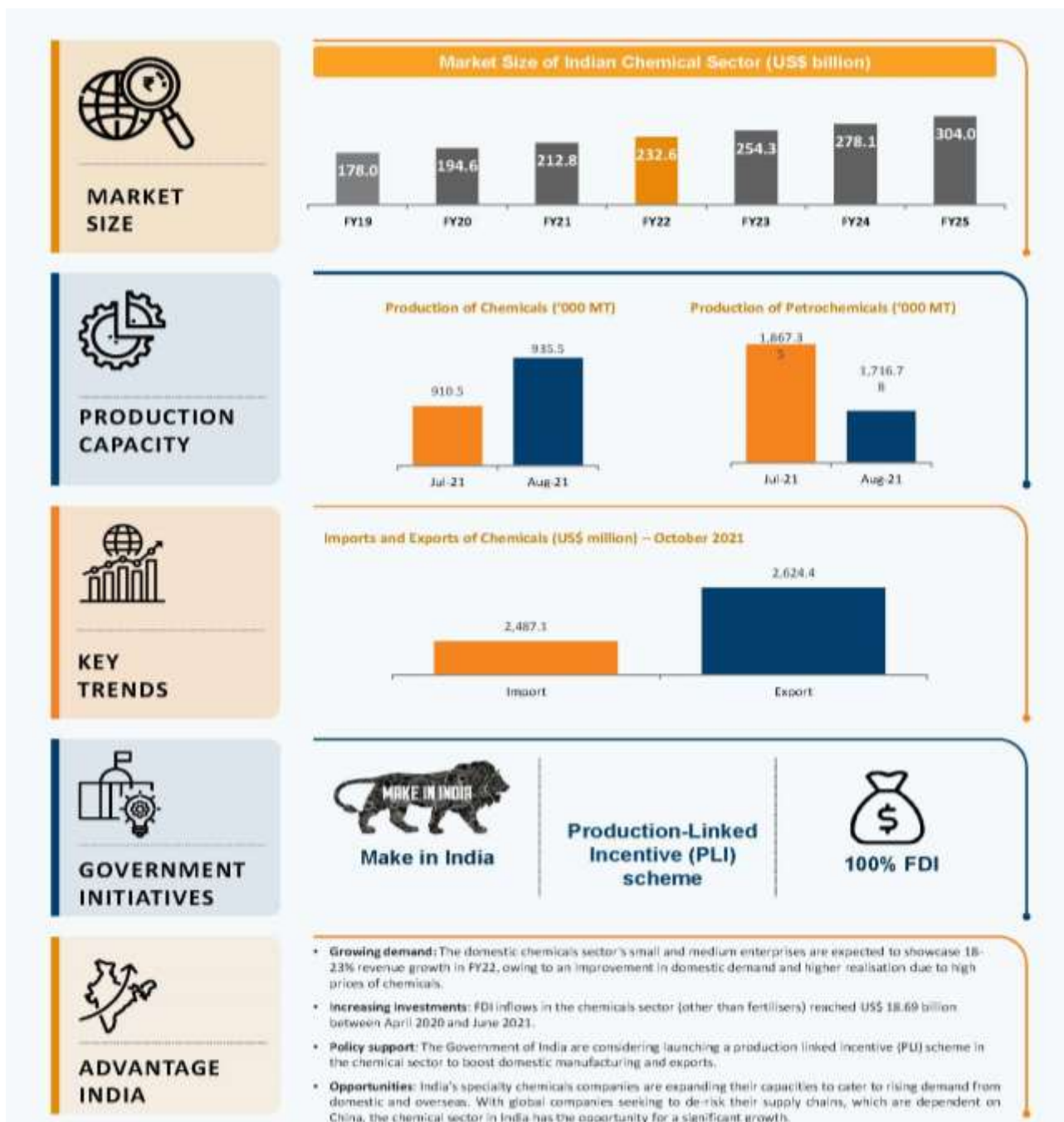
- Duty free import/domestic procurement of goods for development, operation and maintenance of SEZ units.
- In December 2020, the PCPIR policy is being completely redesigned. Under the new PCPIR Policy 2020-35, a combined investment of ₹ 10 lakh crore (US\$ 142 billion) is targeted by 2025, ₹ 15 lakh crore (US\$ 213 billion) by 2030 and ₹ 20 lakh crore (US\$ 284 billion) by 2035 in all PCPIRs across the country. The four PCPIRs are expected to generate employment for ~33.83 lakh people. ~3.50 lakh persons have been employed in direct and indirect activities related to PCPIRs by the end of 2020.

Road Ahead

Despite the current pandemic situation, the Indian chemical industry has numerous opportunities considering the supply chain disruption in China and trade conflict among the US, Europe and China. Anti-pollution measures in China will also create opportunities for the Indian chemical industry in specific segments.

Additional support, in terms of fiscal incentives, such as tax breaks and special incentives through PCPIRs or SEZs to encourage downstream units will enhance production and development of the industry. The dedicated integrated manufacturing hubs under Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) policy to attract an investment of ₹ 20 lakh crore (US\$ 276.46 billion) by 2035.

To bring about structural changes in the working of domestic chemical industry, future investments should not only focus on transportation of fuels such as petrol and diesel, but also on crude-to-chemicals complexes or refineries set up to cater to the production of chemicals.



Sources: www.ibef.org – Indian Chemical Industry Report (November 2021)

OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled “**Forward-Looking Statements**” on page 14 for a discussion of the risks and uncertainties related to those statements and also the section titled “**Risk Factors**” on page 21, “**Financial Statements**” on page 90 and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 131 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

In this section, a reference to the “Company” means Shree Ganesh Remedies Limited. Unless the context otherwise requires, references to “we”, “us” or “our” refers to Shree Ganesh Remedies Limited.

Unless otherwise indicated, financial information included herein are based on our Audited Financial Statements included in this DLOF beginning on page 90.

Overview

Shree Ganesh Remedies Limited (SGRL) was started with a core focus as pharmaceutical intermediate manufacturing company in India, which is involved in the development of a Basic as well as Advanced intermediates for the API active pharmaceutical ingredients (“APIs”), for the generic and regulated market. The Company has also recently entered into the new chemical entity (“NCE”), the synthesis of which is the first step in the process of drug development. Pharmaceutical intermediates are the chemical compounds that are the building blocks used in the production of APIs or are produced during the process of manufacturing or synthesis of APIs and further undergoes molecular changes and processing before final transformation into an API, which are then used in a finished formulation of the pharmaceutical product. Our Company was originally incorporated as Shree Ganesh Remedies Private Limited at Ahmedabad, Gujarat as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 27, 1995 bearing registration number 025661 issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently our Company was converted into a Public Limited Company pursuant to special resolution passed by the shareholders at the Extraordinary General Meeting held on July 12, 2017 and fresh certificate of incorporation consequently upon change of name was issued by Registrar of Companies, Gujarat, Ahmedabad dated July 28, 2017 and to consequent legal status the name of our Company was changed to “Shree Ganesh Remedies Limited”. Our Company was originally listed on SME platform of BSE Limited on October 13, 2017, subsequently migrated on the Main Board platform of BSE Limited vide their notice dated November 23, 2020.

Shree Ganesh Remedies (SGRL) is as ISO 9001:2015, ISO 14001:2015 BS and ISO 45001:2018 certified Company which, is actively engaged in manufacturing of pharma intermediates and fine-chemicals. Majority of product belongs to chemical families such as Chloroalkyl amines Salts, Friedel Craft’s derivatives, Esters and Acid chlorides. Majority of our Pharmaceutical products belongs to Anti-psychotic and Anti-parasitic Drug family accounting for 60-70% of our turnover while few intermediates go into anti-diabetic, anti-viral and anti-arrhythmic. The Company is also actively engaged in catering to the Specialty fine chemicals and polymer industry using it’s core chemical expertise whose contribution to the turnover ranges from 10-20%.

The manufacturing process is supported by Total Quality Management techniques and is supervised through various quality control equipment’s and qualified personnel. 14.50% of our working personnel strength is accounted for Quality Control/ Quality Assurance Department. The Products are manufactured for export market and also for domestic and foreign markets. We entered the international market in the year 2006 and are on regular basis exporting our products to various countries.

Since our inception in 2004 we have developed and manufactured approximately fifty (50) pharmaceutical intermediates for APIs such as Amitryptiline, Nortryptline, Haloperidol etc. Our strategic selection of products and early investments in Research and Development (“R&D”) have enabled us to become a supplier of pharmaceutical intermediates for APIs in almost eleven (11) therapeutic areas to multi-national pharmaceutical formulation companies all over the world while catering majorly to fast-growing markets of Europe followed up by UK, Japan, Singapore, Korea and the USA.

Major part of business of around 70% constitutes from manufacturing and commercialization of the pharma intermediates for latest branded API in India and overseas. 10-15% of business comes from the manufacturing of fine-chemicals and specialty chemicals and the remaining 10-15% of business comes from the contract manufacturing projects. We believe that our long-term business relationship with our customers with more than a decade of relationship with majority of our customers, this protects us from the wins and losses of our customers to our competitors and significantly hedges us against revenue volatility.

Our products belonging to pharmaceutical sector are used in the preparation of APIs, which are a raw material for the finished pharmaceutical drug available in the market to the consumer. An API is a mother name and includes all brand extensions and combinations made available by top pharma companies to the end-consumer. We have developed and supplied advance pharma intermediates for a portfolio of leading APIs which are spread across 15 therapeutic areas, among which anti-psychotic and skeletal disorders contributes for a major part. Our product portfolio majorly includes pharmaceutical intermediates focused on Anti-Psychotic therapeutic areas which require the intervention of specialists and super-specialists. In terms of sales, our pharmaceutical intermediates used in the Anti-Psychotic therapeutic areas are responsible for 29%, 21%, and 10% of our total revenue from operations for the FY19, FY20, and FY21. We supply our products to more than one hundred and thirteen (113) customers directly and indirectly through our network of distributors in the overseas markets which exports its products to more than seventeen (17) countries. Further, our top five (5) customers constitute approximately 47% of our total revenue from operations for FY21.

Our manufacturing operations are spread across two units while both are located at Ankleshwar, Gujarat spread over a consolidated land area of 16,709 sq. mtrs. Recently, an expansion was made with commissioning of new block and upon the completion of the said expansion project in April 2018, the installed capacity of our production facility increased from 150 MT to 600 MT. Also, a GMP compliant block construction is ongoing which shall open the doors to more advance intermediates in our portfolio. Our manufacturing unit is equipped with start of machinery and equipment including Glass-line & Stainless-Steel Reactors, High-tower long fraction distillation, Short-path distillation, high pressure autoclave reactors and Cryo-reactor System. We are also very well equipped with an in-house Effluent Treatment Plant (ETP) including: (i) a three-effect, forced circulation type Multiple Effect Evaporator (“MEE”); (ii) an Agitated Thin film Dryer (ATFD); (iii) a RO plant with a pre-treatment section; and (iv) Aeration tanks with bio-technology to treat highly polluted water. This helps to expand our product portfolio with minimum restriction to those technologies where effluent is un-avoidable.

The industry we operate in, requires us to continually involve in R&D activities to create a differentiating factor and gain sustainability against our competitors. We believe that our R&D will continue to lead to new, innovative processes that can increase the efficiencies and sustainability of production including developing new products, developing safe manufacturing processes for plant-scale production and not limited to continuously improving the existing process to shift more towards green chemistry while minimizing the effluent created and developing eco-friendly process with lowest possible consumption of electricity and water. as well as address opportunities that we have identified in the global market for our businesses.

In terms of our R&D spent, we have incurred ₹37.86 Lakhs, ₹75.76 Lakhs and ₹173.32 Lakhs towards our R&D activities during the FY20, FY21 and nine months period ended December 31, 2021. Our R&D laboratory is located at our manufacturing Unit-1 in Ankleshwar, Gujarat and is very well supported by our

Analytical Development Laboratory (“ADL”) to speed up the developmental activities and developing the method of analysis for finished products, impurities, key starting materials (KSMs). ADL gives an advantage and helps the R&D to modify the process such that the finished product is ready to serve the market demands all over the world while offering them the products cater to their exact required specifications. Also our R&D facility has been approved and certified by the Department of Scientific and Industrial Research, Ministry of Science and Technology of India (“DSIR”) which is a achievement and a feather in a cap for our company.

Our Strengths

1. Positioning in Pharmaceuticals Product segment

We are a strategic manufacturer of pharmaceutical intermediates for the generic APIs and NCE in select high-growth therapeutic areas such as anti-psychotic, anti-cancer, anti-depression and anti-coagulant. We are strategically positioned to capitalize on the market opportunities as a result of our core chemical expertise which includes Chlorination at top but not limited to Grignard Reaction, Pressure-Reduction, Freidel Reaction and Carbon-Carbon Coupling and many more. Our Company has 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 the respective Country-FDA’s such as EU-FDA, Korean-FDA and US-FDA. Our thorough market research ensures our preparedness to supply our products to the generic market and generic developers on right-time with right-quality. Our Marketing teams continuously monitor the new drug approvals from the different country-FDA and identify the pharmaceutical intermediates to be developed by us. Thereafter, our Company promotes and markets such intermediates to the API manufacturers commencing development of these APIs for the generic market at the time of expiry of patent rights.

2. Positioning in Fine-Chemicals & Specialty-Chemical product segment

We are preferred partner for Contract Research & Manufacturing Services (CRAMS) by many fine-chemical companies based in EU and USA and many existing buyers for their new drug development initiatives. We believe that our process chemistry skills and cost advantage due to technical competency have led to new synthetic routes and variants and has given us a strong position in the development and manufacturing of advanced pharmaceutical intermediates. We are strategically positioned to capitalize on the market opportunities as a result of our core chemical expertise which includes Chlorination at top but not limited to Grignard Reaction, Pressure-Reduction, Freidel Reaction and Carbon-Carbon Coupling and many more

In order to meet the growing demand for our products, we have recently undertaken an expansion of our manufacturing facilities, thereby increasing our production facility from the existing 150 MT to 600 MT and increasing the aggregate reactor volume of our facilities to 154 KL. Our manufacturing facilities are capable of bulk commercial production of advanced pharmaceutical intermediates for the specialty chemicals as well as fine chemicals enabling us to position ourselves as suppliers of choice for the leading domestic and global chemical companies seeking to leverage from our technical expertise and cost-effective manufacturing capacities.

3. R&D Capabilities and Process & Chemistry Skills

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 systematic approach to selection of pharma molecules and specialty chemicals, which involves evaluation of technical as well as commercial feasibility data. The new opportunities and customer’s requirement for Contract Research & Manufacturing Services (CRAMS) by Domestic, EU and USA based existing and new potential buyers for their new product development initiatives has led us to development and manufacturing leading to portfolio of seventy-four (74) products. As a result of our R&D capabilities we were able to develop new, innovative processes that can increase the efficiencies and sustainability of new products, developing safe manufacturing processes for plant-scale production. 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 our “research-first” approach and our strategic investments in R&D has been critical to our success and a differentiating factor in becoming one of the key suppliers of specialty and fine chemicals in both domestic and global markets.

We have a state of art pilot plant with reactor ranging from 20 Litre scale to 200 Litre scale and with niche operating temperature range available from -45 deg celsius all the way upto +300 deg Celsius. We also have pilot autoclave reactors which are capable of handling 100 bar pressure. Our state of art pilot also acts as a plant to cater low volume and high value products while allowing us to perfectly study the process, metallurgy suitability and utility efficiency for the respective process.

4. Sustained financial performance

In the last three Fiscal Years, we have experienced sustained growth in financial indicators including our revenue, CAGR and PAT, as well as a consistent improvement in our balance sheet position in the last five Fiscals, wherein we have seen an increase in our net worth. We believe that we have been able to achieve this position as an effect of capital efficient business model and cost optimization of our sourcing and manufacturing processes.

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.

The table below sets forth some of the financial indicators for FY19, FY20, and FY21 and nine months period ended of FY22:

(in ₹ Lakhs unless otherwise stated)

Particulars	FY19	FY20	FY21	FY22 (9Month)
Total income	3,531.42	6,401.87	4,908.23	5,072.98
EBITDA	990.86	1,642.72	1,574.26	1,570.50
EBITDA Margin	28.06%	25.66%	32.07%	30.96%
Profit after tax (PAT)	623.50	1,047.06	975.42	955.97
PAT Margin	17.66%	16.36%	19.87%	18.84%
ROCE	25.67%	30.25%	25.82%	29.77%
ROE	18.43%	22.86%	19.81%	22.22%
Debt / Equity Ratio	0.22	0.24	0.21	0.26
Net debt / EBITDA Ratio	0.66	0.56	0.45	0.57
CAGR %	25.08%			

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 Condition and Results of Operations**” on page 131 of this DLOF.

5. Long-standing Relationships with Domestic and Multi-National Pharmaceutical Companies

We have maintained long-standing relationships with domestic and multi-national pharmaceutical companies. Our top five customers have been with us for nearly half a decade and these customers, in aggregate, contributed to approximately 67% of our total revenue from operations in the FY21 and our cumulative revenue from such customers has grown year over year. Further, we believe that our position as a preferred supplier of advance pharmaceutical intermediates for the generic APIs and NCE to major participants in the API markets insulates us from the wins and losses of our customers and significantly hedges us against revenue volatility. Our product are supplied to the US and European markets, where we believe our product quality, vendor compliant manufacturing and customer relationships have helped us

to strengthen our competitive position. Further, changing a pharmaceutical intermediate supplier is a time-consuming and complex process involving multiple applications before the relevant FDA authorities globally, which ensures a stable positioning of our Company in the advanced intermediary's market.

6. Extensive geographical reach

In last five years we have averaged to supply our products to more than sixteen (17) countries. We have long-standing relationships with numerous domestic, global pharmaceutical and specialty chemical companies for manufacturing and sale of pharmaceutical intermediates for the generic APIs, fine-chemicals and specialty chemicals. We supply our products to more than one hundred and twenty (113) customers worldwide directly or indirectly through our network of distributors in the overseas markets. This diversification ensures that, our revenues are independent on any particular domestic or foreign pharmaceutical or specialty chemical company. We have leveraged our network built over last decade across geographies to monetize every opportunity that we can convert through our existing product offerings thus creating value for the Company and its stakeholders. We also believe that our ability to explore new chemical reaction technologies and a hunger to diversify into new markets, with limited exposure to the risk of dependence on any specific market has become a key strength for sustainability in our business operations.

7. Strong Sales and Marketing capabilities

We leverage every opportunity we can through our strong sales, marketing and distribution capabilities. Our marketing team utilizes a variety of sales and marketing platforms and programs to promote our products, including promotional materials, key trade exhibitions such as CPHI for Pharma sector and CHEM-EXPO or other relevant exhibition for Fine-Chemicals & Specialty Chemicals. We also entertain the paper marketing through industry publications, advertising and other media publications. We strongly believe in a market research-based model wherein in a pharma sector 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 the foreign countries FDA's. On the specialty chemical sector, we tend to leverage every opportunity to work with our existing or the potential customer using our core chemical competencies to commercialize the project and serve them with the best cost and well-timed delivery services with best quality available among the market.

As a result of the continuous marketing efforts and advertisements, our Company receives new product requirements from multiple Pharma or Specialty Chemicals innovators which shall help our Company to maintain its reliability and prove its readiness for servicing future product requirements.

8. Experienced and Dedicated Management Team

We are led by qualified and experienced Board of Directors and key managerial 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. 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. Our core managerial team has an average pharmaceutical industry experience of approximately thirty-two (32) years and almost all of them have been associated with our Company since our formative years. For further details of our key managerial personnel, see "**Our Management**" on page 86 of this DLOF.

OUR BUSINESS STRATEGY

1. Capitalization of opportunity using our core chemical expertise in the development of advance pharmaceutical intermediates for APIs, NCE, Specialty and Fine-chemicals Market.

We are particularly focused on growing our presence in the manufacturing of a of advance pharmaceutical intermediates for APIs all while simultaneously exploring the opportunities in the Specialty and Fine-chemicals Market as well. We believe that there are significant growth opportunities in both the sectors and continually aim to utilize advanced technologies to bring in cost efficiency in existing products and processes and enhance our product portfolio through investments in R&D.

Regulation (EC) 1907/2006 of the European Parliament and of the Council of December 18, 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (“REACH”) prescribes a number of requirements applicable to the chemical industry. A mandatory requirement of registration under REACH to import the product in the said country under the European Union has been a comfort to companies like us whose substantial business is derived from EU countries. Our Company has secured REACH registration for its key products for the purposes of selling and marketing them in the European Union for having an added advantage of being a ‘registered preferred supplier’ to the customers in the said territory. Recently, a regulation was enacted to ban chemicals not registered under the REACH Regulations from being imported into the European Union which forces a measure that post 2018, no new entrants in the European Union market would be allowed to sale unless such entrant holds a valid registration under the REACH Regulations. We believe that this was a significant entry barrier that works in favour of the Company like us and position as with a major against the competitors in a critical European market. This allows the Company to cater to the regulated players with the benefit of its strong R&D capabilities for new product offerings. Besides this, our Company also has started to expand its presence in China by leveraging on the shutdown of various chemical manufacturing facilities in China, due to internal legal restrictions imposed by the Chinese government on their respective manufacturers in relation to environmental pollution.

2. Investing in innovative technology for cost efficiency, safe and eco- friendly processes.

Our Company strongly believes in conducting its business operations on a sustainable basis and in an environmentally responsible and operationally safe manner. An in-house effluent treatment plant has been set up by our Company which has given an added advantage to continue in its business operations, more particularly in light of the closure of several production units in China due to tougher regulations on the pollution causing industries. The said restrictions on the Chinese chemicals manufacturing sector, adversely impacted the chemical raw-material supply chain in both the sectors pharmaceutical as well as fine chemicals, thereby generating a major vacuum in supplies. This situation opened the doors for India Chemical Industries to cater this demand which consequently benefitted our Company to tap the potential market opportunities. Our Company consistently focus the attention on timely identification of such potential market opportunities.

As we operate in a fiercely competitive industry wherein chemical process technology and manufacturing technology plays a critical role we continuously invest to keep our technology, facilities and machinery updated with the latest available option and which adhered to the compliance standards. Further to this, we also intend to position ourselves as a leading market player in our products, both domestically and internationally by consistently adopting the latest technological changes and be responsive to the constant technological upgradations required to ensure cost efficiency and environmentally friendly processes in our business. We believe that making timely and cost-effective enhancements to the technological infrastructure shall ensure the safety of the process required and also deliver the quality and improvements required in order to meet evolving customer requirements.

The Company’s total capital expenditure (i) for upgrading its manufacturing facilities was ₹576.70 Lakhs for the FY21 compared to ₹406.98 Lakhs for the FY20, and ₹948.04 Lakhs for FY19; (ii) towards research and development was ₹173.32 Lakhs 9 months period ended December 31, 2021 compared to ₹75.76 Lakhs for the FY21.

3. Focus on New Product Development and R&D

We constantly seek to introduce new product verticals in pharmaceutical and fine-chemical sector by constantly enhancing our research and development capabilities to distinguish ourselves from our competitors and intend to become a research based international pharmaceutical and fine chemicals company who provides innovative solutions to its customers. With our company motto to follow the “research brings excellence” approach we plan to further expand our R&D and P&D capabilities and are intending to make subsequent capital expenditure in development of a pilot plant and research and development facility in the vicinity of our manufacturing facility. For details see “**Objects of the Issue – Details of the Objects**” on page 48 of this DLOF.

Our Company has, in the last decade made significant investments to develop cost effective processes

for manufacturing its products and planning to fill the patent applications in relation to the same and has developed significant expertise in chemistry and series of molecules giving our Company advantage against its competitors. Further, our Company also has a strong presence in Chloroalkyl amines salts and heterogenous nitrogen compounds such as Piperazine, Piperidine, Pyrrolidines etc. in addition to being one of top players in production of pharmaceutical intermediates of Anti-psychotic API's such as Amitriptyline, Nortriptyline, Citalopram, Haloperidol, Raloxifene Amiodarone etc.

Our Products:

S. No.	API (Mother Brand)	Brief Description
1.	Amitriptyline	Amitriptyline, sold under the brand name Elavil among others, is a tricyclic antidepressant primarily used to treat major depressive disorder and a variety of pain syndromes from neuropathic pain to fibromyalgia to migraine and tension headaches. ^[1]
2.	Nortriptyline	Nortriptyline, sold under the brand name Pamelor, among others, is a medication used to treat depression, neuropathic pain, attention deficit hyperactivity disorder (ADHD), smoking cessation and anxiety. As with many antidepressants, its use for young people with depression and other psychiatric disorders may be limited due to increased suicidality in the 18-24 population initiating treatment. ^[2]
3.	Citalopram	Citalopram, sold under the brand name Celexa among others, is an antidepressant of the selective serotonin reuptake inhibitor (SSRI) class. It is used to treat major depressive disorder, obsessive compulsive disorder, panic disorder, and social phobia. The antidepressant effects may take one to four weeks to occur. It is taken by mouth. ^[3]
4.	Haloperidol	Haloperidol, sold under the brand name Haldol among others, is a typical antipsychotic medication. Haloperidol is used in the treatment of schizophrenia, tics in Tourette syndrome, mania in bipolar disorder, delirium, agitation, acute psychosis, and hallucinations in alcohol withdrawal. It may be used by mouth or injection into a muscle or a vein. Haloperidol typically works within 30 to 60 minutes. ^[4]
5.	Raloxifene	Raloxifene Hydrochloride is a medication used to prevent and treat osteoporosis in postmenopausal women and those on glucocorticoids. For osteoporosis it is less preferred than bisphosphonates. It is also used to reduce the risk of breast cancer in those at high risk. It is taken by mouth. ^[5]
6.	Amiodarone	Amiodarone is an antiarrhythmic medication used to treat and prevent a number of types of cardiac dysrhythmias. This includes ventricular tachycardia (VT), ventricular fibrillation (VF), and wide complex tachycardia, as well as atrial fibrillation and paroxysmal supraventricular tachycardia. Evidence in cardiac arrest, however, is poor. It can be given by mouth, intravenously, or intraosseously. When used by mouth, it can take a few weeks for effects to begin. ^[6]
7.	Flavoxate	Flavoxate is an anticholinergic with antimuscarinic effects. Its muscle relaxant properties may be due to a direct action on the smooth muscle rather than by antagonizing muscarinic receptors. ^[7]

[1] *Amitriptyline Tablets BP 50mg – Summary of Product Characteristics (SPC)*". *electronic Medicines Compendium*. Actavis UK Ltd. 24 March 2013. From: https://en.wikipedia.org/wiki/Amitriptyline#cite_note-EMC-10

[2] *"Nortriptyline Hydrochloride Monograph for Professionals"*. *Drugs.com*. American Society of Health-System Pharmacists. From: https://en.wikipedia.org/wiki/Nortriptyline#cite_note-AHFS2019-4

[3] *"Citalopram Hydrobromide Monograph for Professionals"*. *Drugs.com*. AHFS. From:

https://en.wikipedia.org/wiki/Citalopram#cite_note-AHFS2018-5

[4] "Haloperidol". *The American Society of Health-System Pharmacists*. Archived from the original on 2 January 2015. From: https://en.wikipedia.org/wiki/Haloperidol#cite_note-AHFS2015-4

[5] "Raloxifene Hydrochloride Monograph for Professionals". *Drugs.com*. *American Society of Health-System Pharmacists*. From: https://en.wikipedia.org/wiki/Raloxifene#cite_note-AHFS2019-4

[6] "Amiodarone Hydrochloride". *The American Society of Health-System Pharmacists*. Archived from the original on 19 September 2016. From: https://en.wikipedia.org/wiki/Amiodarone#cite_note-AHFS2016-4

[7] <https://en.wikipedia.org/wiki/Flavoxate>

Ordinarily, in relation to our business, we enter the following type of contracts:

- (i) **Supply Contract with the local Distributor:** Our Company enters into agreements with reputed distributor situated in the respective country 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 End-User/Final Customers:** Our Company enters into supply contracts on an exclusive and non-exclusive basis to supply the products to the End-User or final customers directly.
- (iii) **Contract Manufacturing Services: Our Company enters into contract manufacturing arrangements and confidentiality** agreements with customer on an exclusive/ non-exclusive basis to take on a project of which process development if required and scale-up is done at company. This type of service majorly caters to specialty chemical sector as compared to pharmaceutical sector

Infrastructure

Our manufacturing unit is equipped with the following key machinery and equipment:

S.No.	Name of the Equipment	Quantity	Capacity Description/Other Parameters
<i>Total Number of Product Lines: 19</i>			
1.	Glass Line Reactors	23	201 KL total Capacity/ 1 KL to 6 KL reactor volume
2.	SS 316 Reactors	25	
3.	Dryer	9	RCVD, RVD, Tray Dryer, ANFD, FBD
4.	Centrifuge	5	S.S.Centrifuge
5.	Chilling Plant	4	40 TR to 100 TR
6.	Cooling Tower	6	60 TR to 600 TR
7.	Boiler	4	3 Ton, 1 Ton,
8.	High- Therrm Boiler	2	1 Lac Kcal
9.	Ware House Capacity	2	400 MT
10.	DG Set	2	400 KVA, 62 KVA

11.	ETP Plant	1	220 KLM
12.	MEE Plant	1	35 KLD

Further, to the continuous expansion, our manufacturing unit is very well equipped with an in-house Effluent Treatment Plant (ETP) including: (i) a three-effect, forced circulation type Multiple Effect Evaporator (“MEE”); (ii) a Agitated Thin film Dryer (ATFD); (iii) a RO plant with a pre-treatment section; and (iv) Aeration tanks with bio-technology to treat highly polluted water. This helps to expand our product portfolio with minimum restriction to those technologies where effluent is un-avoidable.

In addition to the above, we have a state of art pilot plant with reactor ranging from 20 Litre scale to 200 Litre scale and with niche operating temperature range available from -45 deg celsius all the way upto +300 deg Celsius. We also have pilot autoclave reactors which are capable of handling 100 bar pressure. Our state of art pilot also acts as a plant to cater low volume and high value products while allowing us to perfectly study the process, metallurgy suitability and utility efficiency for the respective process.

Raw Materials

Raw materials are essential to our business are procured in the ordinary course of business from various suppliers. We purchase raw materials from the sources we maintain which is approved and audited by our internal quality control department We check carefully the reliability of all the materials purchased to ensure that they comply the desired quality and safety standards required by our products. We obtain our raw materials from domestic sources as well as import. Our raw material sourcing is not dependent on a single source of supply and we do have access to alternate sources for our procurement of raw material from other suppliers.

Water and Electricity

Our company meets its power requirements for our manufacturing process from Dakshin Gujarat Vij Company Limited and we have our installed DG set of 575 KVA for providing standby power backup and local area authority provides potable water for operating our manufacturing facility. We also have an in-house captive power backup generator to ensure 100% power back-up for our manufacturing facility and R&D and admin center at Ankleshwar Unit-1 and Unit-2 respectively.

Human Resource

Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled / semi-skilled / unskilled resources together with our efficient management team have enabled us to successfully implement our growth plans.

As on December 31, 2021 our total manpower strength is 145 personnel including 93 Permanent employees and 52 Contract workers at our registered office and manufacturing facility.

Sr.No	Department	No of employee
1	Management & Administration	3
2	Human Resource (HR) & Admin	3
3	Research and Development (R&D)	7
4	Quality Check / Analytical Lab	9
5	Quality Assurance	2
6	Commercial	5
7	Finance & Accounts	4
8	Environment Health & Safety (EHS)	2
9	Compliance	2
10	Store / Warehouse	7
11	Liaising	1

12	Maintenance	10
13	Production	34
14	Effluent Treatment Plant (ETP)	4
	Total	93

Marketing

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company.

We believe our relationship with the clients is cordial and established as we receive repeat order flows. We intend to expand our existing customer base by reaching out to other geographical areas.

Competition

The Industry which we cater to is highly competitive as we compete with organised and unorganised sector on the basis of availability of products, raw materials and other aspects. Also, we face competition from various domestic and international companies and entities. But we intend to continue competing with such entities to grow our business.

Manufacturing Process

The raw materials are charged in a reaction vessel of suitable capacity and design based on the type of reaction. The reaction starts when all technical requirements such as temperature, pressure, cycle time, and reaction time slots are optimal. Technical parameters such as temperature, pressure and reaction time are maintained based on the type of reaction.

When the whole reaction is complete, the product is analyzed and subjected to further processing, which includes filtration specified distillation procedures, purification processes to get the required quality product. The product then undergoes drying, milling, shifting, and packing. The final product is ultimately tested to ensure it meets the applicable specifications before it is supplied to the customer. During this whole manufacturing process, various products, many by-products and recoveries are generated. Owing to the green chemistry vision towards our manufacturing practices, we re-use most of these by-products and recoveries as well as sell some of the recoveries and by-products to some of the industrial customers.

CAPACITY UTILISATION

Our manufacturing facility has an annual installed capacity to manufacture 786 MT of our products. The capacity utilization of our products for the last three financial year is set out in the table below

Particulars	As on March 31, 2021	As on March 31, 2020	As on March 31, 2019
Installed Capacity (in Metric Ton p.a)	786.00	786.00	702.00
Capacity Utilisation (in Metric Ton p.a)	609.16	678.151	581.764
Capacity Utilisation (%)	77.50	86.28%	82.87%



INSURANCE

Our Company has insurance coverage which is reasonably sufficient to cover all normal risks associated with our operations and is in accordance with the industry standards.

We have taken insurance policies with insurance companies covering risks in relation to our business and our employees such as Employee group insurance policy and Standard Fire and Special Perils policy which also covers earthquake (fire and shock)

INTELLECTUAL PROPERTY

Our Company has obtained following registered trademark as on the date of Draft Letter of Offer :

Sr. No.	Authority Granting Approval	Application No.	Class	Description of the Logo / Label / Device (Applied for)
1	Trade Mark Registry	4006093	35	
2	Trade Mark Registry	4005810	1	

OUR MANAGEMENT

Our Board of Directors

Set forth below are details regarding our Board as on the date of this Draft Letter of Offer:

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship`	Other directorships in Companies
<p>CHANDUBHAI MANUBHAI KOTHIA Designation: Chairman and Managing Director DIN: 00652806 Date of Birth: December 01, 1962 Age: 59 years Occupation: Business Address: 303/c/6, new colony, near marathi school, G.I.D.C., Anklesvar, Ankleshwar, Bharuch, Gujarat – 393001. Nationality: Indian Original Date of Appointment: April 27, 1995 Re-appointment as Managing Director & Chairman – August 19, 2017 Period of Directorship: For a term of five years commencing from August 19, 2017</p>	<ul style="list-style-type: none"> • Ankleshwar Research and Analytical Infrastructure Limited • Dhari Chemicals Limited • Kamalam Foundation
<p>GUNJAN CHANDULAL KOTHIA Designation: Whole-Time Director DIN: 07408125 Date of Birth: March 31, 1992 Age: 29 Years Occupation: Professional Address: Plot no.- 303/c/6, Tulsikunj society, near marathi school, G.I.D.C., Ankleshwar, Ankleshwar IE, Bharuch, Gujarat – 393002. Nationality: Indian Original Date of Appointment: April 15, 2020 Period of Directorship: For a term of five years commencing from April 15, 2020</p>	<ul style="list-style-type: none"> • Kamalam Foundation
<p>PARTH CHANDULAL KOTHIA Designation: Independent Director DIN: 08830608 Date of Birth: January 13, 1996 Age: 25 Years Occupation: Professional Address: 303/c/6, near marathi school, new colony, G.I.D.C., Ankleshwar, Anklesvar, Bharuch, Gujarat – 393001. Nationality: Indian Original Date of Appointment: January 18, 2021 Period of Directorship: For a term of five years commencing from January 18, 2021</p>	<ul style="list-style-type: none"> • Kamalam Foundation
<p>JAYESH KISHANLAL SAVJANI Designation: Independent Director DIN: 07740486 Date of Birth: December 04, 1989 Age: 33 Years Occupation: Chartered Accountant</p>	<p>NIL</p>

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship`	Other directorships in Companies
<p>Address: V2 31 R K County, opp. Narmada college, Tavra road, opp. Narmada college, Jhadeshwar, Zadeshwar, Bharuch, Gujarat - 392011</p> <p>Nationality: Indian</p> <p>Original Date of Appointment: July 29, 2017</p> <p>Re-appointment as an Independent Director: August 19, 2017</p> <p>Period of Directorship: For a term of five years commencing from August 19, 2017</p>	
<p>PRIYAM SURENDRA SHAH</p> <p>Designation: Independent Director</p> <p>DIN: 06858411</p> <p>Date of Birth: July 27, 1990</p> <p>Age: 31 Years</p> <p>Occupation: Chartered Accountant</p> <p>Address: 23, Amramanjari Bunglows, Gala Gymkhana road, opp. Chittvan, Bopal, Daskroi, Ahmedabad, Gujarat - 380058</p> <p>Nationality: Indian</p> <p>Original Date of Appointment: October 11, 2017</p> <p>Re-appointment as an Independent Director: September 29, 2018</p> <p>Period of Directorship: For a term of five years commencing from October 11, 2017</p>	NIL
<p>VAISHALIBEN KANJIBHAI VADODARIYA</p> <p>Designation: Independent Director</p> <p>DIN: 08061214</p> <p>Date of Birth: December 15, 1994</p> <p>Age: 27 Years</p> <p>Occupation: Professional</p> <p>Address: A-85, Ayodhyapuram society, near green valley residency, Valak Patiya, Sarthana, Surat, Gujarat – 395006.</p> <p>Nationality: Indian</p> <p>Original Date of Appointment: October 08, 2020</p> <p>Re-appointment as an Independent Director: September 18, 2021</p> <p>Period of Directorship: For a term of five years commencing from February 05, 2018</p>	NIL

Confirmations

None of our Directors is or was a director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the five (5) years preceding from the date of this Draft Letter of Offer, during their term of directorship in such company.

None of our Directors is or was, a director of any listed companies, which has been or were delisted from any stock exchange(s), during the ten (10) years preceding from the date of this Draft Letter of Offer, during their term of directorship in such company.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company:

Details of Key Managerial Personnel and Senior management Personnel

Name of the KMPs	Designation
Chandubhai Manubhai Kothia	Chairman and Managing Director
Suresh Dalsukhbhai Panchal	Chief Financial Officer
Sunnykumar Jitendrabhai Narwani	Company Secretary and Compliance Officer

Management Organisation Structure:



SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Particulars	Page No.
Unaudited Financial Statements for the period ended December 31, 2021 (Standalone and Consolidated)	91 - 96
Audited Standalone Financial Statements for the year ended March 31, 2021	97-130



RUSHIK J PATEL & CO.

CHARTERED ACCOUNTANT

Address: 2c to 2g, 2nd Floor, Resham Bhavan, Nr. Param Doctor House, Lal Darwaja, Surat
Email: mr.rushik@ymail.com Mo. No.8866288229

Independent Auditors' Review Report

ALL AMOUNTS IN INDIAN RUPEES (₹), IN LACS EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

To,
The Board Of Directors,
M/s Shree Ganesh Remedies Limited

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of M/s Shree Ganesh Remedies Limited ("the Company") for the period ended on 31st December 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended), including relevant circulars issued by the SEBI from time to time.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section -133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Rushik J Patel & Co.
Chartered Accountants

Rushik J Patel
Proprietor
Membership No.148969
F.R.No.135751W
Date: 18th January 2022
UDIN 22148969AAAAAO9237



STATEMENT OF STANDALONE FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER 2021

ALL AMOUNTS IN LAKHS (₹), EXCEPT EPS

Particulars	Sr. No	Quarter Ended			For the Nine Months ended		Year Ended
		31st Dec 2021	30th Sep 2021	31st Dec 2020	31st Dec 2021	31st Dec 2020	31st Mar 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
INCOME							
Revenue from operations	I	2,112.79	1,696.94	1,326.42	5,072.98	3,371.19	4,908.23
Other Income	II	87.90	43.98	54.47	242.71	193.63	209.43
Total Income (I+II)	III	2,200.68	1,740.92	1,380.89	5,315.69	3,564.82	5,117.66
EXPENSES							
Cost of Material Consumed	IV	906.01	892.11	592.06	2,550.90	1,601.32	2,598.56
Purchase of Stock in trade		Nil	Nil	Nil	Nil	Nil	Nil
Changes in inventories of finished goods/ WIP		175.90	(0.12)	42.70	32.37	(44.38)	(396.73)
Employee Benefit Expense		121.49	106.03	103.85	328.57	279.51	384.69
Finance Costs		3.33	2.76	1.89	13.06	5.37	6.77
Depreciation and Amortisations		98.79	95.39	21.74	275.72	149.42	272.54
Other Expenses		331.66	254.46	270.73	833.40	683.24	956.89
Total Expenses		1,637.18	1,350.62	1,032.97	4,034.01	2,674.48	3,822.71
Profit before exceptional, Extraordinary item and tax (III - IV)	V	563.50	390.29	347.92	1,281.68	890.34	1,294.95
Exceptional Items	VI	Nil	Nil	Nil	Nil	Nil	Nil
Profit before Extraordinary Item and tax (V - VI)	VII	563.50	390.29	347.92	1,281.68	890.34	1,294.95
Extraordinary Items	VIII	Nil	Nil	Nil	Nil	Nil	Nil
Profit before tax (VII - VIII)	IX	563.50	390.29	347.92	1,281.68	890.34	1,294.95
Tax Expenses	X						
Current Tax		145.27	89.84	48.79	329.46	190.14	323.16
Adjustment of Tax Related to Earlier Periods		Nil	Nil	Nil	Nil	Nil	Nil
Deferred Tax		(2.02)	(1.40)	21.99	(3.70)	28.20	(3.63)
Profit/(loss) from continuing operations (IX - X)	XI	420.26	301.85	277.14	955.92	672.00	975.42
DISCONTINUING OPERATIONS							
Profit/(loss) from discontinuing operations before tax	XII	Nil	Nil	Nil	Nil	Nil	Nil
Tax expense of discontinuing operations	XIII	Nil	Nil	Nil	Nil	Nil	Nil
Profit/(loss) from discontinuing operations after tax (XII - XIII)	XIV	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL OPERATIONS							
Profit (Loss) for the period (XI + XIV)	XV	420.26	301.85	277.14	955.92	672.00	975.42
OTHER COMPREHENSIVE INCOME							
Income relating to Item that will not be classified to profit and loss		Nil	Nil	Nil	Nil	Nil	Nil
Income relating to Item that will be classified to profit and loss		Nil	Nil	Nil	Nil	Nil	Nil
Total Comprehensive Income for the period		420.26	301.85	277.14	955.92	672.00	975.42
Paid Up Equity Share Capital (Face Value Rs.10 each)		1,200.77	1,000.64	1,000.64	1,200.77	1,000.64	1,000.64
Other Equity Excluding Revaluation Reserves		Nil	Nil	Nil	Nil	Nil	3,999.67
Earning Per Share for Continuing operation							
Basic - Par Value Rs.10		3.50	2.51	2.31	7.96	5.60	8.12
Diluted - Par Value Rs.10		3.50	2.51	2.31	7.96	5.60	8.12

For, Shree Ganesh Remedies Limited

Chandulal Kothia
Chairman and Managing Director
DIN NO - 00652806
Ankleshwar
18th January 2022



Notes to the Balance Sheet | Profit and loss account

ALL AMOUNTS IN LAKHS (₹), EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

NOTES

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on January 18, 2022 and reviewed by the Statutory Auditors of the company.
- 2 The Company had adopted Indian Accounting Standards (IND AS) notified by Ministry of Corporate Affairs with Effect from 1st April 2017. Financial results for the quarter ended on 31st December 2021, 30th September 2021 have been prepared accordingly. Financial Results for the quarter and nine months ended on 31st December 2021 have also been prepared in accordance with IND AS. The IND AS compliant results for the quarter ended 31st December 2021 have not been audited by the statutory auditors and provided their limited review. However, the management has exercised necessary due diligence to ensure that the financial results provide true and fair view of the Company's affairs.
- 3 As required under Regulation 33 of SEBI (LODR) Regulations, 2015 the limited review by the statutory auditors have been completed for the quarter ended on 31st December 2021. The report does not have any impact on the above results and notes which needs explanation. The above results have been reviewed and recommended by the Audit Committee on 18th January 2022 and subsequently approved by the Board of Directors at its meeting held on 18th January 2022.
- 4 Earning per shares are has been calculated on the weighted average of the share capital outstanding during the year. Nine months EPS is not annualised. Also, during the quarter the company has issued bonus shares in the ratio of 5:1. Since the bonus issue is an issue without consideration, the issue is treated as if it had occurred prior to the beginning of the earliest period report.
- 5 During current reporting period, on account of increase in the fuel prices, there has been a marginal increase in the cost of production by around 1.07% as compared to the previous nine month reporting period
- 6 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. Accordingly, the Company had recognized the provision for income tax for the quarter and nine month ended on 31st December 2021 and 31st December 2020 and re-measured its deferred tax basis the rate prescribed in the said section.
- 7 Previous year / Period figures have been re-grouped, re-arranged wherever considered necessary
- 8 The company is primarily engaged in the business of Bulk Drug Intermediates, which constitute a single reportable segment in accordance with Ind AS 108 - "Segment Reporting"
- 9 The company has subsidiary hence it has prepared standalone as well as consolidatd result also

For, Shree Ganesh Remedies Limited


Chandulal Kothia
 Chairman and Managing Director
 DIN NO - 00652806
 Ankleshwar
 18th January 2022





RUSHIK J PATEL & CO.

CHARTERED ACCOUNTANT

Address: 2c to 2g, 2nd Floor, Resham Bhavan, Nr. Param Doctor House, Lal Darwaja, Surat
Email: mr.rushik@ymail.com Mo. No.8866288229

Independent Auditors' Review Report Consolidated Financial Results

ALL AMOUNTS IN INDIAN RUPEES (₹), IN LACS EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

To,
The Board Of Directors,
M/s Shree Ganesh Remedies Limited

We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of M/s Shree Ganesh Remedies Limited ("the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the period ended on 31st December 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended), including relevant circulars issued by the SEBI from time to time.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section -133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMDI/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

The statement includes the results of the following entities:

Sr. No.	Name of the entity	Relationship
1	Shree Ganesh Remedies Ltd	Holding Company
2	Akshar Jyot Private Limited	Subsidiary Company
3	Dhari Chemicals Limited	Subsidiary Company

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Rushik J Patel & Co.
Chartered Accountants

Rushik J Patel
Proprietor
Membership No.148969
F.R.No.135751W

Date: 18th January 2022
UDIN 22148969AAAAAP9822



STATEMENT OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER 2021

ALL AMOUNTS IN LAKHS (₹), EXCEPT EPS

Particulars	Sr. No	Quarter Ended			For the Nine Months ended		Year Ended
		31st Dec 2021	30th Sep 2021	31st Dec 2020	31st Dec 2021	31st Dec 2020	31st Mar 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
INCOME							
Revenue from operations	I	2,112.79	1,696.94	1,326.42	5,072.98	3,371.19	4,908.23
Other Income	II	87.90	43.98	54.47	242.71	193.63	209.43
Total Income (I+II)	III	2,200.68	1,740.92	1,380.89	5,315.69	3,564.82	5,117.66
EXPENSES							
Cost of Material Consumed	IV	906.01	892.11	592.06	2,550.90	1,601.32	2,598.56
Purchase of Stock in trade		Nil	Nil	Nil	Nil	Nil	Nil
Changes in inventories of finished goods/ WIP		175.90	(0.12)	42.70	32.37	(44.38)	(396.73)
Employee Benefit Expense		121.49	106.03	103.85	328.57	279.51	384.69
Finance Costs		3.33	2.76	1.89	13.06	5.37	6.77
Depreciation and Amortisations		98.79	95.39	21.74	275.72	149.42	272.54
Other Expenses		331.74	254.46	270.73	833.47	683.24	956.89
Total Expenses		1,637.26	1,350.62	1,032.97	4,034.08	2,674.48	3,822.71
Profit before exceptional, Extraordinary Item and tax (III - IV)	V	563.42	390.29	347.92	1,281.61	890.34	1,294.95
Exceptional Items	VI	Nil	Nil	Nil	Nil	Nil	Nil
Profit before Extraordinary Item and tax (V - VI)	VII	563.42	390.29	347.92	1,281.61	890.34	1,294.95
Extraordinary Items	VIII	Nil	Nil	Nil	Nil	Nil	Nil
Profit before tax (VII - VIII)	IX	563.42	390.29	347.92	1,281.61	890.34	1,294.95
Tax Expenses	X						
Current Tax		145.27	89.84	48.79	329.46	190.14	323.16
Adjustment of Tax Related to Earlier Periods		Nil	Nil	Nil	Nil	Nil	Nil
Deferred Tax		(2.02)	(1.40)	21.99	(3.70)	28.20	(3.63)
Profit/(loss) from continuing operations (IX - X)	XI	420.18	301.85	277.14	955.85	672.00	975.42
DISCONTINUING OPERATIONS							
Profit/(loss) from discontinuing operations before tax	XII	Nil	Nil	Nil	Nil	Nil	Nil
Tax expense of discontinuing operations	XIII	Nil	Nil	Nil	Nil	Nil	Nil
Profit/(loss) from discontinuing operations after tax (XII - XIII)	XIV	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL OPERATIONS							
Profit (Loss) for the period (XI + XIV)	XV	420.18	301.85	277.14	955.85	672.00	975.42
OTHER COMPREHENSIVE INCOME							
Income relating to Item that will not be classified to profit and loss		Nil	Nil	Nil	Nil	Nil	Nil
Income relating to Item that will be classified to profit and loss		Nil	Nil	Nil	Nil	Nil	Nil
Total Profit or loss, Attributable to							
Profit or loss, attributable to owners of parent		Nil	Nil	Nil	Nil	Nil	Nil
Total profit or loss, attributable to non controlling interest		Nil	Nil	Nil	Nil	Nil	Nil
Total Comprehensive Income for the period		420.18	301.85	277.14	955.85	672.00	975.42
Paid Up Equity Share Capital (Face Value Rs.10 each)		1,200.77	1,000.64	1,000.64	1,200.77	1,000.64	1,000.64
Other Equity Excluding Revaluation Reserves		Nil	Nil	Nil	Nil	Nil	3,999.67
Earning Per Share for Continuing operation							
Basic - Par Value Rs.10		3.50	2.51	2.31	7.96	5.60	8.12
Diluted - Par Value Rs.10		3.50	2.51	2.31	7.96	5.60	8.12

For, Shree Ganesh Remedies Limited


Chandulal Kothia
Chairman and Managing Director
DIN NO - 00652806
Ankleshwar
18th January 2022



Head Office (Unit-1) :
Plot No. 6011-12, GIDC Estate,
Ankleshwar - 393 002, Gujarat (INDIA)
Ph.: +91 9614961469, 7574976076
CIN No. : L24230GJ1995PLC025661
GSTIN : 24BAGS1471R1Z0 (Zero)

(Unit-2) :
Plot No. 6714/2,-6715 GIDC Estate,
Ankleshwar - 393 002, Gujarat (INDIA)
(Formally known as Ashok Pharma Chem)



www.ganeshremedies.com
WEBSITE

contact@ganeshremedies.com
EMAIL

Notes to the Consolidated Profit and loss account

ALL AMOUNTS IN LAKHS (₹), EXCEPT SHARE DATA AND WHERE OTHERWISE STATED

NOTES

- 1 The above consolidated results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on January 18, 2022 and reviewed by the Statutory Auditors of the company.

The Company had adopted Indian Accounting Standards (IND AS) notified by Ministry of Corporate Affairs with Effect from 1st April 2017. Consolidated Financial results for the quarter ended on 31st December 2021, 30th September 2021 have been prepared accordingly.
- 2 Consolidated Financial results Financial Results for the quarter and nine months ended on 31st December 2021 have also been prepared in accordance with IND AS. The IND AS compliant results for the quarter ended 31st December 2021 have not been audited by the statutory auditors and provided their limited review. However, the management has exercised necessary due diligence to ensure that the financial results provide true and fair view of the Company's affairs.

Earning per shares are has been calculated on the weighted average of the share capital outstanding during the year. Nine months EPS is not annualised. Also, during the quarter the company has issued bonus shares in the ratio of 5:1. Since the bonus issue is an issue without consideration, the issue is treated as if it had occurred prior to the beginning of the earliest period report.
- 3 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. Accordingly, the Company had recognized the provision for income tax for the quarter and nine month ended on 31st December 2021 and 31st December 2020 and re-measured its deferred tax basis the rate prescribed in the said section.
- 4 Previous year / Period figures have been re-grouped, re-arranged wherever considered necessary
- 5 The company is primarily engaged in the business of Bulk Drug Intermediates, which constitute a single reportable segment in accordance with Ind AS 108 - "Segment Reporting"
- 6

For, Shree Ganesh Remedies Limited


Chandulal Kothia
Chairman and Managing Director
DIN NO - 00652806
Ankleshwar
18th January 2022



Balance Sheet AS AT 31ST MARCH 2021			
ALL AMOUNTS IN INDIAN RUPEES (₹), EXCEPT SHARE DATA AND WHERE OTHERWISE STATED			
	Notes	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipments	2	18,24,63,914.52	16,22,02,917.46
(b) Capital work in progress	2	2,04,83,233.32	Nil
(c) Other Intangible Assets	2	60,49,238.75	4,67,732.40
(d) Intangible Assets under development	2	Nil	Nil
(e) Financial Assets			
(i) Investments	3	7,00,000.00	5,00,000.00
(iii) Loans	4	1,53,74,664.00	92,60,219.24
(f) Deferred Tax Assets (Net)	Note 1(18)	Nil	Nil
(g) Other Non-Current Assets	5	10,01,719.46	20,02,579.20
Total Non-Current Assets		22,60,72,770.05	17,44,33,448.30
2. Current Assets			
(a) Inventories	6	12,71,34,638.85	5,50,41,662.58
(b) Financial Assets			
(i) Loans	7	2,34,74,471.54	86,50,038.70
(ii) Trade Receivable	8	13,32,63,865.26	16,63,18,172.00
(iii) Cash and Cash Equivalentents	9	3,46,63,110.78	1,75,39,416.86
(iv) Bank Balances other than (iii) of above	10	Nil	Nil
(v) Investments	11	3,12,30,229.06	7,05,10,491.00
(d) Current Tax Assets (Net)	12	3,01,41,382.40	3,01,05,542.80
		37,99,07,697.89	34,81,65,323.94
Total Current Assets		37,99,07,697.89	34,81,65,323.94
TOTAL ASSETS		60,59,80,467.94	52,25,98,772.24

EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	13	10,00,64,460.00	8,97,13,560.00
(b) Other Equity	14		
(i) Equity Component of Compound Financial Instrument		Nil	Nil
(ii) Other Comprehensive Income		(15,70,296.80)	(15,70,296.80)
(iii) Reserve and Surplus		40,15,37,624.71	33,28,12,444.90
(iv) Other Reserves		Nil	Nil
		39,99,67,327.91	33,12,42,148.10
		50,00,31,787.91	42,09,55,708.10
2. Liabilities			
(A) Non Current Liabilities		Nil	Nil
(a) Financial Liabilities			
(i) Borrowings	15	Nil	4,15,014.89
(ii) Trade payable	16	Nil	Nil
(b) Provisions	17	16,80,826.00	17,80,446.00
(c) Deferred Tax Liabilities (Net)	Note 1(18)	23,90,195.00	27,53,080.00
Total Non-Current Liabilities		40,71,021.00	49,48,540.89
(B) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	17,31,954.77	2,07,36,427.24
(ii) Trade Payable	19	6,20,76,924.26	3,85,86,852.35
(b) Other Current Liabilities	20	4,15,014.89	19,62,970.66
(c) Provisions	21	53,38,154.11	36,50,956.00
(d) Current Tax Liabilities (Net)	22	3,23,15,611.00	3,17,57,317.00
Total Current Liabilities		10,18,77,659.03	9,66,94,523.25
Total Liabilities		10,59,48,680.03	10,16,43,064.14
TOTAL EQUITY AND LIABILITIES		60,59,80,467.94	52,25,98,772.24

Profitability Statement AS AT 31ST MARCH 2021			
ALL AMOUNTS IN INDIAN RUPEES (₹), EXCEPT SHARE DATA AND WHERE OTHERWISE STATED			
	Notes	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
CONTINUING OPERATIONS			
INCOME			
Revenue from operations	23	49,08,23,362.00	58,42,55,806.00
Other Income	24	2,09,42,829.53	4,17,79,717.24
Total Income		51,17,66,191.53	62,60,35,523.24
EXPENSES			
Cost of Material Consumed	25	25,98,55,516.20	35,51,10,564.81
Purchase of Stock in trade		Nil	Nil
Changes in inventories of finished goods/ WIP	26	(3,96,73,384.84)	8,47,211.39
Employee Benefit Expense	27	3,84,69,331.00	3,26,31,548.85
Finance Costs	28	6,77,376.01	14,07,734.98
Depreciation and Amortizations	2	2,72,54,021.14	2,24,06,195.04
Other Expenses	29	9,56,88,630.77	8,61,92,936.62
Total Expenses		38,22,71,490.28	49,85,96,191.69
Profit before exceptional and tax		12,94,94,701.25	12,74,39,331.55
Exceptional Items		Nil	Nil
Profit before tax		12,94,94,701.25	12,74,39,331.55
Tax Expenses			
Current Tax		3,23,15,611.00	3,17,57,317.00
Adjustment of Tax Related to Earlier Periods			
Deferred Tax	1(18)	-3,62,885.00	-5,63,291.00
Profit/(loss) from continuing operations		9,75,41,975.25	9,62,45,305.55
DISCONTINUING OPERATIONS			
Profit/(loss) from discontinuing operations before tax		Nil	Nil
Tax expense of discontinuing operations		Nil	Nil
Profit/(loss) from discontinuing operations after tax		Nil	Nil

TOTAL OPERATIONS			
Profit (Loss) for the period		9,75,41,975.25	9,62,45,305.55
OTHER COMPREHENSIVE INCOME			
A. ITEM NOT RECLASSIFIED TO PROFIT OR LOSS			
i. Income relating to Item that will not be classified to profit and loss		Nil	Nil
ii. Income Tax Relating item (i) of above		Nil	Nil
		Nil	Nil
B. ITEM RECLASSIFIED TO PROFIT OR LOSS			
i. Income relating to Item that will be classified to profit and loss			
ii. Income Tax Relating item (i) of above			
		Nil	Nil
Total other comprehensive Income		Nil	Nil
TOTAL INCOME			
Total Comprehensive Income for the period		9,75,41,975.25	9,62,45,305.55
Earning Per Share for Continuing operation			
Basic - Par Value ₹10	1(16)	9.75	9.62
Diluted - Par Value ₹10	1(16)	9.75	9.62
Earning Per Share for Discontinued operation			
Basic - Par Value ₹10	1(16)	Nil	Nil
Diluted - Par Value ₹10	1(16)	Nil	Nil
Earning Per Share for Continuing + Discontinued operation			
Basic - Par Value ₹10	1(17)	9.75	9.62
Diluted - Par Value ₹10	1(17)	9.75	9.62

Cash Flow Statement AS AT 31ST MARCH 2021		
ALL AMOUNTS IN INDIAN RUPEES (₹), EXCEPT SHARE DATA AND WHERE OTHERWISE STATED		
	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Profit as Per Profit & Loss Account	12,94,94,701.25	12,74,39,331.55
Cash Flows from Operating Activities		
Non-Cash Items		
Depreciation and Amortisations	2,72,54,021.14	2,24,06,195.04
Amortization of Land	6,19,218.51	5,59,740.50
Non-Cash income or Exps	(10,62,45,906.37)	(7,85,17,250.05)
Change in Working Capital		
Decrease / Increase in Provision	15,87,578.11	19,21,047.00
Decrease / Increase in Debit balance of duties	76,55,386.18	1,64,27,938.16
Increase / (Decrease) in Creditor	44,85,599.44	1,70,67,502.14
Decrease / Increase in Inventory	(7,20,92,976.27)	1,00,64,817.37
Increase / Decrease in Loan & Advances	73,02,580.58	(94,86,094.62)
Increase / Decrease in Debtors	3,30,54,306.74	(6,90,98,109.00)
Net Cash provided by operating activities	3,31,14,509.31	3,87,85,118.09
Cash Flows from Investing Activities		
Investment in Mutual Fund	(1,00,00,000.00)	1,00,00,000.00
Investment in Partnership Firm	(1,71,922.39)	(3,74,34,772.00)
Deposit	8,39,921.00	(12,23,754.00)
Fixed Assets	(89,598.00)	(4,37,145.00)
Net Cash provided by Investing Activities	(94,21,599.39)	(2,90,95,671.00)
Cash Flows from Financing Activities		
Issue of Shares under IPO	Nil	Nil
Mis. Assets	5,00,000.00	Nil
Secured Loans	(20,89,816.00)	(20,90,640.00)
Unsecured Loans	(49,79,400.00)	Nil
Security Premium	Nil	Nil
Net Cash provided by Financing Activities	(65,69,216.00)	(20,90,640.00)
Net increase / decrease in cash and cash equivalents	1,71,23,693.92	75,98,807.09
Cash and Cash equivalents at the beginning of the period	1,75,39,416.86	99,40,609.77
Cash and Cash equivalents at the end of the period	3,46,63,110.78	1,75,39,416.86

Other Comprehensive Income Statement AS AT 31ST MARCH 2021		
ALL AMOUNTS IN INDIAN RUPEES (`), EXCEPT SHARE DATA AND WHERE OTHERWISE STATED		
	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
A. OTHER COMPREHENSIVE INCOME - ITEMS THAT WILL NOT BE CLASSIFIED TO PROFIT OR LOSS		
Change in Revaluation Surplus	Nil	Nil
Remeasurement of the defined benefit Plans	Nil	Nil
Equity instruments through Other Comprehensive Income	Nil	Nil
Fair Value changes relating to own risk of financial liability designated at fair value through profit or loss	Nil	Nil
Share of OCI in Associates and Joint Venture, to the extent not to be classified into profit or loss	Nil	Nil
Remeasurement of Fair Value of Leasehold Land	Nil	Nil
Other (specify nature)	Nil	Nil
Total OCI Before Tax	Nil	Nil
Tax Effect	Nil	Nil
Total OCI from Item will Not be Classified into profit or loss	Nil	Nil
B. OTHER COMPREHENSIVE INCOME - ITEMS THAT WILL BE CLASSIFIED TO PROFIT OR LOSS		
Exchange difference in translating the financial statement of a foreign operation	Nil	Nil
Debt Instrument Through OCI	Nil	Nil
The Effective Portion of gain and loss on hedging instruments in a Cash Flow hedge	Nil	Nil
Share of OCI in Associates and Joint Venture, to the extent to be classified into profit or loss	Nil	Nil
Others (specify Nature)	Nil	Nil
Total OCI Before Tax	Nil	Nil
Tax Effect	Nil	Nil
Total OCI from Item will be Classified into profit or loss	Nil	Nil
OTHER COMPREHENSIVE INCOME	Nil	Nil

NOTE 1: NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

A) Basis of Preparation

The company has prepared and presented the financials as per reporting requirements u/s 133 of Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") as amended by Companies (Indian Accounting Standards) Rules, 2016 effective from 1st April 2016 on the accruals basis. Ind AS comprises mandatory accounting standards notified under the Companies Act, 2013. 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 Management evaluates all recently issued or revised accounting standards on an ongoing basis.

B) Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives and dismantling exps of fixed assets and intangible assets. The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates.

C) Property, Plant & Equipment and Depreciation

Property, Plant & Equipment are carried at the cost of acquisition or construction less accumulated depreciation and impairment losses. The cost of Property, Plant & Equipment includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing and incidental costs directly attributable to acquisition or construction of those Property, Plant & Equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of Property, Plant & Equipment outstanding at each balance sheet date and the cost of Property, Plant & Equipment not ready for their intended use before such date are disclosed under capital work-in-progress.

Depreciation on Property, Plant & Equipment is provided using the written down value method at the rates specified in Schedule II to the Companies Act, 2013 or based on the useful life of the assets as estimated by Management. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

D) Inventories

Raw materials are valued at their cost excluding excise duty, VAT and GST on FIFO basis.

Finished products are valued at cost (excluding excise duty, VAT and GST) or market value,

whichever is less. Semi finished products are valued at estimated cost (excluding excise duty, VAT and GST).

E) Investments

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

F) Retirement Benefits

Retirement Benefits, are accounted on Actuarial Basis.

G) Leases

Assets taken on lease where the company acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lesser of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease. The rental obligations, net of interest charges, are reflected as secured loans. Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and recorded as expense as and when the payments are made over the lease term. Any advance payments of operating leases is recognized as an expense over the economic useful life of the asset under lease.

H) Foreign currency transactions and balances

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the profit and loss account.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year-end rates. The resultant exchange differences are recognised as Other Comprehensive Income under the group Other Equity. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

I) Revenue Recognition

Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from domestic sales of products is recognised on dispatch of products to customers from the factory premises. Revenue from export sales is recognised on shipment of products.

Revenue from product sales is stated exclusive of returns, applicable trade discounts, allowances, CENVAT, VAT and GST.

Dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognised on the time proportionate method.

Export entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

J) Income Tax Expense

Income tax expense comprises current tax and deferred tax charge or credit.

- Current Tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

- Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and is written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

K) Earning Per Share

The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The company presents basic and diluted EPS from continuing and discontinuing operations separately.

L) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

1. CURRENT ASSET BALANCES

Balances of Sundry Creditors, Sundry Debtors and loans and advances are subject to confirmation. In the opinion of the Board of Directors, the current assets, loans and advances have a value on realisation at least equal to the amounts at which they are stated in the Balance Sheet.

2. INVENTORIES

Inventory is valued at cost (including cost for bringing the inventory to its current location and condition) or net realisable value whichever is less. Inventory as appearing in the financial statements is inclusive of duties, taxes and freight, in terms of Para 10 to 19 of Ind AS - 2, Inventories. Inventory excludes excise duty, VAT and Goods and Services Tax.

3. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The company has declared 17.50% dividend i.e. ₹ 1,75,11,281/- pertaining to FY20. However, the same have not been recognized as expense in the view of Para 12 & 13 of Ind AS-10 (Events after the Reporting Period). No contingencies have arisen which have a specific quantified effect on the financial statements after the balance sheet date, in terms of Para 4

of the said accounting standard.

4. CHANGE IN ACCOUNTING POLICY

There has been no other changes in the accounting policy, in terms of Para 14 to 21 of Ind AS - 8 (Accounting Policies, Change in Accounting Estimates and Errors).

5. PRIOR PERIOD ERRORS

No errors have been identified during the year and hence no adjustment is required to the retained earnings as per Para 49 of Ind AS-8 (Accounting Policies, Change in Accounting Estimates and Errors).

6. DEPRECIATION

Depreciation on fixed assets is provided using the written down value method at the rates specified in Schedule II to the Companies Act, 2013 or based on the useful life of the assets as estimated by management, whichever is higher. This policy has been continued during the current year. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. Disclosure as per Para 75-76 of Ind AS-16 (Property, Plant and Equipment) relating to dismantling cost is unascertainable. The management is unable to estimate the dismantling cost of individual assets as the same is impracticable, due to the complexity and size of the company.

7. REVENUE RECOGNITION

The Customs Duty Drawback benefits have been recognized as recommended by the Expert Advisory Committee of ICAI. In the opinion of the Expert Advisory Committee on the accounting treatment of Duty Drawback benefit, wherein it has been opined that the benefit under the Duty Drawback Scheme should be recognised as income when the exports (against which the credit has been granted) are made, provided the criteria for recognition of revenue under AS 9 have been fulfilled (query No. 28 of Vol. XX of Compendium of Opinions, page 96).

In the said opinion, the Committee has stated, inter alia, the following: "Under the facts and circumstances of the query, the Duty Drawback benefit should be recognised in the books of account when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist. In the case of drawback benefit on post-export basis when the company applies for the credit on realisation of export proceeds and the benefit is to be utilised for imports by the company, there seems to be no such significant uncertainty and, therefore, the drawback benefit should be recognised in the year in which the export was made."

8. PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment are carried at the cost of acquisition or construction less accumulated depreciation. The cost of Property, Plant and Equipment includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets as per Para 11 of Ind AS - 16, (Property Plant and Equipment). Borrowing costs directly attributable to acquisition or construction of those Property, Plant and Equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised as per Para 8-9 of Ind AS - 23 (Borrowing Costs).

9. FOREX FLUCTUATIONS

Export Sales have been recorded at the prevailing customs rate as on the date of removal of good from the factory. The relevant debtor ledger is debited/credited with appropriate loss /

profit on foreign exchange transaction when the sale proceeds are actually received as per Para 21 and para 29 of Ind AS - 21, (The Effect of Changes in Foreign Exchange Rates).

10. INVESTMENTS

Any changes in the fair value of the Equity instruments held by the company which are not held for trading have been recognised in accordance with Para 5.7.5 of IND AS 109 (Financial Instruments).

11. EMPLOYEE BENEFITS

The company's gratuity plan is not funded. The following table sets out the status of the gratuity plan as required under Para 11 of Ind AS-19 (Employee Benefits).

	Gratuity	
	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
I Change in Present Value of Obligations		
Present Value of Obligation as at the beginning of the year	18,22,149.00	16,27,445.00
Current year service Cost	4,74,219.00	4,00,811.00
Interest Cost	1,18,440.00	1,10,666.00
Actuarial (gain) / Loss on obligations	(5,33,612.00)	(3,16,773.00)
Benefit Paid	Nil	Nil
Present Value of Obligation as at the end of the year	18,81,196.00	18,22,149.00

II The amount recognised in Balance

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Present Value of Obligation as at the beginning of the year	18,22,149.00	16,27,445.00
Fair Present Value at the end of the year	18,81,196.00	18,22,149.00
Net Liability Recognised in Balance Sheet	59,047.00	1,94,704.00

III Amount recognized in Profit and Loss

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Current Service Cost	4,74,219.00	4,00,811.00
Interest Cost	1,18,440.00	1,10,666.00
Net Actuarial (Gain)/ Loss recognised in the year	(5,33,612.00)	(3,16,773.00)
Expenses Recognised in the Income and Expenditure Account	59,047.00	1,94,704.00

IV Assumptions

Mortality Rate	(Indian Assured Life Mortality) 31 MARCH 2021	
Discount Rate	6.50%	6.80%
Interest Cost	7.00%	6.80%

12. SEGMENT REPORTING

The company is primarily engaged in the business of Bulk Drug Intermediates, which constitute a single reportable segment in accordance with Ind AS 108 - "Segment Reporting"

13. RELATED PARTIES

The related parties where control exists are the subsidiaries, step-down subsidiaries, joint ventures and the partnership firms. There are no other parties over which the Company has control.

Related parties where control / significant influence exists or with whom transactions have taken place during the year:

Shree Ganesh Chemicals	Firm under Common Control
Ashok Pharma Chem	Firm under Common Control
Ashok Impex	Firm of Relatives of Director
Ashok Enterprise	Proprietorship of Director
Ganesh Corporation	Firm of Relatives of Director
Ankleshwar Research & Analytical Infrastructure Ltd.	Company under common control
Chandulal Kothia	Director of the Company
Hasmukhbhai Kothia	Director of the Company
Hasmukhbhai Kothia (HUF)	Relative of the Director of the Company
Ashokbhai Kothia	Director of the Company
Ashokbhai Kothia (HUF)	Relative of the Director of the Company
Manubhai J. Kothia	Relative of the Director of the Company
Hansaben C. Kothia	Relative of the Director of the Company
Manjulaben H. Kothia	Relative of the Director of the Company
Vilasben A. Kothia	Relative of the Director of the Company
Sanjaybhai H. Kothia	Relative of the Director of the Company
Subhashbhai B. Kothia	Relative of the Director of the Company
Ketanbhai H. Kothia (HUF)	Relative of the Director of the Company
Praharit Pigments LLP	Firm of Relatives of Director
Gunjanbhai Kothia	Relative of the Director of the Company

Pooja Kothia	Relative of the Director of the Company
Parth C Kothia	Director of the Company
Shree Ganesh FIBC Pvt Ltd	Company under common control
Suresh D Panchal	Chief Financial Officer
Aditya Vikrambhai Patel	Company Secretary

c) Particulars of Related Party Transactions

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Ashok Impex		
Sales	19,25,170.00	Nil
Purchase	1,08,86,075.00	4,51,178.00
Ashok Pharma Chem		
Purchase	Nil	28,27,590.00

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Shree Ganesh Chemicals		
Sales	20,67,933.00	2,16,487.00
Purchase	49,89,088.00	Nil
Ganesh Corporation		
Purchase	24,93,915.00	11,53,868.00
Ankleshwar Research & Analytical Infrastructure Ltd		
Testing Charges	5,005.00	13,799.00
Chandulal M Kothia		
Director Remuneration	60,75,000.00	47,00,000.00
Reimbursement of Expenses	Nil	11,598.00
Hasmukhbhai M Kothia		
Director Remuneration	38,32,458.00	36,00,000.00
Ashokbhai M Kothia		
Director Remuneration	Nil	26,00,000.00
Sanjaybhai H Kothia		
Salary	Nil	36,00,000.00
Reimbursement of Expenses	Nil	62,600.00
Praharit Pigments LLP		
Purchase	38,06,231.00	Nil
Gunjanbhai C Kothia		
Reimbursement of Expenses	2,74,552.77	1,95,331.45
Director Remuneration	39,25,000.00	Nil
Pooja Kothia		

Salary	6,00,000.00	6,00,000.00
Parth C Kothia		
Salary up to Nov 2020	7,00,000.00	Nil
Director Remuneration from Dec 2020 to March 2021	3,62,903.00	Nil
Shree Ganesh FIBC Pvt Ltd		
Purchase	12,85,951.00	56,979.00
Ashok Enterprise		
Loading and Unloading Charges	Nil	18,000.00
Suresh D Panchal		
Salary	7,95,177.00	5,19,345.00
Aditya Vikrambhai Patel		
Salary	1,74,000.00	1,67,500.00

14. LEASES

Assets taken on lease includes leasehold land, and Staff Quarters taken from GIDC on full payment of future lease payments. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Not Later than 1 year	Nil	Nil
Later than 1 year and not later than 5 years	Nil	Nil
Beyond 5 Years	Nil	Nil

The operating lease cost of ` 12,80,970/-, ` 28,68,779/- and ` 1,64,45,464/- (including capitalized borrowing costs) has been prepaid. The same was not amortized as expenditure over the remaining lease term. However, in compliance with the requirements of Para 33 of Ind AS-17 (Leases) the cumulative unapportioned cost of lease is adjusted against the accumulated profits and the apportionment of the lease cost over its remaining economic useful life is recognized as an expense on straight line basis for the current period.

15. EARNING PER SHARE

Basic earnings per share has been calculated by dividing profit or loss attributable to ordinary equity holders of the company by the weighted average number of ordinary shares outstanding during the period as per para 9 to 11 of the Ind AS 33 Earnings Per Share

Computation of EPS is set out below:

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Earnings		
Total Comprehensive Income for the period	9,75,41,975.25	9,62,45,305.55
Total Income from Discontinued Operation for the period	Nil	Nil
Shares		
No. of shares at the beginning of the year	89,71,356.00	89,71,356.00

Bonus Share (3:26)	10,35,090.00	10,35,090.00
Additional allotment of shares during the year	-	Nil
Weighted Average No. of shares during the year - Basic	1,00,06,446.00	1,00,06,446.00
Weighted Average No. of shares during the year - Diluted *	1,00,06,446.00	1,00,06,446.00
Earning Per Share for Continuing operation		
Earning per share of par value ` 10 - Basic	9.75	9.62
Earning per share of par value ` 10 - Diluted	9.75	9.62
Earning Per Share for Discontinued operation		
Earning per share of par value ` 10 - Basic	Nil	Nil
Earning per share of par value ` 10 - Diluted	Nil	Nil
Earning Per Share for Continuing + Discontinued Operation		
Earning per share of par value ` 10 - Basic	9.75	9.62
Earning per share of par value ` 10 - Diluted	9.75	9.62

16. DEFERRED TAX ASSET / LIABILITY

During the current year, the company has recognised a deferred tax assets on account of temporary difference for taxation. Accordingly a deferred tax liability has been increased by a net amount of ` 3,62,885/- which has been added to the existing deferred tax liability balance considering the principle of prudence as per Para 17-18 & 58 of Ind AS - 12 (Income Taxes).

Computation of Deferred Tax Liability:

Factors creating Deferred Tax Liability	Temporary Differences	Increases Deferred Tax Liability by
Depreciation as per Companies Act, 2013	2,53,73,021.14	
Depreciation as per Income Tax Act, 1961	2,39,31,170.00	
Temporary Difference & Resultant Deferred Tax Assets	14,41,851.14	(3,62,885.00)
Add: Opening Balance of Deferred Tax Liability		27,53,080.00
Total Deferred Tax Liability as on 31-03-2021		23,90,195.00

17. IMPAIRMENT OF ASSETS

No impairment loss for any assets have been identified and recorded during the year in terms of Para 58-64 of Ind AS - 36, Impairment of Assets

18. COMPARATIVE FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

NOTE 2: PROPERTY, PLANT AND EQUIPMENT (Disclosure as per Clause 73(e) of Ind AS-16)

Description	Gross Block					Amortization					Net Block	
	As at 1st April 2020	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	As at 31st March 2021	As at 1st April 2020	Depreciation charge for the year	Retained Earnings per companies act 2013	On disposal	As at 31st March 2021	As at 31st March 2020	As at 31st March 2021
Tangible Assets												
Owned												
Unit 1												
Plant & Machinery	6,07,44,896	16,75,360	Nil	Nil	6,24,20,256	3,90,45,474	32,87,106	Nil	Nil	4,23,32,580	2,16,99,422	2,00,87,676
Plant & Machinery new	7,61,32,743	1,25,25,551	Nil	Nil	8,86,58,293	1,00,30,015	1,06,48,815	Nil	Nil	2,06,78,829	6,61,02,728	6,79,79,464.20
Electrical Installation	32,65,437	5,66,202	Nil	Nil	38,31,639	24,95,916	2,38,415	Nil	Nil	27,34,330	7,69,522	10,97,309
Electrical Installation New	53,30,227	30,703	Nil	Nil	53,60,930	13,20,789	11,21,174	Nil	Nil	24,41,963	40,09,437	29,18,966.92
Furniture & Fixtures	53,01,199	83,898	Nil	Nil	53,85,097	37,58,456	4,11,001	Nil	Nil	41,69,456	15,42,743	12,15,641
ETP Machinery	29,35,550	4,05,000	Nil	Nil	33,40,550	22,47,952	1,02,015	Nil	Nil	23,49,967	6,87,598	9,90,583
Factory Building	2,91,41,856	5,75,497	Nil	Nil	2,97,17,353	1,25,97,056	16,07,004	Nil	Nil	1,42,04,060	1,65,44,800	1,55,13,293
Factory Building New	2,56,35,707	39,64,709	Nil	Nil	2,96,00,416	19,91,930	25,03,740	Nil	Nil	44,95,670	2,36,43,777	2,51,04,746
Gas Connection	6,10,050	Nil	Nil	Nil	6,10,050	5,49,119	9,028	Nil	Nil	5,58,147	60,931	51,903
Instalation & Erection	63,679	Nil	Nil	Nil	63,679	60,495	Nil	Nil	Nil	60,495	3,184	3,184

Computer	20,28,487	1,82,590	Nil	Nil	22,11,078	18,28,423	1,59,583	Nil	Nil	19,88,006	2,00,064	2,23,072
Computer New	63,270	Nil	Nil	Nil	63,270	49,307	10,799	Nil	Nil	60,107	13,963	3,164
Laboratory Equipment	54,76,997	33,15,824	Nil	Nil	87,92,821	30,20,420	11,02,360	Nil	Nil	41,22,780	24,56,577	46,70,041
Office Equipment	7,33,644	2,30,301	Nil	Nil	9,63,945	3,56,294	2,20,768	Nil	Nil	5,77,063	3,77,349	3,86,882
Air Conditioner	6,57,106	Nil	Nil	Nil	6,57,106	5,97,714	15,996	Nil	Nil	6,13,710	59,392	43,396
Motor Car Wagon R	4,19,447	Nil	Nil	Nil	4,19,447	3,98,475	Nil	Nil	20,972	4,19,447	20,972	Nil
AUDI Q3 35 TDI-CAR	41,37,390	Nil	Nil	Nil	41,37,390	24,07,403	5,98,699	Nil	Nil	30,06,102	17,29,987	11,31,288
Mobile Instrument	98,225	21,356	Nil	Nil	1,19,581	93,400	828	Nil	Nil	94,228	4,825	25,353
Telephone Instrument	1,61,239	10,989	Nil	Nil	1,72,228	65,293	48,689	Nil	Nil	1,13,982	95,946	58,246
DG Set 320 KVA	16,20,391	Nil	Nil	Nil	16,20,391	6,83,861	2,46,378	Nil	Nil	9,30,239	9,36,529	6,90,151
Fortuner 2Wd 2.8L AT FU	34,26,445	Nil	Nil	Nil	34,26,445	16,26,327	5,83,783	Nil	Nil	22,10,110	18,00,118	12,16,335
Motor Car Grand i10	Nil	7,71,648	Nil	Nil	7,71,648	Nil	1,37,348	Nil	Nil	1,37,348	Nil	6,34,300
Vehicle	3,16,241	81,500	Nil	Nil	3,97,741	2,95,342	7,746	Nil	Nil	3,03,089	20,899	94,652
Cycles	19,375	Nil	Nil	Nil	19,375	18,329	Nil	Nil	1,046	19,375	1,046	Nil
Photocopier Device	1,39,650	Nil	Nil	Nil	1,39,650	1,32,667	Nil	Nil	Nil	1,32,667	6,983	6,983
Motor Car-Nissan Terrano	12,17,386	Nil	Nil	Nil	12,17,386	11,25,273	15,622	Nil	76,491	12,17,386	92,113	Nil
Bike Delux	53,500	Nil	Nil	Nil	53,500	44,174	2,501	Nil	Nil	46,675	9,326	6,825
Unit 2												
Air Condition - APC	Nil	24,700	Nil	Nil	24,700	Nil	9,272	Nil	Nil	9,272	Nil	15,428
Computer - APC	Nil	68,700	Nil	Nil	68,700	Nil	36,139	Nil	Nil	36,139	Nil	32,561

Computer LG LED - APC	Nil	11,000	Nil	Nil	11,000	Nil	5,786	Nil	Nil	5,786	Nil	5,214
Electricals Installation - APC	Nil	8,83,700	Nil	Nil	8,83,700	Nil	1,90,528	Nil	Nil	1,90,528	Nil	6,93,172
ETP Plant & Machinery - APC	Nil	25,100	Nil	Nil	25,100	Nil	2,908	Nil	Nil	2,908	Nil	22,192
Factory Building 10% - APC	Nil	50,71,681	Nil	Nil	50,71,681	Nil	4,01,431	Nil	Nil	4,01,431	Nil	46,70,250
Furniture & Fitting - APC	Nil	76,300	Nil	Nil	76,300	Nil	16,451	Nil	Nil	16,451	Nil	59,849
Laboratory Equipments - APC	Nil	20,000	Nil	Nil	20,000	Nil	4,312	Nil	Nil	4,312	Nil	15,688
License and Concent Fees - APC	Nil	61,865	Nil	Nil	61,865	Nil	23,224	Nil	Nil	23,224	Nil	38,641
Office Equipment - APC	Nil	1,04,700	Nil	Nil	1,04,700	Nil	39,304	Nil	Nil	39,304	Nil	65,396
Piping - APC	Nil	22,000	Nil	Nil	22,000	Nil	2,549	Nil	Nil	2,549	Nil	19,451
Plant & Machinery - APC	Nil	1,11,63,568	Nil	Nil	1,11,63,568	Nil	12,93,412	Nil	Nil	12,93,412	Nil	98,70,156
Water Cooler - APC	Nil	8,000	Nil	Nil	8,000	Nil	3,003	Nil	Nil	3,003	Nil	4,997
	22,97,30,137	4,19,82,442	Nil	Nil	27,17,12,579	8,68,39,905	2,51,07,717	Nil	98,509	11,20,46,132	14,28,90,232	15,96,66,447
Under Lease												
Unit 1												
Land -	10,64,719	Nil	Nil	Nil	10,64,719	49,904	16,635	Nil	Nil	66,539	10,14,81	9,98,180

Leasehold												5	
Land-Plot 6012	1,64,45,464	Nil	Nil	Nil	1,64,45,464	7,70,880	5,13,920	Nil	Nil	12,84,800	1,56,74,584	1,51,60,664	
Plot No.3194 (Staff Quaters)	27,10,844	Nil	Nil	Nil	27,10,844	87,557	29,186	Nil	Nil	1,16,743	26,23,287	25,94,101	
Unit 2													
Land-Plot 6714-15	Nil	41,04,000	Nil	Nil	41,04,000	Nil	59,478	Nil	Nil	59,478	Nil	40,44,522	
	2,02,21,027	41,04,000	Nil	Nil	2,43,25,027	9,08,341	6,19,219	Nil	Nil	15,27,560	1,93,12,686	2,27,97,467	
Intangible Assets													
License	10,75,721	33,098	Nil	Nil	11,08,819	6,15,743	2,41,319	Nil	Nil	8,57,063	4,59,978	2,51,756	
Goodwill	Nil	75,24,000	Nil	Nil	75,24,000	Nil	18,81,000	Nil	Nil	18,81,000	Nil	56,43,000	
Microsoft License	1,35,081	Nil	Nil	Nil	1,35,081	1,28,326	Nil	Nil	6,755	1,35,081	6,755	Nil	
Software	Nil	1,78,467	Nil	Nil	1,78,467	Nil	23,985	Nil	Nil	23,985	Nil	1,54,483	
Solvent License	20,000	Nil	Nil	Nil	20,000	19,000	Nil	Nil	1,000	20,000	1,000	Nil	
	12,30,802	77,35,565	Nil	Nil	89,66,367	7,63,070	21,46,304	Nil	7,755	29,17,128	4,67,732	60,49,239	
Capital Work in Progress	Nil	2,04,83,233	Nil	Nil	2,04,83,233	Nil	Nil	Nil	Nil	Nil	Nil	2,04,83,233	
Intangible Assets under development	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Fixed Assets held for sale	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Total	25,11,81,966	7,43,05,240	Nil	Nil	32,54,87,207	8,85,11,317	2,78,73,240	Nil	1,06,264	11,64,90,820	16,26,70,650	20,89,96,387	
Previous Year	25,11,81,966	Nil	Nil	Nil	25,11,81,966	8,85,11,316	Nil	Nil	Nil	8,85,11,316	25,11,81,966	16,26,70,650	

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 3: NON CURRENT INVESTMENT		
Quoted		
Trade Investments		
(a) Investment in equity instruments	Nil	Nil
(b) Investment in preference shares	Nil	Nil
(c) Investment in debentures / bonds	Nil	Nil
(d) Investment in partnership firms	Nil	Nil
(e) Other trade investments	Nil	Nil
	Nil	Nil
Other Investments		
(a) Investment Property	Nil	Nil
(b) Investment in equity instruments	Nil	Nil
(c) Investment in preference shares	Nil	Nil
(d) Investment in government / trust securities	Nil	Nil
(e) Investment in debentures / bonds	Nil	Nil
(f) Investment in mutual funds	Nil	Nil
(g) Investment in partnership firms	Nil	Nil
(h) Other non-trade investments	Nil	Nil
	Nil	Nil
Unquoted		
Trade Investments		
(a) Investment in equity instruments	Nil	Nil
(b) Investment in preference shares	Nil	Nil
(c) Investment in debentures / bonds	Nil	Nil
(d) Investment in partnership firms	Nil	Nil
(e) Other trade investments	Nil	Nil
	Nil	Nil
Other Investments		
(a) Investment Property	Nil	Nil
(b) Investment in equity instruments	Nil	Nil
50000 Shares in Ankleshwar Research & Analytical Infra. Ltd.	7,00,000.00	5,00,000.00
(c) Investment in preference shares	Nil	Nil
(d) Investment in government / trust securities	Nil	Nil
(e) Investment in debentures / bonds	Nil	Nil
(f) Investment in mutual funds	Nil	Nil
(g) Investment in partnership firms	Nil	Nil
(h) Other non-trade investments	Nil	Nil
	7,00,000.00	5,00,000.00
Less: Provision for diminution in value of investments	Nil	Nil
	7,00,000.00	5,00,000.00

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 4: NON CURRENT LOANS		

(a) Capital Advances		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	Nil	Nil
(b) Security Deposits	Nil	Nil
Secured, considered good	Nil	Nil
Unsecured, considered good	1,53,74,664.00	92,60,219.24
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	1,53,74,664.00	92,60,219.24
(c) Loans and advances to related parties		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	Nil	Nil
(d) Other loans and advances		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	Nil	Nil
	1,53,74,664.00	92,60,219.24

Related Party Transaction

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Directors	Nil	Nil
Other officers of the Company	Nil	Nil
Firm in which director is a partner	Nil	Nil
Private Company in which director is a member	Nil	Nil
	Nil	Nil

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 5: OTHER NON-CURRENT ASSETS		
(a) Long term trade receivables (including trade receivables on deferred credit)		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	Nil	Nil

(b) Others		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Share Issue Exps	10,01,719.46	20,02,579.20
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	10,01,719.46	20,02,579.20
(c) Debts due by related parties		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	Nil	Nil
	10,01,719.46	20,02,579.20

Related Party Transaction

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Directors	Nil	Nil
Other officers of the Company	Nil	Nil
Firm in which director is a partner	Nil	Nil
Private Company in which director is a member	Nil	Nil
	Nil	Nil

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 6: INVENTORIES		
Raw Material (Valued at Cost)	4,15,26,360.55	91,06,125.08
Finished Goods (Valued at Cost or Market Value whichever is less)	6,56,18,973.25	4,51,86,266.42
Work in Process (Valued at Cost)	1,92,40,678.01	Nil
Other : Packing material	7,48,627.04	7,49,271.08
	12,71,34,638.85	5,50,41,662.58

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 7: CURRENT LOANS		
a. Loans and advances to related parties		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	Nil	Nil
b. Security Deposits		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for	Nil	Nil

doubtful advances		
	Nil	Nil
c. Loans and advances to employees		
Secured, considered good	Nil	Nil
Unsecured, considered good	10,77,000.00	3,60,000.00
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	10,77,000.00	3,60,000.00
d. Balance with Government Authorities		
Secured, considered good	Nil	Nil
Unsecured, considered good	1,44,12,511.00	73,42,527.82
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	1,44,12,511.00	73,42,527.82
e. Inter-corporate deposits		
Secured, considered good	Nil	Nil
Unsecured, considered good	10,87,164.87	91,480.88
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	10,87,164.87	91,480.88
f. Others		
Secured, considered good	Nil	Nil
Unsecured, considered good	68,97,795.67	8,56,030.00
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	68,97,795.67	8,56,030.00
	2,34,74,471.54	86,50,038.70

Related Party Transaction

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Directors	Nil	Nil
Other officers of the Company	Nil	Nil
Firm in which director is a partner	Nil	Nil
Private Company in which director is a member	Nil	Nil
	Nil	Nil

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 8: TRADE RECEIVABLES		
Trade receivables outstanding for a period less than six months		
Secured, considered good	Nil	Nil

Unsecured, considered good	13,31,08,990.26	16,56,73,007.00
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	13,31,08,990.26	16,56,73,007.00
Other Trade receivables		
Secured, considered good	Nil	Nil
Unsecured, considered good	1,54,875.00	6,45,165.00
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	1,54,875.00	6,45,165.00
	13,32,63,865.26	16,63,18,172.00

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 9: CASH AND BANK BALANCES		
Balances with banks	3,44,92,681.78	1,74,22,264.86
Cheques, drafts on hand	Nil	Nil
Cash on hand	1,70,429.00	1,17,152.00
Others (specify nature)	Nil	Nil
	3,46,63,110.78	1,75,39,416.86

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 10: BALANCE WITH BANK OTHER THAN SCH. 8		
Term Deposits with Bank	Nil	Nil
	Nil	Nil

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 11: CURRENT INVESTMENTS		
Investment in Mutual Fund	3,12,30,229.06	3,00,00,000.00
Investment in Partnership Firm	Nil	4,05,10,491.00
	3,12,30,229.06	7,05,10,491.00

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 12: CURRENT TAX ASSETS (NET)		
Current Tax Assets net	3,01,41,382.40	3,01,05,542.80
	3,01,41,382.40	3,01,05,542.80

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020

NOTE 14: OTHER EQUITY		
Other Comprehensive Income		
Remeasurement of the defined benefit Plans		
Opening Balance	(11,96,111.00)	(11,96,111.00)
Addition During the year	Nil	Nil
Deletion During the year	Nil	Nil
Closing Balance	(11,96,111.00)	(11,96,111.00)
Remeasurement of Fair Value of Leasehold Land		
Opening Balance	(3,74,185.80)	(3,74,185.80)
Addition During the year	Nil	Nil
Deletion During the year	Nil	Nil
Closing Balance	(3,74,185.80)	(3,74,185.80)
Total of Other Comprehensive Income	(15,70,296.80)	(15,70,296.80)
Reserve and Surplus		
Security Premium Account		
Opening Balance	7,00,54,215.00	7,00,54,215.00
Add: Securities premium credited on Share issue	Nil	Nil
Less : Premium Utilised for various reasons	Nil	Nil
Closing Balance	7,00,54,215.00	7,00,54,215.00
Profit and Loss A/c		
Opening Balance	26,27,58,229.90	18,00,32,309.35
Add: Current year profit	9,75,41,975.25	9,62,45,305.55
Add: Transfer from Reserves	Nil	Nil
Add: Items of Other Comprehensive Income (Employee Benefit Cost)	Nil	Nil
Less: Dividends paid	1,34,57,034.00	1,35,19,385.00
Less: Bonus Shares issued	1,03,50,900.00	Nil
Less: Provision for Share of Income Tax on dissolution of Ashok Pharma	50,08,861.44	Nil
Closing Balance	33,14,83,409.71	26,27,58,229.90
Total Reserve and Surplus	39,99,67,327.91	33,12,42,148.10
Other Reserves		
Other Reserves	Nil	Nil
Total Other Reserve	Nil	Nil
	39,99,67,327.91	33,12,42,148.10

	AS AT 31ST MARCH 2021		AS AT 31ST MARCH 2020	
	Number	Amount (₹)	Number	Amount (₹)
NOTE 13: SHARE CAPITAL				
Authorised				
1,00,00,000 equity shares of ₹10 each	1,50,00,000	15,00,00,000.00		1,00,00,000 10,00,00,000.0 0
Issued				

89,71,356 equity shares of ₹10 each fully paid up	1,00,06,446	10,00,64,460.00	89,71,356	8,97,13,560.00
Subscribed and Paid up				
89,71,356 equity shares of ₹10 each fully paid up	1,00,06,446	10,00,64,460.00	89,71,356	8,97,13,560.00
	1,00,06,446	10,00,64,460.00	89,71,356	8,97,13,560.00

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2020-21		2019-20	
	Number	Amount (₹)	Number	Amount (₹)
Shares outstanding at the beginning of the year	89,71,356	8,97,13,560.00	89,71,356	8,97,13,560
Shares Issued during the year	Nil	Nil	Nil	Nil
Bonus Share Issue (3:26)	10,35,090	1,03,50,900.00	Nil	Nil
Shares outstanding at the end of the year	1,00,06,446	10,00,64,460	89,71,356	8,97,13,560

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	2020-21		2019-20	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Chandu Manubhai Kothia - Share	7,23,000	8.06%	7,23,000	8.06%
Hansaben Chandulal Kothia - Share	4,77,288	5.32%	4,77,288	5.32%
Hasmukh Manubhai Kothia - Share	7,59,246	8.46%	7,59,246	8.46%
Manu Jeevabhai Kothia - Share	10,22,574	11.40%	10,22,574	11.40%
Subhash Babubhai Kothia - Share	5,14,566	5.74%	5,14,566	5.74%
Shares outstanding at the end of the year	34,96,674	38.98%	34,96,674	38.98%

Shares issued for other than cash, Bonus issue and Shares bought back

Particulars	Year (Aggregate No. of Shares)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	54,96,130	Nil

Shares bought back	Nil	Nil	Nil	Nil	Nil
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Unpaid Calls	2020-21	2019-20
By Directors	Nil	Nil
By Officers	Nil	Nil

All Equity Shares have common voting rights, preferences and there are no restrictions inter-alia. Also, there are no other class of shares other than equity shares

There are no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment

Since, there are no convertible instruments, terms of any securities convertible into equity/preference shares issued and details of conversion are not relevant.

There are no forfeited shares with the company

Statement of change in Equity for the Year ended on 31st March 2021

Particulars		Share Capital	Translation Reserve	Retained Earning & Other Reserve	Total
i. Equity as at 31st March 2020	A	8,97,13,560.00	Nil	33,12,42,148.10	42,09,55,708.10
ii. Profit for the year		Nil	Nil	9,75,41,975.25	9,75,41,975.25
iii. Other Comprehensive Income for the Year		Nil	Nil	Nil	Nil
iv. Total Comprehensive Income for the Year	B (ii+iii)	Nil	Nil	9,75,41,975.25	9,75,41,975.25
v. Dividend Paid to Shareholders		Nil	Nil	(1,34,57,034.00)	(1,34,57,034.00)
vi. Reversal of Provision		Nil	Nil	(50,08,861.44)	(50,08,861.44)
vii. Share Issued during the year		1,03,50,900.00	Nil	(1,03,50,900.00)	Nil
Viii. Total Transactions	C (v+vi+vii)	1,03,50,900.00	Nil	(2,88,16,795.44)	(1,84,65,895.44)
Equity As on 31st March 2021	A+B+C	10,00,64,460.00	Nil	39,99,67,327.91	50,00,31,787.91

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 15: NON CURRENT BORROWINGS		
Secured		
(a) Term Loans		
from Banks		
HDFC Audi Car Loan	Nil	3,23,853.00
Secured By Exclusive 1st & Exclusive Hypothecation Charge of Audi Car		
Yes Bank Car Loan	Nil	91,161.89
Secured By Exclusive 1st & Exclusive Hypothecation Charge of Fortuner Car		

from Others	Nil	Nil
	Nil	4,15,014.89
Unsecured		
(a) Loans and advances from related parties	Nil	Nil
	Nil	Nil
	Nil	4,15,014.89

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 16: NON CURRENT TRADE PAYABLE		
Trade Payables		
(i) Acceptances	Nil	Nil
(ii) Others	Nil	Nil
	Nil	Nil

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 17: NON CURRENT PROVISIONS		
Provision for Employee Benefits	Nil	Nil
Superannuation (unfunded)	Nil	Nil
Provision for Gratuity	16,80,826.00	17,80,446.00
Leave Encashment (unfunded)	Nil	Nil
ESOP / ESOS	Nil	Nil
Others	Nil	Nil

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 18: CURRENT BORROWINGS		
Secured		
(a) Loans repayable on demand		
from Banks		
Axis Bank CC (A/c - 013010300013721)	17,31,954.77	2,07,36,427.24
Secured by exclusive first hypothecation charge of entire current assets of the firm (present and future		
Also above facilities are secured by a charge in favour of Axis Bank Ltd. over the immovable properties situated at Plot no. 6011, GIDC , Ankleshwar 393002, Dist. Bharuch, for credit limits sanctioned by it.		
(of the above, whole of the amount is guaranteed by		
Directors) Terms of Repayment: Payable on demand		
from Others	Nil	Nil
	17,31,954.77	2,07,36,427.24

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
Unsecured		

(a) Loans and advances from related parties	Nil	Nil
	Nil	Nil
	17,31,954.77	2,07,36,427.24

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 19: CURRENT TRADE PAYABLES		
Acceptances		
Micro, Small and Medium Enterprise	19,20,834.00	28,62,207.50
Others	6,01,56,090.26	3,57,24,644.85
Other than acceptances	Nil	Nil
	6,20,76,924.26	3,85,86,852.35

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 20: OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt	4,15,014.89	19,62,970.66
(b) Current maturities of finance lease obligations	Nil	Nil
(c) Interest accrued but not due on borrowings	Nil	Nil
(d) Interest accrued and due on borrowings	Nil	Nil
(e) Income received in advance	Nil	Nil
(f) Unpaid dividends	Nil	Nil
(g) Other payables (specify nature)	Nil	Nil
	4,15,014.89	19,62,970.66

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 21: CURRENT PROVISIONS		
Provision for Employee Benefits	37,77,780.00	21,56,392.00
Others	15,60,374.11	14,94,564.00
	53,38,154.11	36,50,956.00

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 22: CURRENT TAX LIABILITIES		
Current Tax Liabilities (Net)	3,23,15,611.00	3,17,57,317.00
	3,23,15,611.00	3,17,57,317.00

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 23: REVENUE FROM OPERATIONS		
Sale of Products	49,08,23,362.00	58,42,55,806.00

Other Operating Revenues	Nil	Nil
	49,08,23,362.00	58,42,55,806.00

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 24: OTHER INCOME		
Income From sale of MEIS Licences	Nil	75,48,779.00
Sundries Written Off	48,477.26	Nil
Cash Discount on Effluent Charges Bills	32,843.00	28,299.00
Custom Duty Drawback	28,30,598.00	30,15,098.00
Exchange Rate Difference	96,42,203.16	2,14,92,363.37
Freight Recovered	19,650.00	9,595.00
Interest on Capital from Ashok Pharma Chem	8,12,430.00	6,70,442.00
Profit from Ashok Pharma Chem	52,20,690.32	24,05,277.00
Income From Mutual Fund	10,58,763.52	49,45,267.70
Interest from others	7,91,403.00	10,67,485.08
Cash Discount on fuel purchases	1,250.00	1,608.68
Redemption of scheme from HPCL Drive Star	Nil	5,900.00
Rebate & Discount	3,46,605.27	4,58,167.41
Rent Income	1,29,888.00	1,31,435.00
Moratorium Benefit	824.00	Nil
Notice Pay Recovery from Employees	7,204.00	Nil
	2,09,42,829.53	4,17,79,717.24
	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 25: COST OF MATERIAL CONSUMED		
Opening Stock	91,06,125.08	1,89,17,197.14
Add: Purchase	29,22,75,751.67	34,52,99,492.75
	30,13,81,876.75	36,42,16,689.89
Less: Closing Stock	4,15,26,360.55	91,06,125.08
	25,98,55,516.20	35,51,10,564.81
	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 26: INCREASE AND DECREASE IN STOCK		
Opening Stock:		
Finished Goods	4,51,86,266.42	4,15,06,407.81
Work in Process	Nil	45,27,070.00
	4,51,86,266.42	4,60,33,477.81
Less: Closing Stock		
Finished Goods	6,56,18,973.25	4,51,86,266.42
Work in Process	1,92,40,678.01	Nil
	8,48,59,651.26	4,51,86,266.42
	-3,96,73,384.84	847211.39

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 27: EMPLOYEE'S REMUNERATION AND BENEFITS		
Director Remuneration	1,41,95,361.00	1,09,00,000.00
Bonus to employees	9,76,777.00	6,15,050.00
ESIC Expenses	2,83,728.00	2,62,315.00
Provident Fund Expenses	12,48,892.00	9,19,822.85
Wages Expenses	54,31,439.00	44,23,178.00
Salary Expenses	1,54,32,794.00	1,46,97,826.00
Incentive to Employee	30,540.00	10,100.00
Staff Welfare Expenses	8,08,917.00	5,95,047.00
Stipend Expenses for Trainees	Nil	12,750.00
Gratuity Expenses	59,047.00	1,94,704.00
Employer's Contribution to Labour Welfare Fund	1,836.00	756.00
	3,84,69,331.00	3,26,31,548.85

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 28: FINANCE COSTS		
Bank Charges	2,98,964.58	4,13,836.50
Bank Interest Expenses (Cash Credit)	28,532.00	4,53,210.00
Car Loan Interest	1,30,451.34	2,86,523.38
Cash Credit / Loan Processing Charges	50,883.90	52,835.60
Letter of Credit Charges	23,813.00	71,399.41
Interest on Income Tax	16,649.00	35,040.00
Interest to Others	1,28,082.19	94,890.09
	6,77,376.01	14,07,734.98

	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020
NOTE 29: OTHER EXPENSES		
Packing Material	47,98,857.04	45,59,011.68
Cess Paid	5,07,728.00	6,16,808.38
Customs Duty Expenses	9,28,079.91	87,991.56
Freight Charges	1,16,517.16	40,425.00
Electricity Expenses	1,30,77,574.84	1,32,18,483.25
ISO 14000 Audit Fees	22,500.00	91,000.00
Boiler Fees	6,600.00	Nil
GST Interest / Late Fees	404.00	50.00
Hiring Charges	3,28,80,223.00	2,74,80,461.00
Utility Expenses	87,56,112.89	1,02,55,294.90
Utility - Retails	10,32,587.00	10,34,110.81
Water Charges	6,26,548.50	6,63,160.00
Advertisement Expenses	9,33,324.00	10,22,571.00
Amortization of Leasehold Land	6,19,218.51	5,59,740.50
Advance License Fees	1,06,710.64	90,112.00
Canteen Expenses	3,77,240.00	3,20,637.00
Clearing & Forwarding Expenses	63,58,973.19	44,48,345.51

Clearing & Forwarding Charges	34,54,953.08	45,16,406.71
Conveyance Expenses	44,870.00	84,391.00
CSR Expenditure	18,56,518.00	12,87,000.00
Donation Expenses	43,500.00	20,000.00
Loading & Unloading Expenses	29,292.30	18,000.00
Drainage Cess Expenses	1,67,302.00	56,520.00
Foreign Consultancy Charges	48,281.40	Nil
GST Expenses	62,968.00	Nil
Hotel Expenses	16,661.00	4,02,609.92
Inspection Charges	3,815.00	Nil
Insurance Premium Expenses	9,68,195.70	5,59,498.62
Internal Audit Fees	25,000.00	27,000.00
IPO Expenses written off	5,00,859.74	6,67,526.40
Medical Exps	2,98,608.20	23,050.00
Mumbai Office Rent Expenses	1,80,000.00	Nil
Market Making Expenses	Nil	3,00,000.00
Miscellaneous Expenses	53,425.00	1,09,168.00
Notice Period Payment for employees	Nil	34,534.00
Notified Area Tax	6,36,287.00	5,44,950.00
Office General Expenses	5,10,332.75	5,10,341.35
Petrol and Diesel Expenses	3,00,312.90	2,86,809.00
Postage & Courier Expenses	3,02,163.74	2,20,975.83
Printing & Stationery Expenses	3,32,601.84	3,19,040.31
Job Work Expenses	4,88,556.84	Nil
Repairs & Maintenance	19,03,627.24	34,87,462.62
Professional Tax (Company)	2,400.00	2,400.00
Round Off	77.96	(152.39)
ROC Expenses	3,78,100.00	17,700.00
Sales Commission Expenses	23,74,086.00	17,55,020.00
Loss on Sale on Car	12,463.39	Nil
Security Charges	8,77,206.00	6,70,062.29
Telephone Expenses	69,180.23	65,833.00
Testing Expenses	1,63,570.00	55,645.00
Sundries written off	Nil	1,07,406.00
VAT Expenses	3,78,969.00	Nil
Transportation Expenses	20,02,000.50	12,09,574.00
Traveling Expenses	59,204.00	4,44,283.45
Vehicle Repairs & Maintenance	27,410.00	70,548.00
ETP Expenses	22,92,678.00	21,00,111.00
Consultancy Charges	1,91,050.00	2,01,360.40
Fees & Subscription	6,82,892.00	1,54,617.00
GIDC Other Expenses	33,457.00	7,150.00
Legal Expenses	1,96,122.00	60,286.52
Professional Charges	24,95,434.28	12,32,606.00
Payments to the auditor as		
a. auditor	75,000.00	75,000.00
b. for taxation matters	Nil	Nil
c. for company law matters	Nil	Nil

d. for management services	Nil	Nil
e. for other services	Nil	Nil
f. for reimbursement of expenses	Nil	Nil
	9,56,88,630.77	8,61,92,936.62

KEY ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the relevant Audited Financial Statements. For details see “Financial Statements” on page 96 of this Draft Letter of Offer

Ratios	2020-21 (Audited)	2019-20 (Audited)	As on Dec'21* (Unaudited)	As on Dec'20* (Unaudited)
Profit After Tax as per Consolidated P&L Account* (₹ in Lakhs)	975.42	962.45	955.92	672
Weighted Average Number of Equity Shares at the end of the Year	12006727	12006727	12006727	12006727
Net Worth (₹ in Lakhs)	4,943.89	4,209.56	5,736.63	4,635.78
Earnings Per Share				
Basic & Diluted	8.12	8.02	7.96	5.60
Return on Net Worth (%)	19.73	22.86	16.66	14.50
Net Asset Value Per Share (₹)	41.17	35.06	47.77	38.61
Nominal Value per Equity share (₹)	10	10	10	10
EBITDA	1,574.26	1,642.72	1,570.50	1045.13

**The figures have taken from the financial results submitted to Stock Exchange*

The ratios have been computed as below:

Basic earning per share	Profit/(loss) for the period/year as per Standalone statement of profit and loss attributable to owners of Company / Weighted average number of Equity shares outstanding during the period/ year as adjusted for effects of all dilutive potential equity shares
Return on net worth (%)	Profit/(loss)for the period/year as per the Standalone statement of profit and loss in the financial statements / Net Worth at the end of the year /period
Net asset value per Equity Share	Net Worth / Weighted average number of Equity shares outstanding during the period/ year as adjusted for effects of all dilutive potential equity shares
Networkth	As per SEBI ICDR Regulations & Companies Act, 2013

MANAGEMENT DISCUSSION AND ANALYSIS CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with the “Financial Statements” beginning on page 90. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read “Risk Factors” and “Forward Looking Statements” beginning on page 21 and 14, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Our financial statements included in this draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for FY21, FY20 and FY19 included herein is based on the Financial Statements, included in this Draft Letter of Offer. For further information, see “Financial Statements” beginning on page 90.

OVERVIEW OF OUR BUSINESS

SGRL is an innovative life sciences company with a refreshingly human approach to the way the Company does business. The Company is one of the leading suppliers of Pharmaceutical Intermediates & Specialty Chemicals with Chlorination, Grignard Reaction, Hydrogenation, and High-vacuum distillation at its core expertise. The Company excels in chemistry of Pharmaceutical Intermediates which form the building blocks of the active pharmaceutical ingredient (API).

Our Business Strategy

1. Focus on increasing our export business

We believe that our growth in international markets will result from growing demand for the products we manufacture. Our strategic initiatives for international markets include offering of wide products which helps us develop a broad market penetration and establish our presence in developed market.

2. Customer Satisfaction

Our Company is customer satisfaction-oriented company and always tries to maintain good relationship with the customers. Our Company’s marketing team approaches existing customer for their feedback and based on that feedback any changes in the products if required are carried out. Our Company provides quality products and effective follow-ups with customers which ensures that customers are satisfied with the products. Our Company in return is rewarded by customers with continuous orders.

3. Strengthening marketing capabilities

Our domestic and international marketing infrastructure consists of dedicated employees, who design various marketing and promotional strategies for our products. We believe that our strategic marketing, experienced sales and distribution network would enable us to increase our sales. Our Company also intends to widen our distribution channels across various countries.

4. Research and Development

Our Company has a research and development department which is continuously involved in the process of research and development process.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled “Risk Factors” on page 21 of this Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Impact of epidemics and pandemics with respect to recent example of COVID-19 on our business and operations;
- General economic and business conditions in the markets in which we operate and in the local, Regional,

National and International economies;

- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government(s) could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian National, State and Local Governments;
- Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “*Financial Information*” on page 90.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter “*Financial Information*” on page 90, there has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

RESULTS OF OPERATIONS

The following table sets out selected data from the Audited Financial Statement for FY21 and FY20, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY21		FY20	
	₹ in Lakhs	% to total income	₹ in Lakhs	% to total income
Income				
Revenue from Operations	4908.234	95.91%	5842.558	93.33%
Other Income	209.4283	4.09%	417.7972	6.67%
Total Income	5117.662	100.00%	6260.355	100.00%
Expenses				
Cost of materials consumed	2,598.56	50.78%	3,551.11	56.72%
Purchase of Stock In Trade	Nil		Nil	
Changes in inventories	-396.73	-7.75%	8.47	0.14%
Employee Benefit Expenses	384.69	7.52%	326.32	5.21%
Finance Cost	6.77	0.13%	14.08	0.22%
Depreciation and amortisation expense	272.54	5.33%	224.06	3.58%
Other Expenses	956.89	18.70%	861.93	13.77%
Total Expenses	3,822.71	74.70%	4985.96	79.64%

Profit / (Loss) before exceptional items and extraordinary items and Tax	1,294.95	25.30%	1274.39	20.36%
Extraordinary Items	Nil	0.00%	Nil	0.00%
Profit / (Loss) after exceptional items and extraordinary items and Tax	1,294.95	25.30%	1274.39	20.36%
Tax Expense				
Current Tax	323.16	6.31%	317.57	5.07%
Deferred Tax	-3.63	-0.07%	-5.63	-0.09%
Prior Period Tax Adjustments	-		-	-
Profit After Tax	975.42	19.06%	962.45	15.37%
Other Comprehensive Income				
Income that will not be classified to Profit or Loss	-	-	-	-
Equity Instruments through OCI	-	-	-	-
Income Tax Relating to the above	-	-	-	-
Remeasurement of Post-Employment benefit obligation	-	-	-	-
Income Tax Relating to the above	-	-	-	-
Other Comprehensive Income for the Year	-	-	-	-
Total Comprehensive Income for the Year	975.42	19.06%	962.45	15.37%
Earnings per Share				
Basic (in Rs)	9.75		9.62	
Diluted (in ₹)	9.75		9.62	

Total income

Our revenue comprises of:

Revenue from operations

Our revenue from operations arises out of sale of products.

Other Income

Our Other income is from Interest Income, rents, rebate and discounts.

Expenses

Our expenses consist of (i) cost of materials consumed (ii) purchases of goods traded; (iii) changes in inventories (iv) employee benefit expenses; (v) depreciation and amortisation expense; and (vi) other expenses.

Employee benefit expenses

Employee benefit expense consists of salaries, incentives, remuneration to whole time directors, gratuity and staff welfare expenses.

Depreciation and amortisation expenses

Depreciation and amortization expenses consist of depreciation, plant and equipment comprising of plant & Machinery, Furniture & Fixtures, Office equipment, Computer and Lab equipment.

Other expenses

Other expenses include packing material, cess paid, customs duty expenses, freight charges, electricity expenses, ISO 14000 audit fees, boiler fees, GST interest / late fees, hiring charges, utility expenses, utility-retails, water charges, advertisement expenses, amortization of leasehold land, advance license fees, canteen expenses, clearing & forwarding expenses and charges, conveyance expenses, CSR expenditure, donation expenses, loading & unloading expenses, drainage cess expenses, foreign consultancy charges, GST expenses, hotel expenses, inspection charges, insurance premium expenses, internal audit fees, IPO expenses written off, medical expenses, Mumbai office rent expenses, market making expenses, miscellaneous expenses, notice period payment for employees, notified area tax, office general expenses, petrol and diesel expenses, postage & courier expenses, printing & stationery expenses, job work expenses, repairs & maintenance, professional tax (company), round off, ROC expenses, sales commission expenses, loss on sale of car, security charges, telephone expenses, testing expenses, sundries written off, VAT expenses, transportation expenses, travelling expenses, vehicle repairs & maintenance, ETP expenses, consultancy charges, fees & subscription, GIDC other expenses, legal expenses, professional charges and payments to the auditors.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Comparison of Historical Results of Operations of FY21 to FY20

Total Income

Our total revenue, which comprised of revenue from operations and other income, for the Financial Year 2021, was ₹5,117.66 Lakhs as compared to ₹6,260.36 Lakhs for the Financial Year 2020 representing a decrease of over 18.25%.

Revenue from operations

Our revenue from operations, for the Financial Year 2021, was ₹4,908.23 Lakhs as compared to ₹5,842.56 Lakhs for the Financial Year 2020, representing a decrease of over 15.99%.

Other income

Our other income decreased by ₹208.37 Lakhs or 49.87% from ₹417.80 Lakhs in Financial Year 2020 to ₹209.43 Lakhs in the Financial Year 2021.

Expenses

Our Expenditure decreased by ₹1,163.25 Lakhs or by 23.33% from ₹4,985.96 Lakhs in Financial Year 2020 to ₹3,822.71 Lakhs in Financial Year 2021.

Cost of Materials Consumed

Our Cost of Materials consumed decreased by ₹952.55 Lakhs or by 26.82% from ₹ 3551.11 Lakhs in Financial Year 2020 to ₹2598.55 Lakhs in Financial Year 2021.

Change in Inventories

Our inventories were ₹ (396.73) Lakhs in Financial Year 2021 as compared to ₹ 8.47 Lakhs in Financial Year 2020.

Employee benefit expenses

Employee benefits expense increased by ₹58.38 Lakhs or by 17.87% from ₹326.32 Lakhs in Financial Year 2020 to ₹384.69 Lakhs in Financial Year 2021.

Finance costs

Our finance costs expense decreased by ₹ 7.3 Lakhs or by 51.88% from ₹14.08 Lakhs in Financial Year 2020 to ₹6.77 Lakhs in Financial Year 2021.

Depreciation and Amortisation Expense

Our depreciation and amortization expense increased by ₹ 48.48 Lakhs or by 21.64% from ₹224.06 Lakhs in Financial Year 2020 to ₹272.54 Lakhs in Financial Year 2021.

Other expenses

Our other expenses increased by ₹94.96 Lakhs or by 11.20% from ₹861.92 Lakhs in Financial Year 2020 to ₹956.88 Lakhs in Financial Year 2021.

Profit/Loss before Tax

In light of above discussions, our profit before tax increased substantially by ₹20.55 Lakhs or by 1.06% from a profit of ₹ 1274.39 Lakhs in Financial Year 2020 to a profit of ₹1,294.95 Lakhs in Financial Year 2021.

Taxation

Our current taxes increased by ₹5.58 Lakhs or by 1.75% during the Financial Year 2021.

Profit/Loss after Tax

For the various reasons discussed above, and following adjustments for tax expense, we recorded a profit of ₹975.42 Lakhs in Financial Year 2021 as compared to a profit of ₹96245 Lakhs in the Financial Year 2020 which was an increase in Profit after tax by 1.35%.

Comparison of nine months period ended December 31, 2021, compared with nine months period ended December 31, 2020

Particulars	For the nine months period ended December 31, 2021		For the nine months period ended December 31, 2020	
	Standalone, Unaudited		Standalone, unaudited	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Income				
Revenue from Operations	5072.98	95.43	3371.19	94.57
Other income	242.71	4.57	193.63	5.43
Total Revenue	5315.69	100.00	3564.82	100.00
Expenses				
Cost of Materials Consumed	2550.90	47.99	1601.32	44.92
Purchase of Stock-in-Trade	Nil	Nil	Nil	Nil
Changes in inventories	32.37	0.61	(44.38)	-1.24
Employee benefit expenses	328.57	6.18	279.51	7.84
Finance costs	13.06	0.25	5.37	0.15
Depreciation and amortisation expense	275.72	5.19	149.42	4.19
Other Expenses	833.40	15.68	683.24	19.17
Total Expenses (B)	4034.01	75.89	2674.48	75.02
Profit/(loss) before extraordinary, exceptional items and tax	1281.68	24.11	890.34	24.98
Exceptional items	0	0.00	0	0.00
Profit / (loss) before tax	1281.68	24.11	890.34	24.98
(i) Current tax	329.46	6.20	190.14	5.33
(ii) Deferred tax	(3.70)	-0.07	28.20	0.79

Total Tax Expense				
Profit for the year (D-E)	955.92	17.98	672.00	18.85
Other Comprehensive Income	0	0.00	0	0.00
Total comprehensive income for the year	955.92	17.98	672.00	18.85
Earning Per Share				
Basic	7.96	-	5.60	-
Diluted	7.96	-	5.60	-

Comparison of the Nine months period ended December 31, 2021 compared with Nine Months Period ended December 31, 2020.

Total revenue

Our total revenue, which comprised of revenue from operations and other income, for nine months period ended December 31, 2021 was ₹ 5315.69 Lakhs as compared to ₹ 3564.82 Lakhs for the nine months period ended December 31, 2020 representing an increase of ₹ 1750.87 Lakhs or 49.12%.

Revenue from Operations

Our revenue from operations increased to ₹5072.98 Lakhs as compared to ₹3371.19 Lakhs for nine months period ended December 31, 2020, representing an increase of ₹1701.79 Lakhs or 50.48%. Further the revenues for the nine months period ended December 31, 2020 were also affected due to the lock-down imposed due to Covid-19.

Other Income

Our other income increased by ₹ 49.08 Lakhs or 25.35% from ₹ 193.63 Lakhs in the nine months period ended December 31, 2020 to ₹ 242.71 Lakhs in the nine months period ended December 31, 2021.

Expenditure

Total expenses increased by ₹ 1359.53 Lakhs or by 50.83% from ₹ 2674.48 Lakhs in the nine months period ended December 31, 2020 to ₹ 4034.01 Lakhs in the nine months period ended December 31, 2021.

Cost of Materials Consumed

Our cost of materials consumed increased by ₹ 949.58 Lakhs or by 59.29% from ₹ 1601.32 Lakhs in the nine months period ended December 31, 2020 to ₹ 2550.90 Lakhs in the nine months period ended December 31, 2021.

Change in Inventories

Our inventories increased to ₹ 32.37 Lakhs from ₹ (44.38) in the nine months period ended December 31, 2020. This was primarily due to an increase in manufacturing, sales during the nine months period ended December 31, 2021.

Employee benefits expense

Employee benefits expense increased by ₹49.06 Lakhs or by 17.55% from ₹ 279.51 Lakhs in the nine months period ended December 31, 2020 to ₹ 328.58 Lakhs in the nine months period ended December 31, 2021. This was primarily due to the increase in manufacturing activity, leading to an increase in recruitment, and a general increase in the salaries and wages.

Depreciation and amortisation expense

Our depreciation and amortization expenses increased by ₹126.30 Lakhs or by 84.53% as we have inaugurated our new factory which has an acquisition of new assembly lines, plant and machinery, furniture and fittings, office equipment and computers during the nine months period ended December 31, 2021.

Other expenses

Other expenses increased by ₹ 150.16 Lakhs or by 21.98% from ₹ 683.24 Lakhs in the nine months period ended December 31, 2020 to ₹ 833.40 Lakhs in the nine months period ended December 31, 2021.

Profit before tax

In light of above discussions, our profits increase by ₹391.34 Lakhs or 43.95 % from ₹890.34 Lakhs for the nine months period ended December 31, 2020 to ₹1281.68 Lakhs for the nine months period ended December 31, 2021

Tax expense

Our taxes increased by ₹139.32 Lakhs during the nine months period ended December 31, 2021 due to the increase in profits, as compared to the nine months period ended December 31, 2020.

Profit

For the various reasons discussed above, profit after taxes increased by ₹283.92 Lakhs or 42.25% from ₹672 Lakhs in the nine months period ended December 2020 to ₹955.92 Lakhs for the nine months period ended December 2021.

RELATED PARTY TRANSACTIONS

For details of our related party transactions, see “*Financial Information - Related Party Transactions*” on page 90 in this Draft Letter of Offer.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND DEFAULTS

Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There are no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Letter of Offer.

Except as disclosed below, there are no outstanding litigation with respect to:

- (i) issues of moral turpitude or criminal liability on the part of our Company;
- (ii) material violations of statutory regulations by our Company;
- (iii) economic offences where proceedings have been initiated against our Company;
- (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

Pre-litigation notices received by our Company from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company is impleaded as defendant in litigation proceedings before any judicial forum.

- A. Proceedings involving moral turpitude or criminal liability on the part of our Company: NIL
- B. Litigation involving economic offences where proceedings have been initiated against our Company: NIL
- C. Proceedings involving economic offences initiated against our Company: NIL
- D. Labour Cases: Nil
- E. Litigation involving an amount above the Materiality Threshold

I. Outstanding litigations involving our Company:

1) Criminal proceedings against our company.

Serial	Case No.	Name of the party	Court at which case is filed	Description of the case	Status
1	2260/2018	R.B.Trivedi (Reginal Officer) Gujarat Pollution Control Board	Taluka Court, Anklesvar	Case filed by the Regional officer under Section 15, 16, and 19 of the Environment (Protection) Act, 1986	Pending

2) Criminal proceedings filed by the manager of our company

Serial	Case No.	Name of the party	Court at which case is filed	Description of the case	Status
1	855/2018	Managing Director of Hermes Chemical Co. Pvt Ltd	Taluka Court, Anklesvar	Case filed by the Manager of the company, R. V. Patel under Section 138 and 142 of the Negotiable Instruments Act, 1881	Pending

F) Outstanding civil litigation involving our Company- NA

G) Arbitration- NA

H) Labour cases – NA

I) District Court cases – NA

J) Details of fines imposed or compounding of offences under the Companies Act in the last five years immediately preceding the year of this Draft Letter of Offer: There have been no fines imposed on our Company or compounding of offences by our Company under the Companies Act in the last five years immediately preceding the date of this Draft Letter of Offer.

K) Material frauds against our Company in the last five years immediately preceding the year of this Draft Letter of Offer:

As of the date of this Draft Letter of Offer, there have been no material frauds committed against our Company in the last five years

L) Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act in the last five years immediately preceding the year of this Draft Letter of Offer and if there were prosecutions filed (whether pending or not):

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act in the last five years against our Company

M) Outstanding dues to small scale undertakings or any other creditors

As of 31st December, 2021, we had totally 239 creditors and the aggregate amount outstanding to such creditors as on 31st December, 2021 was ₹ 915.11 Lakhs.

The break-up of creditors on value basis was as under:

S. No.	Creditors	No. of Creditors	Rs In Lakhs
1	Outstanding to MSME	12	31.58
2	Others	227	883.52
	Total	239	915.11

N) Outstanding litigation involving any other persons or companies whose outcome could have an adverse effect on our Company:

There is no outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.

II. Litigation involving our Directors

A] Outstanding criminal litigation involving our Directors

- a) Criminal proceedings against our Directors: Nil
- b) Criminal proceedings by our Directors: Nil
- c) Actions taken by Statutory / Regulatory Authorities: Nil
- d) Other Material Litigations: Nil

B. Outstanding civil litigation involving our Directors

- a) Civil proceedings against our Directors: Nil
- b) Civil proceedings by our Directors: Nil
- c) Actions taken by Statutory / Regulatory Authorities: Nil
- d) Other Material Litigations: Nil

III. Litigation involving our Promoters

A] Outstanding criminal litigation involving our Promoters

- a) Criminal proceedings against our Promoters : Nil
- b) Criminal proceedings by our Promoters: Nil

B] Outstanding civil litigation involving our Promoters

Civil proceedings against involving Promoters: NA

III. LITIGATION INVOLVING OUR SUBSIDIARIES

A] Litigation filed against our Subsidiaries

- a) Criminal Proceedings against our Subsidiaries: Nil.
- b) Actions and Proceedings initiated by Statutory/Regulatory Authorities against our Subsidiaries: Nil.
- c) Civil Proceedings against our Subsidiaries that are considered material as per the materiality policy: Nil.
- d) Other matters considered material: Nil.

B] Litigation filed by our Subsidiaries

- a) Criminal Proceedings by our Subsidiaries: Nil.
- b) Civil Proceedings by our Subsidiaries: Nil.
- c) Other matters considered material: Nil.

IV. Tax proceedings

Except mentioned below in the table there are no other tax proceedings, involving our Company, our Promoters, our Directors, or our Subsidiary Companies are stated below:

Sr. No	Nature of Case	Number of Cases	Amount Involved (in INR)	Interest Accrued	Remarks, if any
A. Against Our Company					
i	Indirect Tax				Nil
ii	Direct Tax				
1	Assessment Year 2019	1	69070/-	Nil	<p><u>Response to Outstanding Amount</u></p> <p><u>Section code 1431a</u></p> <p><u>Disagree with demand (Either in full or Part):</u></p> <p>Dividend declared on 31/08/2019 and Dividend Distribution Tax (DDT) was on 10/09/2019 which is 15 day of declaration of DDT further same detail is fill up in ITR also, However, during the processing CPC had processed the return with error. Hence, the company disagreed demand</p>
B. Against Our Promoters and Promoter Group					
I	Direct Tax				
2	Vilasben Kothia (Assessment Year 2019)	1	9420	Nil	<p>Response to Outstanding Amount</p> <p>Section Code 1431a</p> <p>Challan is already paid having CIN 001135231121902441. However, due to error in new portal such challan is not considered and unable to view the said challan.</p>
3	Chandubhai Kothia* Assessment Year 2011	1	17010	7990	<p>Response to Outstanding Amount</p> <p>(Assessing Officer Response date vide 23/01/2021, demand raised due to mismatch of TDS/Prepaid Taxes. Hence not Collectible.</p>
2	Other Tax Proceedings	-	-	-	-
C. Against our Directors					
i	Direct Tax	-	-	-	-
ii	Other Tax Proceedings	-	-	-	-

Sr. No	Nature of Case	Number of Cases	Amount Involved (in INR)	Interest Accrued	Remarks, if any
D. Against our Subsidiary Companies					
I	Indirect Tax	-	-	-	-
ii	Direct Tax	-	-	-	-

**Chanubhai Kothia is director of our company and also being a promoter his pending tax proceedings is disclosing under the category of promoter.*

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company or the Promoters and nor our Directors are or have been classified as a wilful defaulter by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

MATERIAL CHANGES AND COMMITMENTS

We confirm that other than the disclosures made in the financial statements as appearing in this Draft Letter of Offer, there are no material changes and commitments affecting the financial position of the company.

MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS

To our knowledge no circumstances have arisen since the date of the latest audited balance sheet i.e. March 31, 2021, which may materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.

GOVERNMENT APPROVALS OR LICENSING ARRANGEMENTS

In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations. Our Company has received the necessary consents, licenses, registrations, permissions and approvals from the Government of India and various governmental agencies and other statutory and/ or regulatory authorities required to undertake this Issue and carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals and licenses are valid as of the date of this Letter of Offer and in case of licenses and approvals which have expired; we have either made application for renewal or are in the process of making an application for renewal. Except for the following, no further material approvals from any governmental or regulatory authority are pending to undertake the Issue or continue its business activities.

- I. Material approvals for which applications have been made by our Company, but are currently pending grant: NIL
- II. Material approvals for which renewal applications have been made by our Company:
- III. Material approvals which have expired and for which renewal applications are yet to be made by our Company: NIL
- IV. Material approvals required for which no application has been made by our Company: NIL

We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required by us to undertake this Issue and for our present business and except as mentioned below, no further material approvals are required for carrying on our present business operations. Unless otherwise stated, these approvals are valid as on the date of this Draft Letter of Offer.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.

I. Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. Our Board, pursuant to its resolution dated November 19, 2021, authorized the present Rights Issue;
- b. Our Board approved the Letter of Offer pursuant to its resolution dated [●]
- c. In-principal approval from BSE dated [●]

II. Corporate Approvals

- a. Certificate of Incorporation dated 27th April, 1995,
- b. Fresh Certificate of Incorporation dated 28th July, 2017 issued by Registrar of Companies, Ahmedabad consequent to the conversion into public limited i.e Shree Ganesh Remedies Limited

III. Tax Approvals in relation to our Company

- a. The Permanent Account Number (PAN) of our Company is ABACS1471R
- b. The Tax Deduction Account Number (TAN) of our Company is BRDS13073E
- c. Registration certificate under The Central Goods and Services Tax Act, 2017 (GST) for the state of Karnataka bearing registration no. 24ABACS1471R1Z0.

IV. Approvals obtained in relation to business operations

Our Company requires various approvals and/or licenses to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

Unit I

- a) Consolidated consent and Authorization No. GPCB/ANK/CCA-902(4)/ID-15656/ to manufacture products from March, 2020 to September 20 under the provisions of various Environment Act/Rules, 21.
- b) Licence No. 23822 issued for the time period from 2nd August, 2005 to 31st December, 2025 for the Company's premises to be used as a factory within the limits specified in the plan approved by the Joint Director, Industrial Safety & Health, Surat Region vide No. 651 Date 27-Jan-2006 subject to provisions of the Factories Act, 1948 and the Rules made thereunder.

Unit II

- a) Licence No. 20744 issued for the time period from 1st January 1994 to 31st December, 2025 for the Company's premises to be used as a factory within the limits specified in the plan approved by the Joint Director, Industrial Safety & Health, Surat Region vide No. 932 Date 30-March-1996 subject to provisions of the Factories Act, 1948 and the Rules made thereunder.
- b) Certificate of Importer-Exporter Code (IEC)- 3405004454 by Ministry of Commerce and Industry dated 9th January 2006.
- c) Certificate No. IND.20.3058./IM/U issued by South Asia Commodities, Industries and Facilities Division approving that the company is in accordance with the requirements of the management system standards.
- d) Udyog Aadhaar Registration Certificate by Ministry of Micro, Small and Medium Enterprises.
- e) Certificate No. CA032020-20210021137 issued by GUJARAT BOILER INSPECTION DEPARTMENT duly signed by Shri C V Dunganani, to certify that our company is permitted by him under the provisions of Section 7/8 of the Boilers Act, No. V (Amended 2007) of 1923, to work at a maximum pressure of 10.54 kg/cm²(g) for the period from 24th December, 2020 to 23rd December, 2021
- f) Inspection Report ID 61cc044b00ca1149ccb5ea44 dated 18th January, 2022 for Inspection of Boiler Type-Package-Smoke Tube showing satisfactory results of inspection.

V. Other Approvals

- a) Bureau veritas Certification (ISO 9001:2015 & ISO 14001: 2015 for manufacturing Unit 1 and Unit 2 having scope Manufacture and Dispatch of intermediaries and chemicals such as Amine Hydrochloride salts and speciality fine chemicals for pharmaceutical industry and Manufacture and Dispatch of intermediaries and chemicals (Amine Hydrochloride Salts) for pharmaceutical industry respectively
- b) Approval Notice No. 20171012-41, dated 12th October, 2017 issued by BSE Limited, for Listing of Equity shares of Shree Ganesh Remedies Limited on the SME Platform of the Exchange in order to grant permission to the members of the Exchange to do business in equity shares of the company.
- c) Professional tax certificate No. 2110000695 dated 12th December, 2005
- d) TAN certificate granted by the Income Tax Department of the Government of India in order to prove the Active status and provide a TAN No. BRDS13073E to the company.
- e) GST Registration Certificate bearing registration No. 24ABACS1471R1Z0 in the name of our company, 'Shree Ganesh Remedies Limited', granted by an Approving Authority of Government Of India under Centre Goods and Services Tax Act, 2017.

- f) Trademark approval in the name of our company in Class 35, Under No. 4006093 as of the date 15th November, 2020 in respect of Advertising, Business Management, Business Administration, Office Functions included in Trademark Class 35.
- g) Trademark approval in the name of our company in Class 35, Under No. 4005810 as of the date 10th December, 2021 in respect of Chemical and Pigments Used in Industry, Science, Photography, Agriculture, Horticulture and Forestry; Unprocessed Artificial Resins, Unprocessed Plastics; Manure; Tempering And Soldering Preparations; Chemical Substances For Preserving Foodstuffs; Tanning Substances; Adhesive Used In Industry included in Trademark Class 1.
- h) Acknowledgement certificate dated 19th February, 2007, issued by Joint Commissioner of Industries and General Manager of District Industries Centre, Bharuch, for filing Memorandum of Chemicals 1) Di methyl Amino Propyl Chloride Hydrochloride, 2) Di Methyl Amino Iso Propyl Chloride Hydrochloride, 3) N N Bis (2 Chloro Ethyl) Amine Hydrochloride, 4) Sodium Bromide, 5) Sodium Hydrosulphate, 6) Meta Bromo Anisol, 7) Tetra Butyl Ammonium Bromide, 8) Meta Bromo Di Nitro Benzene (Manufacturing/Service) Enterprise which has been set up in Ankleshwar, Bharuch.
- i) Letter from Employees State Insurance Corporation dated 13th October 2010, granting the access to avail online services like registration of employees and employer, online payment of ESI contribution, submission of returns and other ESI related activities.
- j) Letter from Employee's Provident fund Organisation dated 9th August, 2007 adding our company under the purview of the Employee's Provident Funds and Miscellaneous Provisions Act, 1952 and the schemes framed thereunder.
- k) Certificate dated 6th October, 2007, from Deputy Engineer GIDC Sub-division of DAKSHIN GUJARAT VIJ COMPANY LIMITED stating that our company is having IND Con, bearing Con no. (3Q) 08904/00646/5 and (1Q) 08904/00647/.
- l) Certificate No. 2206414/BHA/2021/01 dated 21st December, 2021, by Office of the controller, Legal Metrology, Gujarat State, for verifying the various weights, measures, etc. belonging to Shree Ganesh Remedies Limited.
- m) Calibration Certificate no. HTC/2021/04/5907 issued on 23rd April, 2021 by HI-TECH CALIBRATION.
- n) Certification of Registration of Trade Marks dated 23rd November, 2018 for registration of the company's name as SHREE GANESH REMEDIES LIMITED in class 35 Under no. 4006093 in respect of Advertising Business Management, Business Administration, Office Functions included in Trademark class 35.
- o) Certificate No. 001/SGRL/147 issued on 1st December, 2021 by the director of Industrial Safety & Health of Gujarat State, Ahmedabad displaying the particulars of Form no. 9 (prescribed under rule 58) and the report of Examination of hoists and lift.

Note :

1. The Company is establishing Unit -5 at Dahej and the company has received consent to establish from GPCB and our Company undertakes to file necessary applications with the relevant authorities for obtaining approvals from Government and Local Authorities as applicable, at the relevant stages.
2. The Company has applied for renewal of certificate for use of a boiler to Gujarat Boiler Inspection Department.

OTHER REGULATORY AND STATUTORY APPROVALS

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on November 19, 2021 pursuant to Section 62(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

Our Board in its meeting held on [●] has resolved to issue Equity Shares to the Eligible Equity Shareholders, at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), in the ratio of [●] Equity Shares for every [●] Equity Share as held on the Record Date. The Issue Price of ₹ [●] per Equity Share has been arrived at, in consultation with the Lead Manager, prior to determination of the Record Date.

Our company has received “In-Principal Approval” from BSE vide their letter dated [●] in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in this Issue. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective Demat accounts of the Equity Shareholders of our Company. For details, see “*Terms of the Issue*” beginning on page 150.

Association of our Directors with securities market

None of our Directors are associated with the securities market.

PROHIBITION BY SEBI

Our Company, Promoters, member of the Promoter Group, Directors and persons in control of our Company have not been prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Letter of Offer.

The companies with which our Promoter or our Directors are associated as promoter or directors have not been debarred from accessing the capital market by SEBI

Neither our Promoter nor our Directors have been declared as Fugitive Economic Offenders.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on BSE. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B - Clause 1 of Schedule VI of the SEBI ICDR Regulations.

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges and has received their “In-Principle Approvals” for listing of the Rights Equity Shares to be issued pursuant to this Issue. BSE Limited is the Designated Stock Exchange for this Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this draft Letter of Offer with the Designated Stock Exchange;
2. The reports, statements and information referred to above are available on the websites of BSE; and
3. Our Company has an investor grievance handling mechanism which includes meeting of the Stakeholders’ Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards

share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

This Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is not exceeding ₹ 5,000.00 Lakhs.

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at instance of the above-mentioned entities and that anyone placing reliance on any other source of information, including website of our Company or Lead Manager would be doing so at his or her own risk.

Investors will be required to confirm and will be deemed to have represented to our Company, Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares

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

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

DISCLAIMER IN RESPECT OF JURISDICTION

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

DISCLAIMER CLAUSE OF BSE LIMITED

The Designated Stock Exchange for the purposes of this Issue is BSE Limited. As required, a copy of this Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by the BSE to us, post scrutiny of this Draft Letter of Offer will be produced by our Company in the Letter of Offer.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER

TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

For more detail, please refer “Notes to Overseas Investor” on page 11 of this Draft Letter of Offer.

FILING

For details, please refer Section Titled “General Information” on page 37 of this Draft Letter of Offer.

LISTING

The Designated Stock Exchange for the purposes of the Right Issue will be BSE Limited. Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Investor Grievances and Redressal System

Our Company has adequate arrangements for the redressal of investor complaints. Redressal norm for response time for all correspondence including shareholders complaints is within 15 (fifteen) days. Additionally, we have been registered with SCORES, as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011. Letters are filed category wise after being duly attended. A well-arranged correspondence system has been developed for letters of a routine nature.

Our Company has constituted Stakeholders Relationship Committee which currently comprises of Chandulal Kothia, Priyam Shah and Gunjan Kothia.

Our Company provides easy access to information regarding our services and ensure timely disclosures of financial as well as non-financial material information. Grievances are resolved in a timely, efficient and fair manner, and processes are promptly initiated to prevent recurrence.

GRIEVANCE REDRESSAL MECHANISM

The Company has an established mechanism for investor services and grievance handling, with RTA and the Compliance Officer of the Company for this purpose, being important functional nodes.

Some of the key steps undertaken by the Company for handling Investor Grievances are enumerated as follows:

- Bigshare Services Private Limited (RTA) is entrusted with handling all share related matters.
- Investors can lodge a complaint by giving details of their name, folio no., DP ID / Client ID, nature and full particulars of their complaint directly to the company at investors@ganeshremedies.com
- All the investor complaints/grievance received through SEBI by online “SEBI Complaints Redress System” (SCORES) are checked regularly and replied/resolved expeditiously.
- As required under Regulation 13 of the Listing Regulations, the Company files with the Stock Exchanges and places the statement of investor complaints at the Board meeting on a quarterly basis.

Status of outstanding investor complaints

As on the date of this Draft Letter of Offer, there were no outstanding Investor complaints.

As mentioned, our Company is registered with the SCORES. Consequently, Investor grievances are tracked online by our Company. The average time taken by the Registrar to the Issue for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner

Investor Grievances arising out of the Issue

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be

retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

All grievances relating to the ASBA process or R-WAP process may be addressed to the Registrar to the Issue, with a copy to the SCSB in case of ASBA process, giving full details such as Folio No. / Demat Account No., name and address, contact telephone/ cell numbers, email id of the first Applicant, number of Rights Equity Shares applied for, serial number of Application Form, amount blocked (in case of ASBA process) or amount debited (in case of R-WAP process), the name of the bank/ SCSB and the branch where the Application Form was deposited, along with a photocopy of the acknowledgement slip (in case of ASBA process) and copy of e-acknowledgment (in case of R-WAP process). In case of renunciation, the same details of the Renouncee should be furnished. For details on the ASBA and R-WAP process, please see the chapter titled “*Terms of the Issue*” on Page 150.

Investors may contact the Compliance Officer at the below mentioned address and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post -Issue related problems such as non-receipt of allotment advice / share certificates / Demat credit / refund orders etc.

Registrar to the Issue

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059

Tel. No: 022- 62628200

Fax No 022 - 62638299

E-mail Id: rightsissue@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Vijat Surana

Company Secretary and Compliance Officer

Sunnykumar Narwani

Plot no. 6011, G.I.D.C, Ankleshwar , Gujarat, 393002

Tel: +91 02646-227777

Email: investors@ganeshremedies.com

Website: www.ganeshremedies.com

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([https:// rightsissue@bigshareonline.com](https://rightsissue@bigshareonline.com)). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties is: 022- 62628200.

SECTION VII - ISSUE INFORMATION

TERMS OF THE ISSUE

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

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility. However, in view of the COVID-19 pandemic and the lockdown measures undertaken by Central and State Governments, relaxation from the strict enforcement of the SEBI – Rights Issue Circular has been provided by SEBI, vide its Circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 06, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 & Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19 2021 (“SEBI Right Issue Circulars/SEBI Relaxation Circulars”). As per the said circular, in case the physical shareholders who have not been able to open a demat account or are unable to communicate their demat details, in terms of clause 1.3.4 of the SEBI – Rights Issue Circular, to the Company or Registrar to the Issue, for credit of REs within specified time, such physical shareholders may be allowed to submit their application subject to the conditions prescribed in the SEBI Circulars dated May 06, 2020, July 24, 2020 and January 19 2021 Further, this R-WAP facility in addition to ASBA and the relaxation on applications to be made by physical shareholders, are onetime relaxations made available by SEBI in view of the COVID 2019 and shall not be a replacement of the existing process under the SEBI ICDR regulations. For guidance on the application process through R-WAP and resolution of difficulties faced by investors, you are advised to read the frequently asked question (FAQ) on the website of the registrar at www.bigshareonline.com.

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

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

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

provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

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

- our Company at www.ganeshremedies.com.
- the Registrar to the Issue at www.bigshareonline.com
- the Lead Managers at www.fedsec.in ;
- the Stock Exchanges at www.bseindia.com;
- the Registrar's web-based application platform at www.bigshareonline.com ("R-WAP").

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the issue at www.bigshareonline.com by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at www.ganeshremedies.com.

Please note that neither our Company nor the Registrar nor the Lead Managers shall be responsible for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the

Application Form, that it is entitled to subscribe for the Equity Shares under the laws of any jurisdiction which apply to such person.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the R-WAP (instituted only for resident Investors in this Issue, in the event the Investors are not able to utilize the ASBA facility for making an Application despite their best efforts). Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see *“Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders”* beginning on page 150 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

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

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- i. the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- ii. the requisite internet banking or UPI details (in case of Application through R-WAP, which is available only for resident Investors).

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and R-WAP. Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see *“Grounds for Technical Rejection”* on pages 161. Our Company, the Lead Managers and the Registrar shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see *“Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process”* beginning on page 156.

Options available to the Eligible Equity Shareholders

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

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

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

A. Procedure for application through ASBA Facility

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

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

Self-Certified Syndicate Banks

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

For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

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

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

Do's for Investors applying through ASBA:

- a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be Allotted in the dematerialized form only.

- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Investors applying through ASBA:

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Lead Managers, the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- d) Do not submit Application Form using third party ASBA account

B. Procedure for Application through the Registrar's Web-based Application Platform (R-WAP)

In accordance with the SEBI Relaxation Circulars, a separate web-based application platform, i.e., the R-WAP facility (accessible at www.bigshareonline.com), has been instituted for making an Application in this Issue by resident Investors. Further, R-WAP is only an additional option and not a replacement of the ASBA process and R-WAP facility should be utilized only in the event that Investors are not able to utilize the ASBA facility for making an Application despite their best efforts.

At the R-WAP, resident Investors can access and submit the online Application Form in electronic mode using the R-WAP. Resident Investors, making an Application through R-WAP, shall make online payment using internet banking or UPI facility. Prior to making an Application, such Investors should enable the internet banking or UPI facility of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds.

Set out below is the procedure followed using the R-WAP:

1. Prior to making an Application using the R-WAP facility, the Investors should enable the internet banking or UPI facility of their respective bank accounts and the Investors should ensure that the respective bank accounts have sufficient funds. If the funds available in the relevant bank account are less than total amount payable on submission of online Application Form, such Application shall be rejected. Please note that R-WAP is a non-cash mode mechanism in accordance with the SEBI Relaxation Circulars.
2. Resident individual Investors should visit R-WAP (accessible at www.bigshareonline.com) and fill the online Application Form available on R-WAP in electronic mode. Please ensure to provide correct DP ID, Client ID, Folio

number (only for resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date), PAN details and all other details sought for while submitting the online Application Form.

3. Non-resident Investors are not eligible to apply in this Issue through R-WAP.
4. Only resident individual Investors are eligible to apply in this issue through R-WAP
5. The Investors should ensure that Application process is verified through the e-mail / mobile number or other means as possible. Post due verification, the Investors can obtain details of their respective Rights Entitlements and apply in this Issue by filling-up the online Application Form which, among others, will require details of total number of Equity Shares to be applied for in the Issue. Please note that the Application Money will be determined based on number of Equity Shares applied for.
6. The Investors who are Renounees should select the category of 'Renounee' at the application page of RWAP and provide DP ID, Client ID, PAN and other required demographic details for validation. The Renounees shall also be required to provide the required Application details, such as total number of Equity Shares to be applied for. A Shareholder who has purchased Rights Entitlement from the Stock Exchanges or through off-market transaction, should select "Eligible Equity Shareholder" category.
7. Investors applying in the Issue through UPI facility should accept the debit/ payment request in the relevant mobile application for which the UPI ID details were provided.
8. The Investors shall make online payment using internet banking or UPI facility from their own bank account only. Such Application Money will be adjusted for either Allotment or refund. Applications made using payment from third party bank accounts will be rejected.
9. Verification in respect of Application through Investors' own bank account, shall be done through the latest beneficial position data of our Company containing Investor's bank account details, beneficiary account details provided to the depository, penny drop, cancelled cheque for joint holder verification and such other industry accepted and tested methods for online payment.
10. The Application Money collected through Applications made on the R-WAP will be credited to the Escrow Account [●] opened by our Company with the Escrow Collection Bank.

For guidance on the Application process through R-WAP and resolution of difficulties faced by the Investors, the Investors are advised to carefully read the frequently asked questions, visit the online / electronic dedicated investor helpdesk at 022- 62628200 .

PLEASE NOTE THAT ONLY RESIDENT INVESTORS CAN SUBMIT AN APPLICATION USING THE R-WAP. R-WAP FACILITY WILL BE OPERATIONAL FROM THE ISSUE OPENING DATE. OUR COMPANY, THE REGISTRAR AND THE LEAD MANAGERS SHALL NOT BE RESPONSIBLE IF THE APPLICATION IS NOT SUCCESSFULLY SUBMITTED OR REJECTED DURING THE BASIS OF ALLOTMENT ON ACCOUNT OF FAILURE TO BE IN COMPLIANCE WITH THE SAME. FOR RISKS ASSOCIATED WITH THE R-WAP PROCESS, SEE "RISK FACTORS - THE R-WAP FACILITY PROPOSED TO BE USED FOR THIS ISSUE MAY BE EXPOSED TO RISKS, INCLUDING RISKS ASSOCIATED WITH PAYMENT GATEWAYS" ON PAGE 21.

Do's for Investors applying through R-WAP:

- a) Ensure that the details of the correct bank account have been provided while making payment along with submission of the Application.
- b) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in the bank account through which payment is made using the R-WAP.
- c) Ensure that you make the payment towards your Application through your bank account only and not use any third-party bank account for making the payment.

- d) Ensure that you receive a confirmation e-mail or confirmation through other applicable means on successful transfer of funds.
- e) Ensure you have filled in correct details of PAN, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date), DP ID and Client ID, as applicable and all such other details as may be required.
- f) Ensure that you receive an acknowledgement from the R-WAP for your submission of the Application.

Don'ts for Investors applying through R-WAP:

- a) Do not apply from bank account of third parties.
- b) Do not apply if you are a non-resident Investor.
- c) Do not apply from non-resident account.

C. Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

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

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

PLEASE NOTE THAT THE APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH R-WAP.

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

1. Name of our Company, being Shree Ganesh Remedies Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Equity Shares entitled to;
8. Number of Equity Shares applied for within the Rights Entitlements;

9. Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Equity Shares applied for;
11. Total amount paid at the rate of ₹ [●] per Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlements nor the Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to existing shareholders who are non-U.S. Persons and located in jurisdictions where such offer and sale of the Equity Shares is permitted under laws of such jurisdictions and (ii) within the United States or to U.S. Persons that are “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) (“U.S. QIB”) pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act, that are also “qualified purchasers” (as defined under the United States Investment Company Act of 1940, as amended) (“QPs”) in reliance upon section 3(c)(7) of the U.S. Investment Company Act. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and a non-U.S. Person and eligible to subscribe for the Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Managers or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Managers or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

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

I/ We understand and agree that the Rights Entitlements and Equity Shares may not be reoffered, resold, pledged or otherwise except in an offshore transaction in accordance with Regulation S to a person outside the United States and not reasonably known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the BSE).

I/ We acknowledge that we, the Lead Managers, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

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

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

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

D. Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

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

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Application by such Eligible Equity Shareholders is subject to following conditions:

- i. the Eligible Equity Shareholders apply only through the alternative application platform, R-WAP (for Original Shareholders only);
- ii. the Eligible Equity Shareholders are residents;
- iii. the Eligible Equity Shareholders are not making payment from non-resident account;
- iv. the Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
- v. the Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

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

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar not later than two Working Days prior to the Issue Closing Date.
2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

3. The remaining procedure for Application shall be same as set out in “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” beginning on page 156

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process or using the R-WAP.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE I.E. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM

Application for Additional Equity Shares

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the applicable Regulations and in the manner as set out in “Basis of Allotment” beginning on page 156.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

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

- a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 156.
- d) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filled on the R-WAP. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- e) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar or the Lead Managers.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the

courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.

- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Managers shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Managers, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

- m) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Managers and our Company will not be responsible for any allotments made by relying on such approvals.
- t) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

Grounds for Technical Rejection

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

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to the Lead Manager, Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.

- (m) Physical Application Forms not duly signed by the sole or joint Investors.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (q) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (r) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (s) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).
- (t) Applications under the R-WAP process are liable to be rejected on the following grounds (in addition to above applicable grounds):
 - i. Applications by non-resident Investors
 - ii. Payment from third party bank accounts

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see "Terms of Issue - Procedure for Applications by Mutual Funds" on page 150.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on R-WAP as well as through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

E. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:

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

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (for

Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.ganeshremedies.com).

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares under dispute, including any court proceedings, as applicable g) non-institutional equity shareholders in the United States.

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

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

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

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. www.bigshareonline.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall

serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

F. Renunciation & Trading of the Rights Entitlements

Renounees

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

Renunciation of Rights Entitlements

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

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

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

Procedure for Renunciation of Rights Entitlements

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

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

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

The Lead Managers and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

a. On Market Renunciation

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

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

Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

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

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

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

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

b. Off Market Renunciation

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

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

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

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

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

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

Basis for this Issue

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

Terms of Payment

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

and the balance ₹ [●] per Rights Equity Share which constitutes [●]% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Shares and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her/ their Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

Ranking

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

Listing and trading of the Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received In-Principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip code: 540737) under the ISIN: INE414Y01015. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

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

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

Subscription to this Issue by our Promoters and members of the Promoter

For details please refer chapter “*Capital Structure*” on page no. 40 of this DLOF.

Rights of Holders of Equity Shares of our Company

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

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

General Terms of The Issue

Market Lot

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

Joint Holders

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

Nomination

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

Since the Allotment of Rights Equity Shares shall be in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants (“DPs”) of the Eligible Equity Shareholders (Investors) would prevail.

Any Eligible Equity Shareholders (Investor) holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its respective Depository Participant.

Arrangements for Disposal of Odd Lots

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

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. However, the Letter of offer Abridged Letter of Offer, Application Form and other applicable Issue materials will be made available on the websites of the Company, registrar to the issue, stock exchanges and the lead manager to the issue. Further, best efforts will be made to reach out the Eligible Equity Shareholders who have not registered their e-mail id with our Company including but not limited to sending SMS or audio-visual advertisement on television or digital advertisement, etc.

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

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

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident Equity Shareholders including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at rightsissue@bigshareonline.com. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Managers and our Company will not be responsible for any such allotments made by relying on such approvals.

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

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

Please note that only resident Investors can submit an Application using the R-WAP.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at the office of the registrar to the issue at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059 or e-mail at rightsissue@bigshareonline.com.

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 177.

ISSUE SCHEDULE

Issue Opening Date	[•]
Last date for on-market renunciation of rights / Date of closure of trading of Rights Entitlement[#]	[•]
Issue Closing Date*	[•]
Finalising the basis of allotment with the Designated Stock Exchange (on or about)	[•]
Date of Allotment (on or about)	[•]
Date of credit (on or about)	[•]
Date of listing (on or about)	[•]

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

**Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or the optional mechanism.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date i.e. [●], see “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page 158.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email-to-email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdiction.

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Issue Materials and the Application Form. However, the Letter of offer Abridged Letter of Offer, Application Form and other applicable Issue materials will be made available on the websites of the Company, registrar to the issue, stock exchanges and the lead manager to the issue. Further, best efforts will be made to reach out the Eligible Equity Shareholders who have not registered their e-mail id with our Company.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (www.ganeshremedies.com).

The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date i.e. [●] and applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on R-WAP and make online payment using the internet banking or UPI facility from their own bank account thereat. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking or UPI details (in case of Application through R-WAP which is available only for resident Investors)

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and R-WAP. Incorrect depository account details or PAN number could lead to rejection of the Application. For details see “*Grounds for Technical Rejection*” on page [●] of this Draft Letter of Offer. Our Company, the Lead Manager, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” on page 156 of this Draft Letter of Offer.

Applications by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renounee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and

are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the Application Form.

Investment / Procedure for applications by FPIs

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

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

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

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

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)

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

Investment by AIFs, FVCIs, VCFs and FDI Route

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

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

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Managers and our Company will not be responsible for any allotments made by relying on such approvals

Applications by mutual funds

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

Procedure for Applications by non-resident Indians (NRIs)

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

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

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Payment by stock invest

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

Last Date for Application

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

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB or if the Application Form is not accepted at the R-WAP, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under the section, “*Basis of Allotment*” on page 176 of this Draft Letter of Offer.

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

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period (before Issue Closing) by approaching the SCSB where application is submitted or sending the e-mail withdrawal request to rightsissue@bigshareonline.com in case of Application through R-WAP facility. However, no Investor, whether applying through ASBA facility or R-WAP facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form and the R-WAP platform would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

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

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA or refunded to the Investors in the same bank account through which Application Money was received, in case of an application using the R-WAP facility. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Modes of Payment

All payments against the Application Forms shall be made only through (i) ASBA facility; or (ii) internet banking or UPI facility if applying through R-WAP. The Registrar will not accept any payments against the Application

Forms, if such payments are not made through ASBA facility or internet banking or UPI facility if applying through R-WAP.

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

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

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

For Resident Investors

All payments on the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through R-WAP. Applicants are requested to strictly adhere to these instructions.

For Non-Resident Investors

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company or the Lead Manager.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case, who make a request in this regard. Non-Resident Investors shall send their Right Entitlement credit request with ID proof to the Registrar to the Issue at rightsissue@bigshareonline.com

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.
- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation

basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE I.E. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

For details of credit of the Rights Equity Shares to such resident Eligible Equity Shareholders, see “*Disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*” on page 178.

Basis of Allotment

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

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

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

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

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

For Applications through R-WAP, instruction will be sent to Escrow Collection Bank(s) with list of Allottees and corresponding amount to be transferred to the Allotment Account(s). Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank(s) to refund such Applicants.

Allotment Advices/Refund Orders/Unblocking of ASBA Accounts

Our Company will send/ dispatch Allotment advice, refund instructions/intimations (including in respect of Applications made through the optional facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and “our Directors” who are officers in default shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days’ period.

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

In case of Applications through the optional facility R-WAP, refunds, if any, will be made to the registered bank account details in demat account. Therefore, the Investors should ensure that such bank accounts remain valid and active.

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

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

In case of those investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, and the Allotment advice regarding their credit of the Rights Equity Shares shall be sent at the address recorded with the Depository. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date i.e. [●].

The letter of allotment or refund order would be sent by registered post or speed post to the sole/ first Investor’s address provided by the Eligible Equity Shareholders to our Company. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked ‘Account Payee only’ and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

Disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner

Notes:

1. Our Company will open a separate demat suspense account to credit the Rights Equity Shares in respect of such Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date and have not provided details of their demat accounts to our Company or the Registrar, at least two Working Days prior to the Issue Closing Date, i.e. [●]. Our Company, with the assistance of the Registrar, will initiate transfer of such Rights Equity Shares from the demat suspense account to the demat account of such Eligible Equity Shareholders, upon receipt of details of demat accounts from the Eligible Equity Shareholders.
2. The Eligible Equity Shareholders cannot trade in such Rights Equity Shares until the receipt of demat account details and transfer to such Eligible Equity Shareholders' respective account.
3. There will be no voting rights against such Rights Equity Shares kept in the demat suspense account. However, the respective Eligible Equity Shareholders will be eligible to receive dividends, if declared, in respect of such Rights Equity Shares in proportion to amount paid-up on the Rights Equity Shares, as permitted under applicable laws.
4. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. The Eligible Equity Shareholders should obtain their own independent tax and legal advice and may not rely on our Company or any of their affiliates including any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Rights Equity Shares (including but not limited to any applicable short-term capital gains tax, or any other applicable taxes or charges in case of any gains made by such Eligible Equity Shareholders from the sale of such Rights Equity Shares).
5. **The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be liable in any manner and not be responsible for acts, mistakes, errors, omissions and commissions, etc., in relation to any delay in furnishing details of demat account by such Eligible Equity Shareholders, any resultant loss to the Eligible Equity Shareholders due to sale of the Rights Equity Shares, if such details are not correct, demat account is frozen or not active or in case of non-availability of details of bank account of such Eligible Equity Shareholders, profit or loss to such Eligible Equity Shareholders due to aforesaid process, tax deductions or other costs charged by our Company, or on account of aforesaid process in any manner.**

Payment of Refund

Mode of making refunds

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

1. Unblocking amounts blocked using ASBA facility.
2. **National Automated Clearing House ("NACH")** – NACH is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centers specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque

leaf, from the Depositories), except where the Applicant is otherwise disclosed as eligible to get refunds through NEFT, Direct Credit or RTGS.

3. **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, such MICR number and the bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. **Direct Credit** - Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for such refund would be borne by our Company.
5. **RTGS** – If the refund amount exceeds ₹ 200,000 Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event such IFSC Code is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for such refund would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

In case of Application through R-WAP, refunds, if any, will be made to the same bank account from which Application Money was received. Therefore, the Investors should ensure that such bank accounts remain valid and active.

Refund payment to Non-residents

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

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor’s bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders or refund warrants which can then be deposited only in the account specified. Our Company will, in no way, be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice or Demat Credit

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Equity Shares in Dematerialized Form

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

Investors shall be Allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and an agreement with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

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

- Open a beneficiary account with any Depository Participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- Non-transferable allotment advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares in this Issue must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” and “*Disposal of Rights Equity Share for non-receipt of demat account details in a timely manner*” on pages 158 and 178, respectively

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- ii. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- iii. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 Lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three (3) times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 Lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 Lakhs or with both.

Minimum subscription

Our Promoters and Member(s) of the Promoter Group have, vide their letter dated *January 18, 2022* (the “Subscription Letters”) confirmed that : (i) they would subscribe, jointly and / or severally only to the extent of upto ₹ 500.00 Lakhs; (ii) they would not subscribe to the Rights Entitlement that may be renounced in their favour by any other Promoters or Member(s) of the Promoter Group of our Company in accordance with Regulation 10(4)(b) and other applicable provisions of the SEBI Takeover Regulations; and (iii) they may renounce their rights entitlement.

Since, the proposed Rights Issue is for an amount less than ₹ 5000 Lakhs minimum subscription criteria provided in regulation 86(1)(b) of the SEBI ICDR Regulations read with Regulation 60 is not applicable. Accordingly, the Rights Issue size would stand reduced to the extent of undersubscription, if any of the Rights Entitlement.

Utilization of Issue Proceeds

Our Board of Directors members declares that:

- A. All monies received out of issue of shares or specified securities to the public shall be transferred to a separate bank account.
- B. Details of all monies utilised out of the issue referred to in clause (A) shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilised; and

- C. Details of all unutilised monies out of this issue referred to in clause (A) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Undertaking

Our Company undertakes the following:

- i. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- ii. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- iii. The funds required for making refunds/unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- iv. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- v. In case of refund/unblocking of the application money/amount for unsuccessful applicants or part of the application money / amount in case of proportionate allotment, a suitable communication shall be sent to the applicants.
- vi. Adequate arrangements shall be made to collect all ASBA Applications and record all Applications made under the R-WAP process
- vii. Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- viii. Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Investor Grievances, Communication & Important Links

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "Shree Ganesh Remedies Limited – Rights Issue" on the envelope and postmarked in India or in the email) to the Registrar at the following address:

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059

Tel. No: 022- 62628200

Fax No 022 - 62638299

E-mail Id: rightsissue@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Vijay Surana

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.bigshareonline.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 022- 62628200.

The Investors can visit following links for the below-mentioned purposes:

- a. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.bigshareonline.com.
- b. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: www.bigshareonline.com.
- c. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.bigshareonline.com.
- d. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: rightsissue@bigshareonline.com

This Issue will remain open for a minimum 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

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

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Circular 2020”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. 366

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue.

The Lead Managers and our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws

and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, may be inspected at the registered office of the Company between 10 a.m. and 5 p.m. on all working days from the date of the Letter of Offer until the Issue Closing Date and Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to investors@ganeshremedies.com.

A) Material contracts for the Issue

1. Issue Agreement dated January 18, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated January 25, 2022 between our Company and Registrar to the Issue.
3. Bankers to the Issue Agreement dated January 18, 2022 amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.

B) Material documents for the Issue

4. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
5. Resolutions of the Board of Directors dated November 19, 2021 in relation to the Issue and other related matters.
6. Resolution passed by our Board of Directors dated [●] finalizing the terms of the Issue including Record Date and the Rights Entitlement ratio.
7. The Audited Financial Statements for year ended March 31, 2021 and March 31, 2020 and the Limited review Standalone Financial Results for period ended December 31, 2021.
8. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditor, Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Bankers to our Company, and Banker to the Issue to include their names in this Draft Letter of Offer and to act in their respective capacities.
9. The Report dated January 12, 2022 from the Statutory Auditors of our Company, confirming the Statement of Special Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Letter of Offer.
10. Prospectus dated August 25, 2017 of the Initial Public Offer.
11. Annual Reports of our Company for FY21, FY20, FY19, FY18 and FY17.
12. In-principle listing approvals dated [●] issued by BSE under Regulation 28(1) of the SEBI Listing Regulations.
13. Due diligence certificate shall be submitted to SEBI by Lead Manager to the Issue.
14. Tripartite agreement amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue
15. Tripartite agreement amongst our Company, National Securities Depository Limited and Registrar to the Issue.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

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

CHANDUBHAI MANUBHAI KOTHIA Chairman and Managing Director DIN: 00652806	GUNJAN CHANDULAL KOTHIA Whole-Time Director DIN: 07408125
PARTH CHANDULAL KOTHIA Whole-Time Director DIN: 08830608	JAYESH KISHANLAL SAVJANI Independent Director DIN: 07740486
PRIYAM SURENDRA SHAH Independent Director DIN: 06858411	VAISHALIBEN KANJIBHAI VADODARIYA Independent Director DIN: 08061214
SURESH PANCHAL Chief Financial Officer	
Place: Anklesvar Date: February 15, 2022	